Energy Solutions



COMPANY PROFILE 2026

Contents

Introduction 3

Goods and Services Offered 4-6

Office Location and Contact Details 7

Our Management Team 8

Engineering Team 9

Selected Work Experience and Projects 10

Flagship Project: 10 kW Solar Hybrid Backup System 11

Flagship Project: Ellis Accommodation - 40 kVA System 12

Productive-Use Solar Irrigation & Water Pumping 13-14

Components of a Solar Irrigation Pumping System 15

Financial Performance - Audited FY2025 Results 16

FY2026 Outlook 17

Bank References 18

Updated Compliance Certificates 19-30

Audited Financial Statements - Year Ended 30 September 2025 31-54

Company Contact / Back Cover 55

Introduction

Founded in October 2015 by Malawian entrepreneurs Owen Chitete and Chimwemwe Msukwa, Energy Solutions Ltd (ESL) stands as a visionary leader in Malawi's renewable energy sector. With a commitment to environmental sustainability and community empowerment, ESL offers a comprehensive range of green energy solutions tailored to meet the diverse needs of households, businesses, and public sector organizations.

Leveraging expertise in solar power, hydroelectric projects, energy-efficient technologies, and grid extension services, ESL is dedicated to making clean, affordable energy accessible across Malawi. Our solutions—designed with innovation and quality at the core—are crafted to promote energy independence, reduce environmental impact, and improve the quality of life for Malawians, especially in underserved and off-grid areas.

At ESL, we believe in the power of renewable energy to drive economic growth and foster sustainable development. Guided by our founders' vision and a highly skilled team, we are committed to pioneering a brighter, greener future for Malawi, one sustainable energy solution at a time.



Vision

To be Malawi's leading force in renewable energy, driving innovation and a sustainable energy future.

Mission

To deliver high-quality, affordable renewable energy solutions that reduce environmental impact and improve livelihoods across Malawi.

Values

Sustainability – Commitment to creating lasting energy solutions that protect and enhance the environment.

Innovation – Continuously innovating to improve the accessibility, efficiency, and effectiveness of our energy solutions.

Integrity – Upholding the highest standards of transparency, accountability, and ethics in all operations.

Community Focus – Aiming to empower and uplift local communities by meeting their energy needs with affordable solutions.

Quality & Excellence – Striving for excellence in every project, ensuring high standards in design, implementation, and customer service.

Goods and Services offered

System Design, Product Supply & Installation

Energy Solutions Ltd (ESL) is a Malawi-registered renewable energy company providing end-to-end solar energy solutions, spanning system design, product supply, installation, commissioning, and after-sales support. ESL's operating model is grounded in technical integrity, regulatory compliance, and long-term system performance.

-

The company delivers a diversified portfolio of solutions tailored to Malawi's energy realities, including:



Solar Home Systems
(SHS) for rural off-grid households

Solar-based power backup systems
for employed households, SMEs, and institutions

Solar-powered irrigation systems
supporting agricultural productivity and climate resilience

Institutional solar PV installations
for commercial, NGO, UN, and public-sector clients



Product Supply and InventoryManagement

ESL maintains a structured and diversified supply chain, sourcing equipment through a combination of regional distributors and direct manufacturer relationships, depending on product category and lead-time considerations.

Key product categories include:

- solar panels and inverters
- lithium-ion and $LiFePO_4$ battery systems
- solar irrigation pumps and
- balance-of-system equipment and accessories

Inventory management is treated as a strategic function, with procurement aligned to confirmed demand, agent pipelines, and project schedules. Over the FY2026–FY2028 period, ESL will transition from rented storage facilities to a purpose-built warehouse, strengthening inventory security, quality control, and operational efficiency

.

Up-to-date information on ESL's product offerings is available via the company website at www.esl.mw.

Grid Extension and Powerlines Construction Services

Energy Solutions Ltd is licensed by the National Construction Industry Council (NCIC) and operates in compliance with the Malawi Energy Regulatory Authority (MERA), enabling the company to legally and professionally undertake electrical works and powerlines construction.

ESL provides comprehensive grid extension and electrical infrastructure services, including:

construction of high, medium, and low voltage powerlines

installation of overhead and underground cable systems

associated electrical works required for grid expansion and reinforcement

These services are delivered by trained technicians and qualified linesmen, with a strong emphasis on safety, quality assurance, and regulatory compliance. ESL applies structured project supervision and quality controls, particularly for institutional and infrastructure projects.

In addition to construction services, ESL maintains the capability to supply key grid infrastructure materials, such as conductors, transformers, and related components where this supports project efficiency and quality control.

Through these services, ESL contributes to Malawi's electricity infrastructure development, supporting reliable power access for both urban and rural communities.



Productive-Use Energy Solutions (Solar Irrigation)

A core pillar of ESL's offering is the design and installation of solar-powered irrigation systems for small- and medium-scale farmers. These systems enable:

- dry-season and multi-season crop production
- improved farm productivity and incomes
- reduced reliance on fuel-based pumping

ESL's irrigation solutions are supported by technical site assessments, standardized pump and system packages, and growing partnerships with financing institutions. Over the FY2026–FY2028 period, irrigation systems form a key growth area within ESL's portfolio, aligned with national priorities on food security and climate resilience.

Quality, Compliance, and Long-Term Sustainability

Across all its services, ESL operates with a strong compliance and quality orientation. The company is:

duly registered with the Registrar of Companies

registered as a taxpayer with the Malawi Revenue Authority (MRA)

compliant with Malawi Energy Regulatory Authority (MERA) requirements
licensed by the National Construc tion Industry Council (NCIC)

This regulatory compliance framework, combined with structured operations, quality assurance protocols, and responsive after-sales support, positions ESL as a credible, finance-ready energy solutions provider capable of serving households, employers, farmers, and institutions across Malawi.





Office Location and Contact Details

Our office and warehouse are conveniently located at Guoji Shopping Complex, B11 in Area 49, Lilongwe, Malawi. You can find us to your left after Area 49 Puma Filling Station, before Best Oil Filling Station, as you head towards Area 25.

Postal Address: P.O. Box 48 Lilongwe,

Email: energysolutions@esl.mw

Website: www.esl.mw

Mobile: +265 995 109 444 /
+265 999 299 300



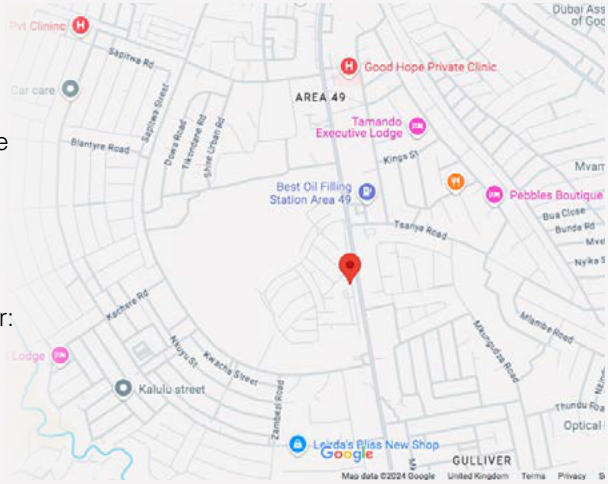
How to find us:

Google Maps:

Copy and paste this link in your google maps app: https://maps.app.goo.gl/orAeK6vUVXqw15xX7

What3Words:

copy and past this link in your browser: https://w3w.co/lurching.simulator.mixing you will be prompted to use your preferred maps and location app.



Our Management Team



Owen Chitete

Co-Founder- Managing Director

- Over 19 years of expertise in business management, accounting, finance, and administration.
- Chartered Accountant in Malawi.
- Holds an MBA from the East and Southern Africa Management Institute (2014).
- Key roles include freelance consulting in financial management
- Oversees finance and administration at ESL, driving organizational and entrepreneurial success.



Chimwemwe Msukwa,

Co-Founder, Director and Operations Director

- Founding member and shareholder of ESL.
- Degrees in International Political Economy and Conflict Dynamics from the University of Malawi, Stellenbosch University, and the University of York.
- Over a decade of experience in business ventures, focusing on clean energy solutions.
- Leads Marketing, Research, and International Sourcing at ESL, aligning with the company's mission.



Mnegro Tim Harawa,

Business Development Manager

- Over 20 years of experience in banking and financial sectors.
- Expertise in customer care and front office banking.
- Holds a Diploma in Banking & Certificate In Financial Accounting
- Currently pursuing a Bachelor of Business Administration (BBA) at the Malawi School of Government.
- Strong foundation in business development, financial planning, and strategic growth.
- Identifies and capitalizes on new business opportunities and expands ESL's market presence.
- Customer-centric approach, combined with financial acumen and ongoing academic advancement, drives ESL's expansion and success

Engineering Team

Chisomo Chinkhande,
Lead Renewable Energy Engineer

With 7 years of experience, Chisomo specializes in designing, developing, and implementing renewable energy systems, including solar, wind, hydro, and biomass. His focus is on creating sustainable energy solutions that improve efficiency and reduce environmental impact.

Simeone Mfune,
Solar /Electrical Chief Technician

A Grade 1 Electrical Certificate holder, Simeone has extensive experience in the installation of Medium & High voltage lines, having worked on MAREP Phase 8 and its extension in various districts. He has also undergone NCIC training on High Voltage Power Lines installation.

Chikumbutso Kumfunda,
Solar/Electrical Chief Technician

He is an expert in electrical wiring and installation, as well as the installation and maintenance of smart home devices and energy-efficient lighting systems.

Maggie Mlenga,
Senior Technician

With 5 years of experience, Maggie specializes in installing, maintaining, and troubleshooting renewable energy systems, such as solar panels and wind turbines.

In addition to its core team, Energy Solutions Ltd works with a vetted pool of regular technicians, including qualified linesmen and renewable energy technicians, engaged on a task- or project-based basis. This model allows

Rachael Lindiwe Chigalu

Graduate Irrigation Engineer

BSc Irrigation Engineering (LUANAR) | MEI Registered Graduate Engineer

Solar water pumping, irrigation systems, field installation and farmer technical support.

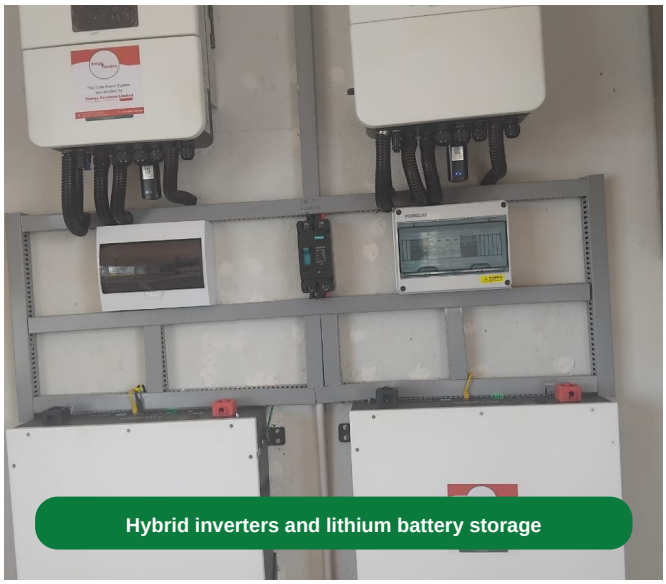
A selection of some of our work experience and projects

DATE	NAME OF CLIENT	DESCRIPTION OF WORKS	Value of the Contract
June 2024	National Oil Company of Malawi	Supply of batteries and Maintenance of solar power backup at NOCMA head office	MK98,809,862.50
June 2024	MARYLAND GLOBAL INITIATIVES-CIHEB	Supply of batteries and Maintenance of solar power backup at Mangochi District Hospital lab	K17,181,625.00
May 2018	National Oil Company of Malawi	Supply of batteries and Maintenance of solar power backup at NOCMA head office	MWK16,106,415
Dec 2018	Ministry of Natural Resources Energy and Mining-Department of Energy Affairs	Construction of Overhead power lines and substations for MAREP Phase 8 Extended –Lot 11	MWK448,782,779.20
Aug 2017	SAWA Group	Construction of Power Lines (HV & MV) And sub stations under MAREP PHASE 8-Lot 1	MWK331,849,031.67
July 2025	International Organisation for Migration (IOM)	Installation of Solar Backup Systems	MWK 97,480,000.00
June 2025	Plan Malawi	Supply and Installation Of Irrigation Pumping System	MWK 16,525,000.00
July 2025	AGRA	Installation of Solar Backup Systems	MWK 22,525,000.00
June 2024 - Jan 2026	Various Individual Solar Backup Installations	3 kW, 5 kW, and one large 18 kW system	MWK 130,839,789.50

SELECTED PROJECT EXPERIENCE

10 kW Solar Hybrid Backup System

Client: Ms Elizabeth Tilley / Global Health Engineering



Hybrid inverters and lithium battery storage



Aerial view of installed solar array



PV array detail

Project Overview

- ESL supplied, installed and commissioned an integrated 10 kW solar hybrid backup system.
- The installation combines solar generation, lithium battery storage and hybrid inverter technology to improve power continuity and reduce grid dependence.
- The works included electrical integration, testing, commissioning and user orientation.

System Magnitude

- 10 kW combined inverter capacity: two 5 kW DEYE single-phase hybrid inverters.
- 10.24 kWh nominal storage: two Dyness DL5.0C 5.12 kWh lithium batteries.
- 3.115 kWp additional PV capacity: seven 445 W LONGi solar modules.
- Complete mounting, protection, cabling and balance-of-system integration.

ESL Delivery Scope

- System configuration and equipment integration; removal of the previous inverter/battery equipment where required.
- PV mounting and connection, AC/DC integration, protection accessories and remote monitoring.
- Skilled installation, logistics, functional testing, commissioning and after-sales technical support.

SELECTED PROJECT EXPERIENCE

40 kVA Three-Phase Solar Power System

Ellis Accommodation | Area 9, Lilongwe



Roof-mounted solar PV array



Aerial view during installation



Inverter and battery installation



ESL technical team on site

System Magnitude

- 40 kVA three-phase solar power system.
- Total system magnitude/value: MWK 91,570,000.
- Large roof-mounted PV array with lithium battery energy storage and hybrid inverter architecture.
- Integrated AC/DC protection, switching, earthing and lightning protection.

ESL's Role

- Installation and system integration rather than full equipment supply.
- Solar mounting structure, cabling and electrical balance-of-system works.
- Protection and safety integration, including isolators, SPDs, distribution boards, changeover switching, earthing and lightning protection.
- Testing, commissioning, mobilisation and skilled technical labour.

FLAGSHIP CAPABILITY: Demonstrates ESL's capacity to execute complex, high-value three-phase solar installations.

MWK 91.57 million denotes total system magnitude; ESL's contracted role covered installation/integration and associated works.

PRODUCTIVE-USE ENERGY

Solar Irrigation & Water-Pumping Solutions

Supporting food production, climate resilience and income-generating agriculture

Energy Solutions Limited (ESL) supplies solar-powered surface and submersible pumping solutions for smallholder farmers, commercial farms, institutions, irrigation schemes and renewable-energy distributors. The business combines pump supply with solar generation, controls, pipework, electrical protection and technical support so that water-pumping solutions can be matched to the required flow, head and application.

Commercial Supply & Market Experience

- **Pump for Future**
  Supply of irrigation pumps for productive-use agricultural applications.
- **Juwan Solar / Juwan Power Control Systems**
  Solar-pump supply and commercial engagement supporting irrigation and productive-use energy.
- **ZA Solar**
  Supply of irrigation pumps through the renewable-energy distribution market.
- **AHL Group - 2025**
  Irrigation-related equipment supplied for the State House application, including irrigation accessories, HDPE polypipe, PV cabling and Trina solar modules.

Why Solar Irrigation Matters

Solar water pumping converts renewable energy directly into productive agricultural activity. By improving access to irrigation water, appropriately designed systems can help farmers extend production beyond the rainy season, cultivate higher-value crops and reduce dependence on diesel or unreliable grid power. In Malawi, irrigation is explicitly linked to agricultural productivity, commercialisation, food security and economic development.

PRODUCTIVE-USE ENERGY

ESL Pump Portfolio & Development Impact

A scalable platform for farms, cooperatives, institutions and irrigation programmes

Pump Portfolio

Surface pumps	**300 W to 2,800 W**	Suitable models for shallow-water lifting and surface-water applications.
Submersible pumps	**300 W to 3,000 W**	DC and DC+AC options for boreholes and deeper-water applications.
Hybrid / larger systems	**Site-specific**	Integrated pump, PV array, controls, protection, pipework and installation.

Contribution to Food Security & Rural Income

- Year-round and dry-season production where water resources and system design permit.
- Reduced exposure to recurring fuel costs for diesel-powered pumping.
- Potential expansion into vegetables and other higher-value crops that generate regular farm income.
- Support for farmer groups and cooperatives seeking to move from subsistence production toward commercial agriculture.
- Clean-energy productive use that can strengthen climate resilience when combined with responsible water management.

ESL's Productive-Use Position

ESL's irrigation-pump business is positioned not only as an equipment sales line, but as a **productive-use energy platform**: renewable power is applied directly to water access, crop production and income generation. This complements ESL's core solar PV, battery-storage and electrical-engineering capability and provides a practical pathway for partnerships with farmers, cooperatives, financial institutions, development programmes and agribusinesses.

Components of a Solar Irrigation Pumping System

Integrated design from solar generation to water delivery

A solar irrigation pumping system is an engineered combination of photovoltaic generation, pumping equipment, controls, protection and water-delivery infrastructure. ESL sizes these components against the water source, required flow, total dynamic head, irrigation demand and operating hours so that the pump and PV array work as one system.

1. Solar PV Array	Generates DC electricity from sunlight. Array capacity is selected to match the pump power requirement, solar resource and desired pumping hours.
2. Solar Water Pump	The hydraulic heart of the system. Surface pumps suit accessible surface/shallow-water sources, while submersible pumps are installed in boreholes or deeper water sources.
3. Pump Controller / Solar Drive	Matches variable PV power to the pump motor, manages start/stop operation and may provide dry-run, overload, over-voltage and under-voltage protection depending on the model.
4. Mounting Structure	Secures the PV modules at a suitable orientation and tilt. Structures must be mechanically robust and appropriate to the site environment.
5. DC/AC Cabling & Electrical Protection	Correctly sized solar cable, isolators, breakers/fuses, surge protection, earthing and associated enclosures protect equipment and personnel and reduce electrical losses.
6. Pipework & Hydraulic Accessories	HDPE/PVC pipe, valves, non-return valves, fittings and delivery lines convey water from the source to the field, tank or irrigation network.
7. Water Storage & Distribution	A storage tank can buffer water between peak solar pumping and irrigation demand. Distribution may use drip, sprinkler or other irrigation methods according to crop and farm design.
8. Monitoring & Sensors (where required)	Float switches, borehole/well level sensors, pressure/flow monitoring and remote monitoring can automate operation and improve asset protection.

DESIGN PRINCIPLE

For direct solar pumping, water storage is often more practical than battery storage; final configuration remains site-specific.

Financial Performance

Audited FY2025 Results and FY2026 Outlook

The financial profile below supersedes the earlier FY2025 figures in the company profile and is aligned to the audited financial statements for the year ended 30 September 2025.

Indicator	FY2025 (MWK)	FY2024 (MWK)	Movement / Comment
Revenue	548,180,577	270,564,422	+102.6%
Gross profit	122,630,813	139,226,603	22.4% gross margin
Profit/(loss) before tax	(4,134,010)	88,780,878	FY2025 loss
Profit/(loss) after tax	(2,803,807)	60,330,182	FY2025 loss
Total assets	428,003,123	351,932,312	+21.6%
Total equity	418,904,466	342,855,467	97.9% of assets
Total liabilities	9,102,657	9,076,846	Low leverage
Inventory	160,876,038	136,521,631	+17.8%
Cash & cash equivalents	10,100,014	66,923,063	Growth investment

Revenue Growth and Market Expansion

FY2025 revenue reached MWK 548.18 million, more than double FY2024 revenue of MWK 270.56 million. This demonstrates substantial expansion in the company's sales base and market activity.

Profitability

Gross profit was MWK 122.63 million. After administrative expenses and other items, the company recorded a loss before tax of MWK 4.13 million and a loss after tax of MWK 2.80 million. The revised profile therefore avoids presenting the earlier unaudited profitability figures as final audited results.

Balance Sheet Strength

Total assets increased to MWK 428.00 million, while total equity stood at MWK 418.90 million. Liabilities remained low at MWK 9.10 million, indicating a strongly equity-funded capital structure and limited leverage.

Working Capital and Liquidity

Inventory increased to MWK 160.88 million as the business expanded stockholding. Cash and cash equivalents reduced to MWK 10.10 million from MWK 66.92 million, reflecting the deployment of resources into operations, inventory and asset growth.

Audit Status

The FY2025 financial statements were audited by KB Audico Chartered Accountants. The independent auditor's report expresses an unmodified opinion that the financial statements present fairly, in all material respects, the company's financial position as at 30 September 2025 and its financial performance and cash flows for the year then ended.

FY2026 Outlook

Commercial Priorities

Building on the significant FY2025 revenue expansion and the enlarged asset base, management's FY2026 focus is on converting scale into stronger margins, cash generation and sustainable profitability.

Solar Home Systems and Distributed Energy

ESL will continue expanding Solar Home Systems for rural and off-grid households, while developing employer- and institution-linked financing channels for salaried customers and organised groups.

Productive-Use Solar and Irrigation

Solar-powered irrigation remains a strategic growth area, supporting smallholder farmers, cooperatives and commercial agriculture through productive-use energy solutions that improve resilience and reduce dependence on fuel-based pumping.

Institutional and Commercial Projects

The company will pursue solar PV, power-backup, electrical infrastructure and powerline opportunities through competitive tenders, partnerships and selective development-finance initiatives aligned to ESL's technical capability.

Financial Discipline

Priority will be placed on inventory turnover, receivables management, pricing discipline and improved cost absorption so that revenue growth translates more consistently into operating cash flow and profitability.

Updated Compliance Appendix

The revised profile incorporates the updated certificate pack supplied by ESL, including Company Registration, Tax Clearance/VAT/WHT, PPDA registration, Business Premises Licence, MERA licensing documents, MSME registration, REAMA membership and CIRA/NCIC registration.

Audited Financial Statements Appendix

The complete audited financial statements for the year ended 30 September 2025 are appended to this revised profile for due-diligence and tender/prequalification use.

Note: Certificate validity dates and licence conditions should always be checked against the attached certificates when the profile is submitted for a specific procurement or regulatory purpose.



Bank References

The Business Development Manager,
NBM Lilongwe Business Centre
Lilongwe Gateway Mall
P.O. Box 1642
Lilongwe
Malawi
+265 111 762 645
+265 111 762 225
lilongwebusinesscentre@natbankmw.com

The Manager,
Centenary Bank
Ekistics House
Convention Drive
P.O. Box 31567
City centre
Lilongwe 3
+265 887 879611/612/613
centenary@centenarybank.co.mw

The Manager,
First Capital Bank
Lilongwe Branch
P/Bag 85
Lilongwe
Malawi
+265 886 449 929;
info@firstcapitalbank.co.mw

Penelope Mwale
Head of Business Banking, NBS Bank P
P.O. Box 829
Lilongwe, Malawi
Email: Penelope.mwale@nbs.mw

A1

Certificate of Incorporation

COMPANY NO. COYR-O6L19BY

GOVERNMENT OF MALAWI
COMPANIES ACT
(Cap. 46:03)

CERTIFICATE OF INCORPORATION

OF

ENERGY SOLUTIONS (ESL) LIMITED

(Private Limited by Shares)

I hereby certify that the above mentioned company incorporated on **Tuesday, 20 October, 2015** as **14732**, has been Reregistered.

Given under my hand at Blantyre, Malawi, this **Tuesday, 23 January, 2024**

Registrar of Companies

Malawi Revenue Authority

Head Office, Msonkho House
Independence Drive,
P/Bag 247
Blantyre, Malawi.

Call Centre
Toll-Free: 672
E-mail: callcentre@mra.mw

Tel: +265 (0) 1 822 588
Fax: +265 (0) 1 822 302
E-mail: mrahq@mra.mw
Website: www.mra.mw

Certificate Number: MRA/LIL/036116

Tax Clearance Certificate

This is to certify that ENERGY SOLUTIONS LTD, Trading as ENERGY SOLUTIONS LTD (TPIN: 20217594), has been cleared on discharge of Domestic Taxes obligations for the period between Apr 1, 2025 and Mar 31, 2026.

This certificate is valid up to Mar 31, 2027.

MALAWI REVENUE AUTHORITY
11 MAY 2026
MANAGER
LILONGWE DOMESTIC TAXES

For Commissioner General

11-May-2026

Pay Taxes for National Development

Validation Code	5026 1318 8004 91	Dial *915# to validate this document for free

ALL CORRESPONDENCE SHOULD BE ADDRESSED TO THE COMMISSIONER GENERAL

A3

VAT Registration Certificate

CERTIFICATE NO. 003331

VAT 2

MALAWI REVENUE AUTHORITY
Domestic Taxes Division
CERTIFICATE OF REGISTRATION FOR VAT

Name of Person Registered: ENERGY SOLUTIONS LTD

Trading as: ENERGY SOLUTIONS LTD

Address of Business: PO BOX 1635 LILONGWE

Taxpayer Identification Number (TPIN): 2 0 2 1 7 5 9 4

Effective Date of Registration: 01-August-2017

Principal Place of Business: AREA 4

Other Places of Business: -

I hereby certify that the above named person has been registered for VAT under the VAT Act, 2005

13-Jul-2017
Date

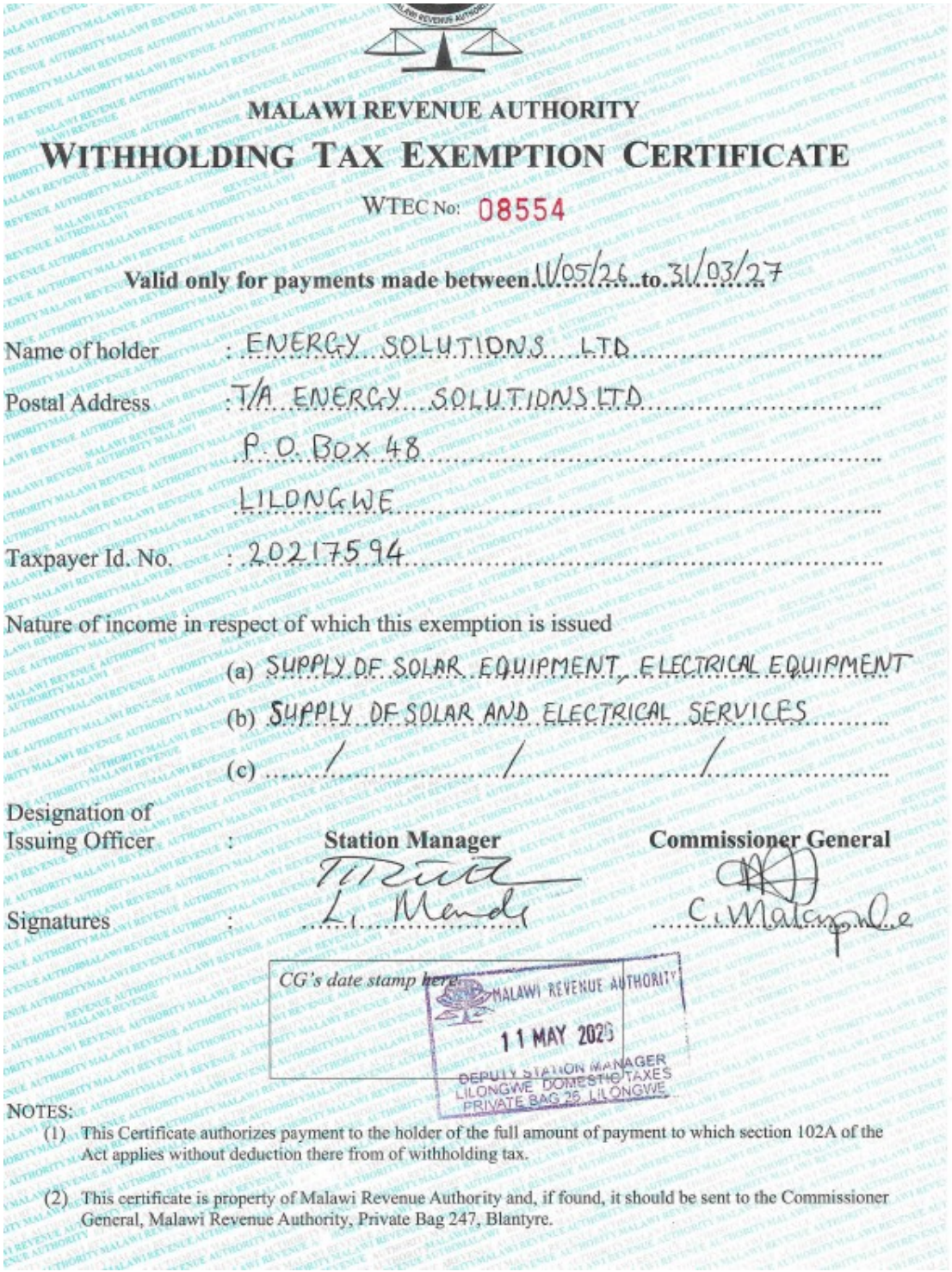
MALAWI REVENUE AUTHORITY
2017 -07- 14
STATION MANAGER
LILONGWE DOMESTIC TAXES
PRIVATE BAG 35, LILONGWE

Commissioner General

Get Smart . Go VAT

MRA/LIL/00002037

Withholding Tax Exemption Certificate



MALAWI REVENUE AUTHORITY

WITHHOLDING TAX EXEMPTION CERTIFICATE

WTEC No: 08554

Valid only for payments made between 11/05/26 **to** 31/03/27

Name of holder : ENERGY SOLUTIONS LTD

Postal Address : T/A ENERGY SOLUTIONS LTD
P.O Box 48
LILONGWE

Taxpayer Id. No. : 20217594

Nature of income in respect of which this exemption is issued

(a) SUPPLY OF SOLAR EQUIPMENT, ELECTRICAL EQUIPMENT

(b) SUPPLY OF SOLAR AND ELECTRICAL SERVICES

(c) / / /

Designation of Issuing Officer : **Station Manager** **Commissioner General**

Signatures : L. Mandy C. Malenga

CG's date stamp here

MALAWI REVENUE AUTHORITY
11 MAY 2026
DEPUTY STATION MANAGER
LILONGWE DOMESTIC TAXES
PRIVATE BAG 25, LILONGWE

NOTES:

(1) This Certificate authorizes payment to the holder of the full amount of payment to which section 102A of the Act applies without deduction there from of withholding tax.

(2) This certificate is property of Malawi Revenue Authority and, if found, it should be sent to the Commissioner General, Malawi Revenue Authority, Private Bag 247, Blantyre.

Public Procurement and Disposal of Asset Authority

Jireh Bible House
Area 3, Off Colby Road
Lilongwe
Malawi

Private Bag 383, Lilongwe 3
Phone: (265) 0 887 083
262/3/4
Email: dg@ppda.mw
Website: www.ppda.mw

Certificate of Registration

This is to Certify that the following entity has been registered with the Public Procurement and Disposal of Assets Authority. The details are as follows

Name of Business/Company	:	ENERGY SOLUTIONS (ESL) LIMITED
PPDA Registration Number	:	MW-EGP-260218-132791
Business Registration Number	:	COYR-O6L19BY
Tax Identification No	:	20217594
Country of Registration	:	Malawi
Email Address	:	energysolutions@esl.mw

Registration For Public Procurement

Category	Price Range	Issue Date	Expiry Date
Services	Above MWK1 billion	Feb 20, 2026	Feb 20, 2027

Timothy Kalembo

Verify by scanning this QR code.

www.ppda.mw

Promoting Accountability, Transparency, and Integrity in Public Procurement in Malawi

A6

Business Premises Licence

The Republic of Malawi
Lilongwe City Council

Business Premises License

License Number	BPL2611699100
Business Premises	ENERGY SOLUTIONS LIMITED
License Category	GENERAL RETAILERS
Type	RETAILERS - CENTRAL BUSINESS DISTRICT
Constituency	NANKHAKA
Address (Location)	WARD: MVAMA, AREA: 49/5 ,
Issued To	ENERGY SOLUTIONS LIMITED
Amount Paid	250,000.00(MWK)
Issued By	LILONGWE CITY COUNCIL
Issued Date	10-APR-2026
Expiry Date	31-MAR-2027
Printed On	APR 23, 2026, 8:50:17 AM

LICENSING AUTHORITY

NOTE: THIS LICENSE MUST BE PROMINENTLY DISPLAYED ON THE BUSINESS PREMISES AND IT IS NOT TRANSFERABLE

THIS LICENSE IS A PROPERTY OF LILONGWE CITY COUNCIL (THE COUNCIL) AND THE COUNCIL RESERVES THE RIGHT TO WITHDRAW IT AT ANY TIME IF THE CONDITIONS UNDER WHICH IT IS

A7

Electrical Installations Permit - Class B1



ELECTRICITY ACT
(CAP 73:01)

ELECTRICITY BY-LAWS 2018 (by - law 10)

ELECTRICAL INSTALLATIONS PERMIT FOR COMPANY/FIRM

Permit No.: EIP/B1/02/09/2115

The Malawi Energy Regulatory Authority in exercise of powers conferred to it by By-Law 10 of the Electricity By-laws, and the Electricity Act, hereby issues a **Class B1 Permit** to **ENERGY SOLUTIONS LIMITED** of **P.O. BOX X 24, LILONGWE** at the competency of **ALINAFE BRIGHT MUSOPOLE** being certified person(s) employed to carryout Electrical Installations in the Republic of Malawi, in accordance with provisions of **Class B1 Permit**.

This Permit shall expire on the **31st** day of **December 2026** and may be renewed on application being made for this purpose.

Issued this **14th** day of **January 2026.**

THE COMMON SEAL OF THE MALAWI ENERGY REGULATORY AUTHORITY WAS HEREUNTO AFFIXED

for Malawi Energy Regulatory Authority

This Electrical Installations Permit is issued subject to the Electricity By-laws and the Electricity Act of which the Licensee admits cognizance.

A8

Renewable Energy Activities Licence



FORM ERET 2

ENERGY REGULATION ACT

(Cap.73:02)

ENERGY REGULATION BY-LAWS, 2009

LICENCE FOR RENEWABLE ENERGY ACTIVITIES (By-Law 43)

No.: ERET/E2/02/09/8195

This Licence is hereby granted to **ALINAFE BRIGHT MUSOPOLE** of **ENERGY SOLUTIONS LIMITED, P.O. BOX X24, LILONGWE** for the **INSTALLATION AND MAINTENANCE** of renewable energy technologies subject to the conditions prescribed by the Energy Regulations By-Laws 2009, made under the Energy Regulations Act Cap. 73:02.

This Permit shall expire on the **31st** day of **December 2026** and may be renewed on application being made for this purpose.

Issued this **14th** day of **January 2026.**

THE COMMON SEAL OF THE MALAWI ENERGY REGULATORY AUTHORITY WAS HEREUNTO AFFIXED

for Malawi Energy Regulatory Authority

This Licence is issued subject to the Energy Regulation By-laws, 2009 and Electricity By-laws, 2012, of which the Licensee admits cognisance.

A9

Medium Enterprise Registration Certificate



MSME ORDER

MEDIUM ENTERPRISE REGISTRATION

Certificate

14732

BUSINESS REGISTRATION NUMBER: .....

THIS IS TO CERTIFY THAT

ENERGY SOLUTIONS LIMITED

IS REGISTERED AS A MEDIUM ENTERPRISE IN MALAWI

This certificate is valid from 19-05-2025 to 18-06-2027

Given under the hand of the Secretary for Trade at Lilongwe, Malawi

Ministry of Trade & Industry
18 JUN 2025
P.O. Box 30366, Capital City
Lilongwe 3

SECRETARY FOR TRADE AND INDUSTRY

18/06/25
DATE

A10

REAMA Membership Certificate



A11

Electrical Contractor Registration - Class 4



EL-2026-3865

CIRA

CONSTRUCTION INDUSTRY
REGULATORY AUTHORITY

(CAP. 53:05)

CERTIFICATE OF REGISTRATION

This is to certify that

CHIMWEMWE MSUKWA

t/a

ENERGY SOLUTIONS

is/are on this **2nd** day of **June, 2026**

duly registered under number **FIRM-2025-1263** as a

CONTRACTOR

in the category of

ELECTRICAL - CLASS 4 (500 MILLION)

and the firm is a

MALAWIAN FIRM

In accordance with the provisions of the National Construction Industry Act (Cap. 53:05) and the regulations made thereunder.

This certificate expires on **31st March 2027**

OFFICIAL DISTRIBUTOR CERTIFICATE

This is to certify that

Energy Solutions (Mw) Ltd.

Guoji Shopping Complex, Area 49, P.O Box 48, Lilongwe, Malawi.

is authorized by **Pengyang Pump Taizhou Co.,Ltd** to distribute and service its products under the trademark of

SAMKING

in the area of
MALAWI

and fully trained to service and to do all the maintenance activities for all Samking's product range.

this certificate is valid until
2027/12/31

The Management

吴友萍

Miss. Youping Wu (President)

Pengyang Pump Taizhou Co.,Ltd

Building 1, Intelligent Manufacturing Industrial Park(Zone 1)
Jiulong Town, Hailing District, Taizhou City, Jiangsu Province, China

Pengyang Pump Taizhou Co.,Ltd. 泰州市鹏阳泵业有限公司 3212021914423

Date: 2026/07/29

ENERGY SOLUTIONS LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

ENERGY SOLUTIONS LIMITED

NATURE OF BUSINESS
The principal activity of the company is provision of renewable energy and electrical products and services.

DIRECTORS
Mr. Chimwemwe Msukwa - Director
Mr. Owen Chitete-Managing Director

REGISTERED OFFICE
Guoji Shopping Complex, Area 49, Shop B11,
P.O. Box 48
LILONGWE

AUDITORS

INDEX TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

Contents

	Page
Directors' responsibility statement	1
Report of the independent auditors	2-3
Statement of financial position	4
Statement of profit or loss and other comprehensive income	5
Statement of changes in equity	6
Statement of cash flows	7
Notes to the financial statements	8-24

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Companies Act No.15 of 2013, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Directors have assessed the ability of the company to continue operating as a going concern and believe that the preparation of the financial statements on a going concern basis is appropriate.

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements and related notes have been examined by the company's external auditors and their report is presented on page 2 to 3.

The financial statements set out on pages 4 to 22, which have been prepared on the going concern basis, were approved by the Board and were signed on its behalf by:-

Managing Director

20 March 2026

Finance Director

20 March 2026

KB AUDITCO
CHARTERED ACCOUNTANTS

P. O. Box X286, Lilongwe, Malawi
+265 888 295 137 / +265 999 761 500
+265 997 241 351 / +265 884 833 051
Email: info@kbaccountingmw.com

Head office
Lilongwe: Area 4, Off Chilambula Road, Corporate Mall, Near Road Traffic, First Floor, Wing A, Office 11

Regional office
Blantyre: Off Masauko Chipembere Highway, Opposite Old UDF Office, City Plaza Building, Business & Communication Center, Second Floor, Office 33

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF ENERGY SOLUTIONS LTD

Opinion

We have audited the financial statements of Energy Solutions LTD set out on pages 4 to 22, which comprise the statements of financial position as at 30 September 2025, and income statement, changes in reserves and cash flows for the period then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Energy Solutions LTD as at 30 September 2025, and of its financial performance and cash flows for the then year then ended in accordance with Generally Accepted Accounting Principles, and in the manner required by the Companies Act, 2013.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standard Board for Accountants' *Code for Ethics for Professional Accountants* (IESBA Code) and we have fulfilled our ethical responsibilities in accordance the IESBA Code. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors' report which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Responsibilities of directors for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SME's) and in the manner required by the Companies Act, 2013 of Malawi and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance 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, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 internal benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Emmanuel Nyirenda – Malawi Accountants Board Registration # CA/RP/092

KB AuditCo
LILONGWE

Signed by: .....
CA, Emmanuel Nyirenda (CPA, FCCA, MBA)
Managing Partner
Lilongwe
Malawi

CA EMMANUEL NYIRENDA
CPA, FCCA, MBA
CERTIFICATE NO. CA/RP/092

Date : 23/02/2026

ENERGY SOLUTIONS LIMITED

STATEMENT OF FINANCIAL POSITION
as at 30 September 2025

	Note	2025 MWK	2024 MWK
ASSETS			
Non current assets			
Property, plant and equipment	4	**201,600,128**	78,036,422
Investment	5	**4,733,100**	-
		206,333,228	78,036,422
Current assets			
Stock	11	**160,876,038**	136,521,631
Trade and other receivables	12	**48,385,600**	70,323,720
Tax receivable	15	**2,308,244**	127,477
Cash and cash equivalents	10	**10,100,014**	66,923,063
		221,669,896	273,895,891
Total assets		**428,003,123**	**351,932,313**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	5	**360,693,584**	281,754,778
Retained earnings		**58,206,882**	61,100,689
		418,900,466	342,855,467
Non-Current liabilities			
Deffered tax	16	**1,850,810**	3,091,013
		1,850,810	3,091,013
Current liabilities			
Trade and other payables	6	**7,251,846**	5,985,833
		7,251,846	5,985,833
Total liabilities		**9,102,657**	9,076,846
Total equity and liabilities		**428,003,123**	**351,932,312**

The financial statements were authorised for issue by the Board of Directors on 20th March 2026 and signed on its behalf by:-

20 Mar, 2026

Managing Director

ENERGY SOLUTIONS LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 30 September 2025

	Note	2025 MWK	2024 MWK
Revenue	7	548,189,577	270,564,422
Cost of sales	9	(425,530,813)	(139,226,603)
Gross profit		122,658,765	131,337,819
Other income	8	2,685,615	-
Administrative expenses	12	(129,478,389)	(42,556,941)
Profit before tax		(4,134,010)	88,780,878
Income tax expense	13	1,240,203	(28,450,695)
Profit for the year		**(2,893,807)**	**60,330,182**

ENERGY SOLUTIONS LIMITED

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 September 2025

	Share capital MWK	Retained earnings MWK	Total MWK
Balance at 30 September 2023	**170,970,504**	**770,506**	**171,741,011**
Additional capital	110,784,274	-	110,784,274
Profit for the year	-	60,330,182	60,330,182
Balance at 30 September 2024	**281,754,778**	**61,100,689**	**342,855,467**
Capitalisation of Building	106,000,000		106,000,000
Adjustment	(27,061,194)	-	(27,061,194)
Profit for the year	-	(2,893,807)	(2,893,807)
Balance at 30 September 2025	**360,693,584**	**58,206,882**	**418,900,466**

Capitalisation of Building:
This relates to an advance payment made toward the purchase of a building by the shareholders. The building was subsequently transferred to Energy Solutions and recognized as a capital contribution by the shareholders.

Adjustments:
These relate to prior-year adjustments arising from investments in the capital market and certain payables that were omitted during the previous year's financial reporting. The balances have now been recognized to correct the prior

ENERGY SOLUTIONS LIMITED

STATEMENT OF CASH FLOWS
for the year ended 30 September 2025

	Note	2025 MWK	2024 MWK
Cash flows from operating activities			
Profit before tax		(4,134,010)	88,780,878
Adjustments for non cash items:			
Depreciation		11,383,179	12,052,102
Gain on disposal of assets		(2,685,615)	
		4,563,555	100,832,980
Movements in working capital			
Increase in inventories		(24,354,406)	(126,927,124)
Decrease in trade and other receivables		21,938,120	87,449
Increase in trade and other payables		1,266,013	3,455,917
Cash generated from operations		**3,413,282**	**(22,550,779)**
Tax paid		(2,180,767)	-
Net cash inflow from operating activities		1,232,515	(22,550,779)
Cash flows from investing activities			
Purchase of property and equipment		(140,211,271)	(23,488,523)
Proceeds from disposal of assets		7,950,000	-
Investment adjustment		(4,733,100)	-
Net cash used in investing activities		(136,994,371)	(23,488,523)
Cash flows from financing activities			
Additional capital		106,000,000	110,784,274
Capital adjustment		(27,061,194)	-
Net cash used in financing activities		78,938,806	110,784,274
(Decrease)/increase in cash and cash equivalents		(56,823,049)	64,744,971
Cash and cash equivalents at beginning of the year		66,923,063	2,178,092
Cash and cash equivalents at the end of year	10	**10,100,014**	**66,923,063**

1 GENERAL INFORMATION

1.1 Nature of business
Energy solutions Limited is an energy company incorporated under the Companies Act No.15 of 2013 and domiciled in Malawi. The principal activity of the company is provision of renewable energy and electrical products and services.

1.2 Currency
The company's functional and presentation currency is the Malawian Kwacha ("MWK").

2 ACCOUNTING POLICIES

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

The financial statements are based on statutory records that are maintained under the historical cost convention.

These financial statements have been prepared in accordance with International Financial Reporting Standards and Interpretations (collectively IFRS) issued by the International Accounting Standards Board (IASB).

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires the company's management to exercise judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

2.2 Changes in accounting policies
b) New standards, interpretations, and amendments not yet effective and not early adopted
The following are the new standards, interpretations and amendments to standards that had been issued by IASB and took effect from 1 January 2020:

- *Definition of a Business* (Amendments to IFRS 3);
- *Interest Rate Benchmark Reform* – IBOR 'phase 2' (Amendments to IFRS 9, IAS 39 and IFRS 7); and
- *COVID-19-Related Rent Concessions* (Amendments to IFRS 16).

These amendments to various IFRS standards are mandatorily effective for reporting periods beginning on or after 1 January 2021, however, the Company has adopted them early for the current reporting period. The amendments provide relief to Company in respect of certain loans whose contractual terms are affected by interest benchmark reform. See the applicable notes for further details on how the amendments affected the Company.

i. COVID-19-Related Rent Concessions (Amendments to IFRS 16)
Effective 1 June 2020, IFRS 16 was amended to provide a practical expedient for lessees accounting for rent concessions that arise as a direct consequence of the COVID-19 pandemic and satisfy the following criteria:

(a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;

2.2 Changes in accounting policies (cont'd)

(b) The reduction is lease payments affects only payments originally due on or before 30 June 2021; and
(c) There is no substantive change to other terms and conditions of the lease.

i. COVID-19-Related Rent Concessions (Amendments to IFRS 16)
Rent concessions that satisfy these criteria may be accounted for in accordance with the practical expedient, which means the lessee does not assess whether the rent concession meets the definition of a lease modification. Lessees apply other requirements in IFRS 16 in accounting for the concession. The Company has no significant lease payments hence not applicable.

Other standards
New standards that have been adopted in the annual financial statements for the year ended 31 December 2020, but have not had a significant effect on the Company are:

- IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (Amendment – Disclosure Initiative - Definition of Material); and
- Revisions to the Conceptual Framework for Financial Reporting.

New standards, interpretations and amendments not yet effective

IAS 8:30 When an entity has not applied a new IFRS that has been issued but is not yet effective, disclose
(c) this fact; and
(d) known or reasonably estimable information relevant to assessing the possible impact that application of the new IFRS will have on the entity's financial statements in the period of initial application.

IAS 8:31 In complying with IAS 8:30, consider disclosing:
(f) the title of the new IFRS;
(g) the nature of the impending change or changes in accounting policy;
(h) the date by which application of the IFR is required;
(i) the date at which it plans to apply the IFRS initially; and
(j) either:
(iii) a discussion of the impact expected; or
(iv) if that impact is not known or reasonably estimable, that fact.

b) New standards, interpretations and amendments not yet effective
There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the company has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2022:

- *Onerous Contracts – Cost of Fulfilling a Contract* (Amendments to IAS 37);
- *Property, Plant and Equipment: Proceeds before Intended Use* (Amendments to IAS 16);
- *Annual Improvements to IFRS Standards 2018-2020* (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- *References to Conceptual Framework* (Amendments to IFRS 3).

2.2 Changes in accounting policies (cont'd)

In January 2020, the IASB issued amendments to IAS 1, which clarify the criteria used to determine whether liabilities are classified as current or non-current. These amendments clarify that current or non-current classification is based on whether an entity has a right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. The amendments also clarify that 'settlement' includes the transfer of cash, goods, services, or equity instruments unless the obligation to transfer equity instruments arises from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument.

The amendments were originally effective for annual reporting periods beginning on or after 1 January 2022.

However, in May 2020, the effective date was deferred to annual reporting periods beginning on or after 1 January 2023.

The Company is currently assessing the impact of these new accounting standards and amendments. The Company does not believe that the amendments to IAS 1 will have a significant impact on the classification of its liabilities, as the conversion feature in its convertible debt instruments is classified as an equity instrument and therefore, does not affect the classification of its convertible debt as a non-current liability.

Other
The Company does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Company.

2.3 Property, plant and equipment
Property, plant and equipment is initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amounts or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the entity and the costs can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the period in which they are incurred. Subsequent to initial measurement, property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses.

Their useful lives and residual values are assessed annually and adjusted if appropriate. The residual value of an asset is the estimated amount that would currently be obtained from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in condition expected at the end of its useful life. 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. Gains and losses on disposals are determined by comparing proceeds with the carrying amounts. These gains and losses are included in profit or loss.

Annual depreciation is charged proportionately over the remaining useful life of an asset where its carrying amount is higher than its residual value. If the carrying amount is lower than the residual value, no depreciation is charged. Subject to the above property, plant and equipment is depreciated on a straight line basis as follows:-

. Buildings	50 years
. Furniture and fittings	10 years
· Computer equipment	10 years
. Motor vehicles	5 years

i) Impairment of property, plant and equipment
The carrying amount of property, plant and equipment is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Any impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

ii) Derecognition of property, plant and equipment
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from use or disposal.

2.4 Inventories
Inventories comprise of chemicals, consumables and construction materials. Inventories are initially measured at cost and subsequently stated at the lower of cost and net realisable value, after making allowance for obsolute inventories. Net realisable value is the estimate of the selling price in the ordinary course of business, less selling expenses.

The first in and first out basis is the method used to value inventories. Write downs to net realisable value and inventory losses are expensed in the period in which the write downs or losses occur.

2.5 Financial instruments

2.5.1 Financial assets
The company's financial assets comprise trade and other receivables and cash and cash equivalents in the statement of financial position. These financial assets are measured at amortised cost and are accounted for as follows:

Amortised cost
These assets arise principally from the provision of construction and borehole drilling services to customers, but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables.

For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

2.5.1 Financial assets (cont'd)

Impairment provisions for receivables from related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Derecognition of financial assets
Financial assets are derecognised when the rights to receive cash flows have expired or where they have been transferred and the company has also transferred substantially all risks and rewards of ownership.

Impairment of financial assets
A financial asset is deemed to be impaired when its carrying amount is greater than its estimated receivable amount, and there is evidence to suggest that the impairment occurred subsequent to the initial recognition of the asset in the financial statements. Impairment loss is recognised in expenditure.

2.5.2 Financial liabilities

i) Trade and other payables
These financial liabilities are initially measured at fair value and subsequently carried at amortised cost using the effective interest rate method.

ii) Borrowings and related party loan
Borrowings and related party loan are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

2.6 Income tax

i) Current tax
Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

ii) Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.6 Income tax (cont'd)

ii) Deferred tax (cont'd)

Deferred tax liabilities are recognised for all taxable temporary differences except: Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary differences can be controlled and it is probable that reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised except: "where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures. Deferred tax assets are recognised only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Unrecognised deferred income tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Income tax relating to items recognised directly in equity is recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax relate to the same taxable entity and the same taxation authority.

2.7 Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise of cash on hand, bank balances and amounts due from other banks.

2.8 Related parties

Transactions with related parties are at arm's length basis. Amounts outstanding from and to related parties are unsecured and settled in cash.

2.9 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Revenue represents sales for the construction of buildings and drilling of borehole services provided in the normal course of business and are recognised when goods have been delivered.

To determine whether to recognise revenues, the Company follows a 5 step process:-

- Identify the contract(s) with a customer;
- Identify the performance obligation in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

According to IFRS 15, an entity recognizes revenue when (or as) a performance obligation is transferred to the customer.

2.9.1 Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and effective interest rate applicable.

2.9.2 Other income

Other income consists of income earned from activities that are not related to the entity's main business. For example, gain on disposal of fixed assets and exchange gain on translation of a foreign currency bank.

2.10 Cost of sales

Cost of goods sold is primarily comprised of direct materials and supplies consumed in the production, as well as labour, depreciation expense and direct overhead expense. Cost of goods sold also includes the cost to distribute products to customers, inbound freight costs and other shipping and handling activity.

2.11 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

2.12 Employee benefits

Retirement benefits are provided for company employees through independently administered defined contribution funds. Contributions to defined contribution pension schemes are charged to profit or loss in the year to which they relate.

2.13 Foreign currency transactions

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transactions.

2.9 Revenue recognition (cont'd)

2.14 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events and reliable estimate of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

2.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred using the effective interest method.

3. CRITICAL JUDGMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts presented in the financial statements and related disclosures. Use of available information and the application of judgment is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements. Significant judgments, estimates and assumptions include:-

i) Impairment testing

The Company is required to test, on an annual basis, whether an asset has suffered any impairment. Impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. The determination of value in use requires the estimation of future cash flows and of a discount rate.

ii) Trade receivables

The company assesses its trade receivables for impairment at each reporting date. In determining whether an impairment loss should be recorded in the statement of profit or loss, the company makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
for the year ended 30 September 2025

4 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings MWK	Motor Vehicle MWK	Furniture & Fittings MWK	Computer Equipment MWK	Total MWK
Net carrying amount as at 30 September 2023	**41,800,000**	**24,800,000**	-	-	**66,600,000**
Gross carrying amount - cost	43,800,000	32,200,000	4,697,600	3,714,354	84,411,954
Accumulated depreciation and impairment	(2,000,000)	(7,400,000)	(4,697,600)	(3,714,354)	(17,811,954)
Additions	6,200,363	-	9,784,053	15,916,062	31,900,478
Depreciation for the year	(2,000,000)	(7,400,000)	(5,315,745)	(5,748,311)	(20,464,056)
Net carrying amount as at 30 September 2024	**46,000,363**	**17,400,000**	**4,468,308**	**10,167,751**	**78,036,422**
Gross carrying amount - cost	50,000,363	32,200,000	14,481,653	19,630,416	116,312,432
Accumulated depreciation and impairment	(4,000,000)	(14,800,000)	(10,013,345)	(9,462,665)	(38,276,010)
Additions	130,474,396		-	9,736,875	140,211,271
Disposal	-	(5,264,385)	-	-	(5,264,385)
Depreciation for the year	(4,609,488)	(2,427,123)	(446,831)	(3,899,738)	(11,383,179)
Net carrying amount as at 30 September 2025	**171,865,270**	**9,708,492**	**4,021,478**	**16,004,888**	**201,600,128**
Gross carrying amount - cost	180,474,758	26,935,615	14,481,653	29,367,291	251,259,317
Accumulated depreciation and impairment	(8,609,488)	(17,227,123)	(10,460,176)	(13,362,403)	(49,659,189)

		2025 MWK	2024 MWK
5	**INVESTMENTS**		
	Investment on stock market	4,733,100	-
6	**TRADE AND OTHER PAYABLES**		
6.1	**Trade payables**		
	Accounts payables	1,380,525	2,529,916
		1,380,525	2,529,916
6.2	**Other payables**		
	VAT	1,871,321	3,455,917
	Customers deposits	4,000,000	-
		5,871,321	3,455,917
		7,251,846	5,985,833
7	**REVENUE**		
	Solar Panels, Batterie & accessor	548,189,577	270,564,422
		548,189,577	270,564,422
8	**OTHER INCOME**		
	Gain on disposal of the assets	2,685,615	-
		2,685,615	-
9	**COST OF SALES**		
	Solar Panels, Battery& accessor	425,530,813	139,226,603
		425,530,813	139,226,603
10	**CASH AND CASH EQUIVALENTS**		
	Bank balance	10,100,014	66,923,063
		10,100,014	66,923,063
11	**Stock**		
	Solar Panels, Batterie & accessories	160,876,038	136,521,631
		160,876,038	136,521,631
12	**TRADE AND OTHER RECEIVABLES**		
12.1	**Trade receivables**		
	Accounts receivables	43,061,250	70,323,720
		43,061,250	70,323,720
12.2	**Other receivables**		
	Employee Loans	4,324,350	-
	Bid Security Deposit	1,000,000	-
		5,324,350	-
		48,385,600	70,323,720

		2025 MWK	2024 MWK
13	**Expenses**		
	Bad Debts	7,880,000	3,500,000
	Bank Service Charges	1,306,070	777,574
	Business development	35,725,505	2,112,717
	Depreciation	11,383,179	12,052,102
	Dues and Subscriptions	2,404,463	585,500
	Employee Costs	28,240,918	3,637,000
	Equipment Rental	261,165	-
	Insurance Expense	133,200	244,247
	Interest Expense	525,000	1,000,000
	Internet and Communication cost	3,630,839	1,402,303
	Meals and Entertainment	589,875	141,583
	Miscellaneous Expense	1,201,527	5,913,190
	Motor Vehicle Expenses	8,011,780	2,368,342
	Office Expense	8,489,571	4,195,227
	Postage and Delivery	59,700	548,500
	Professional Fees	7,823,348	-
	Protective Clothing	859,770	-
	Rent and Rates	20,000	1,058,250
	Repairs and Maintenance	4,143,000	1,087,303
	Stationeries	4,139,450	1,758,105
	Travelling and Entertainment	2,120,164	-
	Utilities	529,866	175,000
		129,478,389	42,556,941
14	**DEFERRED TAX**		
	Opening balance	3,091,013	-
	Movement for the year	(1,240,203)	3,091,013
		1,850,810	3,091,013
15	**TAX RECEIVABLE**		
	Opening balance	127,477	25,487,159
	Tax paid	2,180,767	(25,359,682)
	Charge for the year	-	-
		2,308,244	127,477

		2025 MWK	2024 MWK
16	**INCOME TAX**		
	Current	-	25,359,682
	Deferred	(1,240,203)	3,091,013
		(1,240,203)	28,450,695
	Tax rate reconciliation		
	Accounting Profit	(4,134,010)	88,780,878
	Tax at 30%	(1,240,203)	26,634,263
	Effects of tax on:-		
	-Un recognised PY deferred tax	-	1,816,432
		(1,240,203)	28,450,695

17 FINANCIAL RISK MANAGEMENT

The main risks facing the company are treasury risk, credit risk, exchange rate, market risk and cash flow risk.

In common with all other businesses, the company is exposed to risks that arise from its use of financial instruments. This note describes the company's objectives, policies and processes for managing those risks and methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them throughout the period unless otherwise stated in this note.

The carrying value of trade and other receivables at amortised cost approximates fair value. The movement in the impairment allowance has been included in the profit or loss.

Impairment of trade and other receivables
The company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade and other receivables. To measure expected credit losses on a collective basis, trade and other receivables are grouped based on similar credit risk and their aging.

The expected loss rates are based on the company's historical credit losses assessed over the past 3 years. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the company's clients. The company has identified inflation, shutting down of operators, unstable monetary policies, payment history and other economic factors of the countries in which the customers are domiciled to be the most relevant factors and according adjusts historical loss rates for expected changes in these

	Current 2025 MWK	More than 30 days past due MWK	More than 60 days past due MWK	More than 90 days past due MWK	More than 180 days past due MWK
Expected credit loss rate	0%	0%	0%	0%	0%
Gross carrying amount	48,385,600	-	-	-	-
Loss provision	-	-	-	-	-

18 FINANCIAL RISK MANAGEMENT (Cont'd)

Principal financial instruments

The principal financial instruments used by the company, from which financial instrument risk arises are as follows:-

a) Trade and other receivables
b) Cash at bank
c) Trade and other payables
d) Related party payable
e) Borrowings

General objectives, policies and processes

The Board has overall responsibility for the determination of the company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the company's finance function.

18.1 Treasury risk

The Board of Directors, meets regularly to consider and analyse, among other issues, currency and interest rate exposures and to re-evaluate treasury risk management strategies against prevailing economic forecasts. Compliance with company policies and exposure limits is reviewed at regular board meetings.

18.2 Credit risk

Financial assets which potentially subject the company to concentrations of credit risk consist mainly of trade receivables, bank balances and cash. The company's receivables are presented net of provision for doubtful debts where this is considered necessary. Credit risk in respect of trade debtors is limited because of the nature of the major receivables i.e. the local customers have no history of defaulting on payments.

18.3 Exchange risk

The company is exposed to foreign currency fluctuations due to the movement in exchange rates that affect the cost of purchases and contract price. It is exposed to such foreign currency fluctuations to the extent that such liabilities are not matched by foreign currency receipts from operations. This risk is not significant as most of the payables are denominated in the local currency.

18.4 Market risk

There has been no change to the company's exposure to market risks or the manner in which it manages and measures the risk.

18.5 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the company's short, medium and long term funding liquidity management requirements. The responsibility for the management of these risks lies with the Board of Directors. The company manages liquidity risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows.

A summary of the financial instruments held by category is provided below:

16 FINANCIAL RISK MANAGEMENT (Cont'd)

1

Financial assets	Financial assets at amortised cost 2025 MWK	Financial assets at amortised cost 2025 MWK
Trade and other receivables	48,385,600	48,385,600
Tax receivable	127,477	127,477
Cash and cash equivalents	10,100,014	10,100,014
	58,613,091	58,613,091

Financial liabilities	Financial Liabilities at amortised cost 2025 MWK	Financial Liabilities at amortised cost 2025 MWK
Trade and other payables	7,251,846	7,251,846

16.6 Credit risk

Credit risk is the risk of financial loss to the company if a customer or a counterparty to a financial instrument fails to meet its contractual obligations. Financial assets which potentially subject the company to concentrations of credit risk consist primarily of cash and trade receivables. The company's cash and cash equivalents are placed with high quality financial institutions. The credit risk with respect to trade receivables is limited to contractual obligations by debtors.

Quantitative disclosures of the credit risk exposure in relation to financial assets are set out below.

Financial assets	Carrying value 2025 MWK	Maximum exposure 2025 MWK	Carrying value 2024 MWK	Maximum exposure 2024 MWK
Trade and other receivables	43,061,250	43,061,250	70,323,720	70,323,720
Tax receivable	2,308,244	2,308,244	127,477	127,477
Cash and cash equivalents	10,100,014	10,100,014	2,178,092	2,178,092
	55,469,508	55,469,508	72,629,288	72,629,288

16.7 Liquidity risk

This is the risk of insufficient liquid funds being available to cover commitments. In order to mitigate any liquidity risk that the company faces, the company's policy throughout the year has been to maintain substantial utilisable facilities and reserves which can be called on when necessary.

At 30 September 2025	Up to 3 months 2025 MWK	Between 3 and 12 months 2025 MWK	Between 12 and 24 months 2025 MWK	Over 2 years 2025 MWK
Trade and other payables	3,455,917	-	-	-

17 CAPITAL EXPENDITURE COMMITMENTS

The company had no capital commitments as at 30 September 2025.

18 CONTINGENT LIABILITIES

The company had no significant contingent liabilities as at 30 September 2025

19 EXCHANGE RATES AND INFLATION

The average of the year-end buying and selling rates of the major foreign currencies affecting the performance of the company are stated below, together with the increase in the National Consumer Price Index, which represent an official measure of inflation.

Exchange rates:-	2025	2024
Kwacha / US Dollar	1751.00	1075.73
Inflation rate %	24.10%	28.80%
At the time of signing the financial statements the exchange rates were as follows:-		
Kwacha / US Dollar	1751.00	1751.00

20 EVENTS AFTER THE REPORTING DATE

20.1 Approval of the financial statements

The financial statements were approved by the Board of Directors on 20 May 2026.

20.2 Adjusting events after reporting date

There were no significant events after reporting date which necessitated disclosure or adjusting the financial statements.

ENERGY SOLUTIONS LIMITED

Area 49, P. O. Box 48, Lilongwe, Malawi
Gouji Business Complex
(Between Puma Energy and Best Oil Filling Stations)
+265 (0) 995 109 444 | +265 (0) 999 299 300
energysolutions@esl.mw
www.esl.mw
@eslmwltd

The Best Energy Solutions Provider

