



Malaika
children's friends

ANNUAL REPORT 2025

MALAIKA CHILDREN'S FRIENDS

MALAIKA

Malaika Children's Friends NGO

Olkereyan Moshono Ward, Plot no 1877
Naberera Road n. 162
P. O. Box 1708 - Arusha (Tanzania)

Malaika Children's Friends ETS

Corso Magenta, 56 Milan (Italy)
Tax code: 97606510150

Malaika Kids e.V.

Tile Wardenberg Strasse 10
Berlin (Germany)

INDEX

Letter from the Founder and the Chairman	5
The environment in which we operate	6
Malaika in figures: 2025 numbers	9
1. Malaika: Who we are and what we do	10
1.1 Milestones of Malaika's history	12
1.2 Mission and Values	14
1.3 The Governance: Tanzania, Italy, and Germany	15
1.4 The approach to the Annual Report	18
14.1 Stakeholders	18
14.2 Material themes	19
14.3 SDGs chosen by Malaika	20
2. The shelter	21
2.1 Youth care	22
2.2 Specific projects	25
2.2.1 Child sponsorship	25
2.2.2 Scholarships	26
2.2.3 Projects for integration into society	28
2.3 Malaika's staff	30
2.4 Interaction with the local community	31
2.5 Self-sustainability and sustainable management	32
2.5.1 Food and water management	33
2.5.2 Energy management	36
2.5.3 Candle factory	38
3. Fundraising and financial management of activities	40
3.1 Fundraising	41
3.2 Events and activities with volunteers	43
3.3 How funds are used	45
The control system	48
The methodological note	49





LETTER FROM THE FOUNDER AND THE CHAIRMAN

Dear Friends,

It feels as though we've only just finished writing our greetings for 2024, yet it is already time to update you on another year—our twenty-first—spent nurturing and growing this great family of ours. In many ways, this past year felt as though it counted for two; not because of our advancing age, but because of everything we achieved in Tanzania, as well as in Germany and Italy.

In Arusha, we made a tremendous push to complete three major investments by the end of the year, bringing the shelter to what we consider its final, definitive structure. We doubled the size of the vegetable and fruit cultivation area, a project that required building a long retaining wall to secure and protect dozens of cubic meters of fertile soil. We extended the perimeter wall by over 110 meters and finished the construction of the poultry house—a building over 22 meters long, which marks a fundamental step in increasing our self-financing activities. Finally, we completed the reconstruction of the entire fence around the maize fields; this was a necessary intervention, as after 21 years, this outer area had effectively lost all protection.

Despite this intensive work, we never lost sight of our primary focus: our young women and men. This year, we concentrated our energy specifically on following, supporting, and aiding the transition to independence for the older ones. By year-end, we have 12 young people who have completed high school and are now slowly becoming self-sufficient—at least in part—as they continue their studies or begin working. We stay close to all of them, which requires a great deal of emotional effort; the thought many of them share—"outside these gates, I have no one"—is often conveyed with just a look, and it is something we must handle with immense care and great patience.

We also worked hard this year to strengthen and revitalize our teams in Italy and Germany, while maintaining continuity in our vision and goals to ensure steady fundraising for the Malaika's needs. In Italy, specifically, we expanded the Board of Directors with three new young members who integrated into the group immediately, bringing fresh, modern ideas. Similarly, in Germany, we expanded our team of collaborators and began growing our supporter base. All of this was done without ever overlooking our self-financing efforts in Arusha, which remains a top priority. There, we further increased both candle sales and our own food production, while laying the groundwork to launch our laying-hen farm.

In short, it has been another intense and at times exhausting year, especially as Tanzania went through a complex period during the final months of 2025. While this brought some uncertainty and slowed down our activities, it certainly has not dampened our optimism or our drive to help our young people build a path of growth for themselves and for their country.

Founder



Chairman



THE ENVIRONMENT IN WHICH WE OPERATE



TANZANIA



- Area: **945.087 km²**
- Total population: **about 71 million (2025)**
 - **3.12% are over 65 years old**
 - **43.61% are under 15 years old**
- Official languages: **Swahili and English**
- Capital: **Dodoma**
- Currency: **Tanzanian shilling**



Tanzania, located on the eastern coast of Africa, is renowned for its rich cultural diversity and unique wildlife. It is home to iconic natural and cultural landmarks, including Mount Kilimanjaro—the highest free-standing mountain in the world at 5,895 meters above sea level—Serengeti National Park, the Ngorongoro Conservation Area, and the beaches of Zanzibar, all of which contribute significantly to national identity and the tourism sector.

In 2025, the population grew by 2.9%, from 68.5 million to 70.5 million people, making Tanzania one of the most populous nations in the region. Tanzania's population is predominantly young, with over 62% of residents under the age of 25 and a median age of 18. This demographic structure presents both opportunities and challenges, making continued investment in child welfare, education, healthcare, and social protection systems essential. Addressing the needs of children and youth remains essential for long-term economic development and social stability. The government has responded to these needs by improving infrastructure in recent years, especially to support young people. Over the past five years, the education loan balance has increased from TZS 464 billion to TZS 916.7 billion, demonstrating the government's commitment to investing in higher education through the Higher Education Students' Loan Board (HESLB).

According to the International Monetary Fund, Tanzania's GDP will reach \$8744 billion in 2025, with a growth rate of 6%, making it one of the fastest-growing economies in East Africa. With a population of 70.5 million, per capita GDP will reach \$1,302 in 2025, up from \$1,215 in 2024. This economic growth has been supported by continued expansion in the agriculture, mining, tourism, construction, energy, and services sectors, supported by public investment in infrastructure, increased private sector participation, and improved macroeconomic management.

Inflation during 2025 remained moderate and broadly under control, with an estimated average rate of approximately 3.3-3.5 %, making Tanzania a top performer in East Africa for inflation control during the year. Within this positive data, some fluctuations occurred, with food inflation showing higher increases (up to 6.6%), while core inflation (excluding the volatile food/energy sectors) remained low (around 2.2%). This stability comes from a prudent monetary policy and improved domestic supply conditions. Notwithstanding inflation's stability, the economy remains exposed to external risks, including global commodity price volatility, climate-related shocks, and international supply chain disruptions. The outlook for the future remains positive, with GDP expected to grow more than 6% by early 2026 and inflation expected to remain stable at a low level, within the 3-5% range.

Agriculture continues to serve as a cornerstone of the Tanzanian economy, contributing approximately 30% of GDP and employing a significant share of the population, particularly in rural areas. Key agricultural products include maize, coffee, tea, rice, and cashew nuts, which are vital for both food security and export earnings. Government initiatives aimed at improving irrigation infrastructure, climate-resilient agriculture, and sustainable farming practices are gradually enhancing productivity, although rural poverty remains prevalent.



The mining sector maintained steady growth in 2025, with gold, tanzanite, and natural gas remaining the primary contributors. Ongoing government efforts to promote local value addition, including mineral processing and refining, are intended to strengthen domestic revenue mobilization and reduce reliance on raw mineral exports.

Tourism continues to be an important source of foreign exchange earnings and employment. In 2025, the sector recorded an estimated growth of 10–12%, driven by increased international arrivals, improved air connectivity, and sustained global interest in Tanzania's wildlife and coastal destinations.

Despite positive economic performance, poverty and inequality remain significant challenges, particularly in rural and marginalized communities representing approximately 60% of the population. Many households continue to experience limited access to quality healthcare, education, clean water, and social services. These gaps highlight the continued importance of non-governmental and nonprofit organizations, including orphanages and community-based institutions, in supporting vulnerable populations and complementing government service delivery.

In the education sector, Tanzania has made notable progress in expanding access to basic education. In 2025, primary school enrollment remains near universal, with a net enrollment rate of approximately 95%. However, secondary school enrollment remains lower, estimated at 60–65%, reflecting constraints related to school capacity, household income levels, and geographic access.

Healthcare outcomes have shown gradual improvement, particularly in maternal and child health services. In 2025, life expectancy is estimated at approximately 65 years for men and 67 years for women. Nonetheless, the health sector continues to face persistent challenges, including malaria, HIV/AIDS, and child malnutrition. Government priorities remain focused on strengthening health infrastructure, expanding vaccination coverage, and reducing preventable diseases.

Overall, while Tanzania's macroeconomic outlook in 2026 remains positive, sustained and inclusive development will depend on continued investment in human capital, social services, and poverty reduction initiatives, particularly for children and vulnerable communities.

References

World Bank Tanzania: Economic Overview and Development Indicators - International Monetary Fund (IMF): World Economic Outlook, 2025 - National Bureau of Statistics (NBS), Tanzania - Bank of Tanzania: Inflation and Monetary Policy Reports - Tanzanian Tourist Board :Tourism Statistics and Performance Reports - UNFPA / United Nations Population Division: Population Estimates and Demographic Data - Tanzania Investment and Consultant Group Ltd (TICGL) -Tanzania National Health Insurance Fund (NHIF) : Health Sector Reports



MALAIKA IN FIGURES: 2025

21



YEARS OF ACTIVITY

57



CHILDREN AND YOUTH HAVE BEEN TAKEN CARE OF SINCE OUR FOUNDING

35%



CHILDREN SUPPORTED OUTSIDE THE FACILITY

100%



SUCCESS IN SCHOOL EXAMS

MORE THAN 450



DONORS IN 2024

MORE THAN 780



DONATIONS RECEIVED IN 2024

12,5%



OPERATING COST COVERAGE THROUGH SELF-FINANCING

MORE THAN 12.000



SELF-MADE CANDLES SOLD IN 2025

95%



ESTIMATE OF THE COVERAGE OF ENERGY NEEDS FOR SELF-PRODUCTION

36%



COVERAGE OF FOOD CONSUMPTION FROM SELF-PRODUCTION



1

MALAIKA: WHO WE ARE AND WHAT WE DO



MALAIKA: WHO WE ARE AND WHAT WE DO

Malaika is an initiative founded twenty years ago thanks to the commitment of many people from various countries. At our shelter in Arusha, we welcome boys and girls referred by Social Services who are facing difficult circumstances. Malaika provides them with residential care or, whenever possible, supports them through our “Outreach” project within their families of origin. Alongside these efforts, since 2024, we have also run the “Towards Independence” project, which is dedicated to guiding young people as they transition from Malaika toward an autonomous life.

The children in the home are cared for by local staff who oversee their growth while respecting Tanzanian traditions. The children attend local schools to obtain the best possible level of education based on their individual abilities and aspirations. Furthermore, they are guided in learning essential practical skills, such as household management and farming, in keeping with the local culture.

Special attention is given to health, particularly in cases involving HIV or disabilities. Ongoing staff training is a priority to ensure we can adequately support children who often come from traumatic backgrounds and require specialized care and a dedicated “listening ear.” Those enrolled in the “Outreach” project also receive constant support from Malaika’s social worker, who monitors any challenges they may face. Over time, the number of children in our care has grown, as has their average age, leading to increased financial needs—particularly to cover school fees. The initial obstacle of water scarcity was overcome by improving rainwater harvesting and connecting to the main water supply, which in turn enabled the development of farming and livestock activities.

In recent years, Malaika has launched several self-financing initiatives, such as candle production and the future sale of eggs. In late 2025, we completed work on a dedicated area for laying hens, a portion of whose production will be sold to the community. These initiatives make Malaika partially independent of donations, which have served as the project’s backbone until now. It is a long journey, but the path forward is clear and supported by the local government, which views self-sufficiency as a source of stability and a creator of new job opportunities for young people.



1.1 MILESTONES OF MALAIKA'S HISTORY

2005

Malaika begins operations
in Arusha, Tanzania

2008

Acquisition of land and construction
of the first building

2011

Establishment of
Malaika Children's Friends (Italy)

2012

Establishment of
Malaika Kids e.V. (Germany)

2014 -2018

Construction of new buildings and services,
increase in the number of children,
arrival of water and electricity

2020

Obtaining charitable status

2021-2023

Completion of high school for the older
children and launch of self-sustainability activities.
Completion of the "Candle Factory."

2024

Launch of the "Towards Independence"
project for older children and start of
construction for the poultry farm.

2025

Expansion of the cultivation area
and completion of the new poultry house.



A DAY AT MALAIKA

Malaika is located in Arusha, a town in northern Tanzania just below the equator, where life follows the rhythms of the sun, which rises and sets at the same time all year round. Days start at 5:00 AM, and the housemothers prepare breakfast and wake the children. Breakfast is substantial and varies throughout the week, including barley (shayiri), cassava (mihogo), milk (maziwa), and eggs (mayai), all sourced from our poultry farm. The children have breakfast and leave for school buses between 6:00 and 6:50 AM. While the children are at school, the housemothers and nurse clean the houses and take care of the girl with a severe disability and the youngest child, who is only one year old. When the children are home on weekends or holidays, they help with household chores and participate in educational and recreational activities.

Lunch is between 12:30 and 1:30 PM, with many ingredients sourced from the garden, including almost all the vegetables (spinach, peppers, tomatoes, eggplants) and some fruits (papaya, mango, and bananas). When the children are home, they have specific turns to help in the kitchen, both in preparing food and washing dishes and pots. The younger children nap in the afternoon while the older ones study or rest. During vacation months, older youths are engaged in temporary jobs and internships. The time between 3:30 and 5:30 PM is dedicated to free time or continuing small household chores in the garden, with the older youths involved in candle production. The housemothers start preparing for evening showers and dinner.

Dinner is served at 6:30 PM, after showering and preparing clothes and school bags for the next day. The children go to bed between 7:00 and 7:30 PM as the sun begins to set. During vacation periods, they stay up a few hours later with evening activities such as games or movies. The day ends for everyone between 8:00 and 8:30 PM, with the housemothers organizing the final tasks.



1.2 MISSION AND VALUES

MISSION

Our mission is to provide orphaned and vulnerable children in Tanzania with a secure and nurturing environment where they receive the care, support, and resources they need. We strive to offer them a loving family-like atmosphere, nutritious meals, access to quality healthcare, and the opportunity to receive a comprehensive education. Through these efforts, we aim to empower the children to build a brighter future for themselves and make positive contributions to their communities. Additionally, we aim to reunite children with their original families wherever possible while continuing to support their educational needs and providing focused attention.



VALUES

- **Be a real family**, not an orphanage
- Ensure **constant presence** and warmth from caregivers
- Encourage children **to invest in their future** through education, for themselves and their community, respecting their inclinations
- Support **staff training**, valuing everyone's abilities
- Operate **respecting the country's culture** and traditions
- Commit to finding original families and **facilitating reunification**
- Make environmentally **sustainable choices**
- **Help the local economy** by creating jobs
- Act with **transparency and verifiability** in management



1.3 THE GOVERNANCE IN TANZANIA, ITALY, AND GERMANY

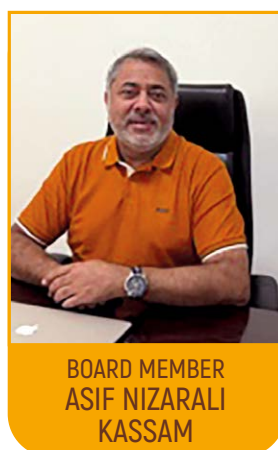
To fully understand the governance system and the financial figures of the entire project, it is necessary to examine the “Pro Forma Consolidated Statement” of the three legal entities that comprise, manage, and support it in various capacities. The consolidation is defined as “Pro Forma” because, although they are 100% interconnected and all deal exclusively with the same project, the three legal entities: the Tanzanian entity **“Malaika Children’s Friends”** (hereinafter **MCFT**), the Italian legal entity **“Malaika Children’s Friends ETS”** (hereinafter **MCFI**) and the German entity **“Malaika Kids e.V.”** (hereinafter **MK**), share no formal shareholding or ownership ties.

The need to review a “Pro Forma Consolidated Statement” arises from the fact that the two European entities focus solely on fundraising, securing educational sponsorships, and funding for special projects. Meanwhile, all operational management of the shelter is handled by the Tanzanian legal entity, which operates as a recognized humanitarian organization registered under the Tanzanian Government’s NGO registry. Finally, some members of the Italian entity are also directly involved in the management of the children’s home, ensuring a constant presence at the shelter.



MCFT, headquartered in Moshono, Arusha, is governed by a Board of Directors that serves a five-year term, with the current mandate set to expire in August 2029. The Board consists of five members: three Tanzanian nationals, one German, and one Italian. The MCFT Board meets at least three times a year for statutory approvals and to review operational management performance.

Operational management is led by Founder Jutta Kassam and President Francesco Tiso. Furthermore, over the last two years, they have increasingly shared responsibilities with the shelter's Coordinator, Gladness Massangwa.



MCFI, based in Milan, is governed by the General Assembly of Members and a three-year Board of Directors; the next renewal is scheduled for 2028. During 2025, the Board implemented a significant change aimed at ensuring the long-term continuity of our activities: on July 29, 2025, three new young board members officially joined the Board, all of whom have been actively involved with Malaika for some time. To allow all three to join—given that, according to the Bylaws, the Board can consist of a maximum of seven members—Board Member Lorenzo De Grandi generously resigned from his position. He did so while confirming his ongoing commitment to the project, which he has supported since day one as one of its original promoters.



The term of office for the new Board remains confirmed until 2028.



CHAIRMAN
FRANCESCO TISO



VICE CHAIRMAN
SIMONA DOSSENA



TREASURER
MICHELA HAYMAR
D'ETTORI



SECRETARY
GIULIA MARIA LEONE



BOARD MEMBER
ANNA RUGGERI



BOARD MEMBER
GIANLUCA MARCHESI



BOARD MEMBER
FILIPPO GARBAGNATI

MK, Based in Berlin, is a German NGO governed by a three-member Board of Directors. The Board is renewed every two years.



CHAIRMAN
JUTTA RUDSZUCK



BOARD MEMBER
ALEX
DESSELBERGER



BOARD MEMBER
URS RUDSZUCK



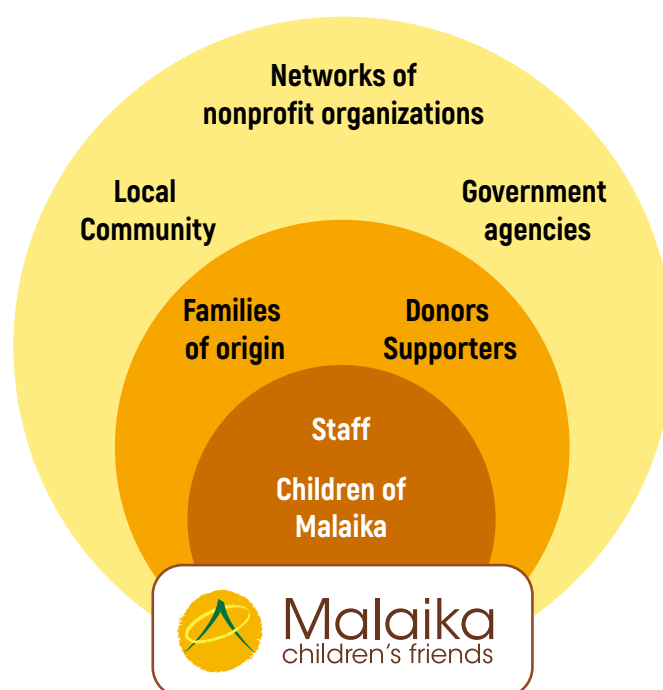
1.4 THE APPROACH TO THE ANNUAL REPORT

1.4.1 STAKEHOLDERS

In carrying out its activities, **Malaika Children's Friends interacts with various stakeholders** in different capacities. In mapping the organization's main stakeholders, they have been placed on three different levels of involvement based on criteria of "proximity" to the activities conducted daily and "frequency of contact."

The document will refer to 'Malaika Children's Friends,' 'Malaika,' or 'the organization' as an aggregate of the three independent legal entities listed above.

In 2025, with the growth of the children and their progressive integration into the social fabric, contact with the local community, which had already been established over the years, became even more important.



- The primary stakeholders involved in Malaika's daily operations include the children residing in our family home and the dedicated employees who support them. These individuals are at the heart of our organization, directly contributing to and benefiting from our activities.
- The stakeholders directly connected to Malaika's activities, with whom the organization interacts periodically, are the families of origin, supporters, private donors, and companies from various countries around the world, particularly Italy, Germany, Australia, Spain, Tanzania, Kenya, the United States, and Canada.
- The stakeholders connected to Malaika's activities, "external" to the family home, with whom the organization interacts to support the conduct of daily activities, are the local community, non-profit organization networks (Lions Club, Micromondo, and *Aumund Foundation*), public entities (Social Welfare, the national authority overseeing NGOs, Tanzania Revenue Authority, and RUNTS, the National Register of the Third Sector in Italy).



1.4.2 MATERIAL THEMES

After reviewing the context in which Malaika operates, conducting a benchmark analysis with similar organizations, and evaluating our internal activities, we have **identified the most significant** ("material") topics relevant to Malaika and our key stakeholders. In line with the recommendations of the GRI (Global Reporting Initiative) Standards published in 2021,

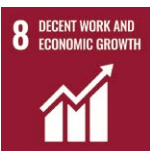
the following is a detailed list of topics divided by area (Social, Economic, or Cross-cutting) and their descriptions. Since there have been no significant changes in the organization's activities, the material topics for 2025 remain unchanged from those identified in 2023.

AREA	TOPICS	DESCRIPTION
SOCIAL ASPECTS	Welfare, care, and protection of children's growth	This topic refers to the actions taken by Malaika to ensure a dignified life for the children it welcomes in a family-like and welcoming environment, providing an adequate number of meals per day, proper healthcare, and offering opportunities for skill development within the home.
	Protecting diversity and ensuring full inclusion for all	This topic refers to the fully inclusive approach adopted in welcoming children, including those who are HIV positive or have disabilities. This ensures full access to necessary care and tools for daily life and promotes a fully inclusive environment within the home.
	Training, development, and school continuity	This topic refers to the activities carried out by Malaika to ensure all children have access to adequate and continuous education , from the early levels of schooling to higher education, including access to schools beyond basic education and international schools.
	Welfare and training of staff	This topic refers to the approach adopted for staff management , guaranteeing adequately paid employment, access to qualifying training activities, medical care when necessary, and access to "benefits" provided by the home (e.g., distribution of food products).
	Dialogue with the local community	This topic refers to the dialogue approach adopted with community stakeholders where Malaika operates (including local suppliers), other organizations working in the area, and authorities. It also includes collaboration with families of origin, which has enabled family reunification.
ECONOMIC ASPECTS	Ethics and transparency in management, reporting, and communication of the activities.	This topic refers to the careful and meticulous approach adopted by Malaika in managing its activities, both in terms of tracking and reporting economic data and in terms of communicating the activities carried out externally, including the voluntary preparation of an Annual Report compliant with existing regulations.
	Continuity and diversification of sources and donations	This topic refers to the management and pursuit of donations that support Malaika's activities as broadly and continuously as possible through contact and support from entities and individuals globally. It also refers to self-financing actions to support the children, such as selling candles produced in the family home's workshop.
TRANSVERSAL ASPECTS	Sustainability and adequacy of the structure	This topic refers to the approach adopted for the construction, maintenance, management, and expansion of the facility housing the children, aiming to increase self-sufficiency with a particular focus on environmental sustainability . It includes solar panels and a wind turbine that cover almost all energy needs, food production activities, and water collection structures for irrigation.



14.3 THE SDGS CHOSEN BY MALAIKA

The **7 Sustainable Development Goals (SDGs)** relevant to Malaika's activities, in alignment with the 17 goals of the United Nations 2030 Agenda for Sustainable Development, identified in 2022, are summarized below and reported in the specific sections.

	Goal 2. End hunger, achieve food security and improved nutrition, and promote sustainable agriculture		Goal 5. Achieve gender equality and empower all women and girls
	Goal 3. Ensure healthy lives and promote well-being for all ages		Goal 7. Ensure access to affordable, reliable, sustainable, and modern energy for all
	Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all		Goal 8. Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all
	Goal 10. Reduce inequality within and among countries		



The recent project 'Towards Independence for Young Adults' is aimed at gradually integrating young adults into society, both through university studies and by facilitating their entry into the workforce (SDG 8).



2

THE SHELTER



2.1 YOUTH CARE



In total, during 2025, Malaika cared for 31 young people. Separately, for a few weeks around August, we also hosted a 10-month-old baby girl before she returned to her family. Of these 31 individuals (19 girls and 12 boys), 18 live at Malaika, two study elsewhere but return to the shelter occasionally,

seven live with their extended families, and four of the older youth—three girls and one boy—now live on their own. All 31 remain under Malaika's care and responsibility; we provide for their needs in ways tailored to the specific level of independence each has reached.

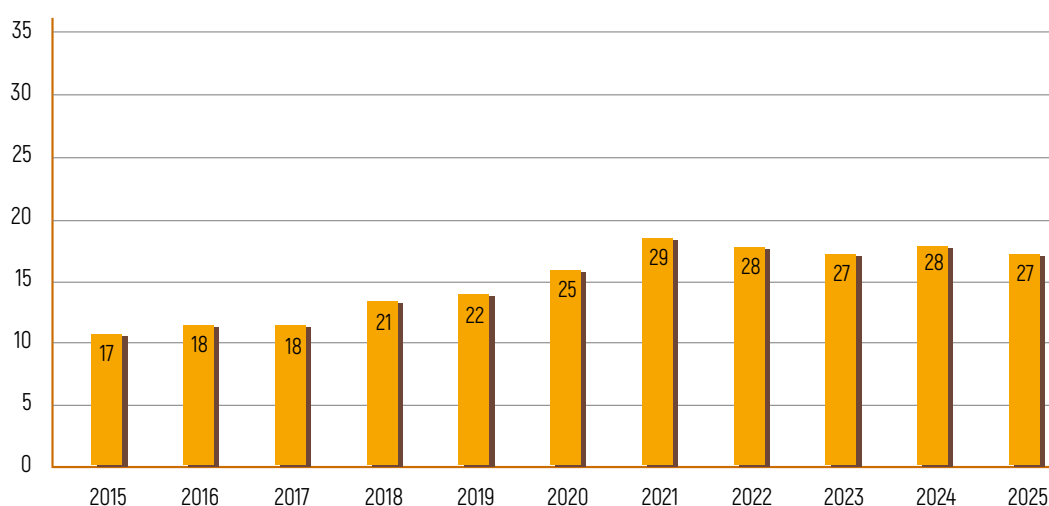


The children supported by Malaika as of 31/12/2025

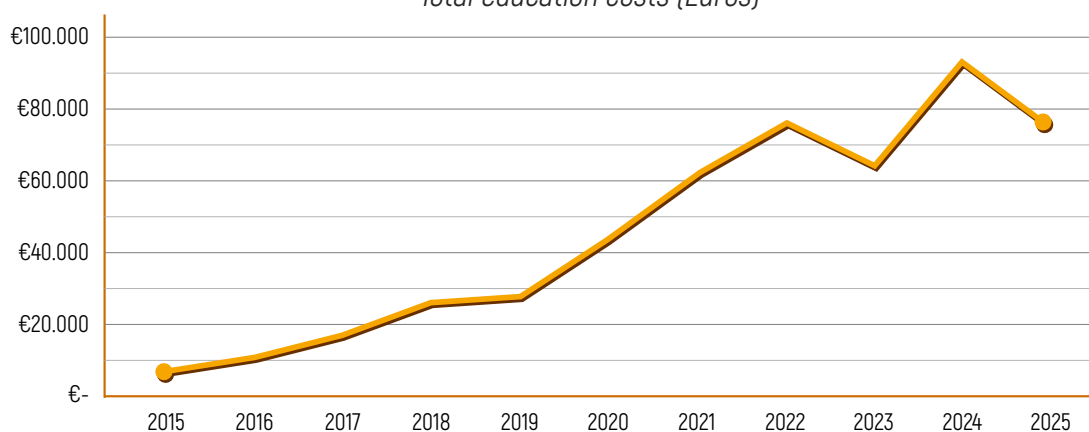
	2023	2024	2025
TOTAL NUMBER	31	31	31
UNDER 6 YEARS	3	5	4
BETWEEN 6 AND 13 YEARS	9	6	5
OVER 13 YEARS	19	20	22

In 2025, one girl and three boys attended nursery school, while nine children attended primary school, and eleven were secondary school students. Seven of these secondary students completed their studies during the year by taking their final exams. Among them, two decided to enter the workforce, one is still exploring their options while helping with family work, and four chose to continue their education. As a result, we have two new university students—one studying Cybersecurity and another studying Global Hospitality Management (in Spain)—as well as two who will be pursuing vocational training courses.

Number of children enrolled in school



Total education costs (Euros)



During 2025, we recorded total school expenses of approximately €78,000, a significant decrease compared to the previous year (€91,000). This reduction, which should be considered only temporary, is directly linked to the fact that seven of our students completed their secondary education, leading to their related expenses being more than halved starting in April. Indeed, immediately after finishing school, three of the boys joined the military, while the girls worked at home until enrolling in vocational training courses at the end of the year. As in the previous year, the majority of education costs were covered by the Aumund Foundation, which funded the enrollment of six of our young people at St. Constantine's International School in Arusha with a contribution of over €55,000.

In September, we experienced a moment of great pride when one of our girls was awarded a scholarship to "Les Roches International School of Hotel Management" in Marbella—one of the world's leading universities in the hospitality sector. She has since moved to Spain, where she has bravely begun her university journey outside of Tanzania.

To summarize, by the end of 2025, Malaika counts 5 university students (3 girls and 2 boys), 2 girls in vocational training, and 4 young adults (1 girl and 3 boys) who have entered the workforce.

Once again this year, the older youth at Malaika lent a helping hand. In their free time, they supported the younger children with their holiday homework—easing the staff's workload—and provided significant help in the vegetable garden and with the maintenance of Malaika. Our long-standing Australian volunteers were also present for extended periods, working alongside the staff to care for our community.

Throughout 2025, all the children and young people, together with the staff, benefited from regular health check-ups, totaling 91 (40 for the children and youth, and 51 for the staff).



2.2 SPECIFIC PROJECTS

2.2.1 CHILD SPONSORSHIP

Our contribution to the SDGs



Child Sponsorship consists of direct support from a donor to an individual child or young person to cover their daily care expenses. This creates a bond between the sponsor and the child, nurtured by regular updates from Malaika regarding their growth and academic progress, as well as photos, letters, holiday greetings, and report cards.

While some donors cover the entire annual cost of a child's basic needs and the home's operational management, others contribute partially, allowing multiple supporters to jointly sponsor a single child. Children and youth who have not yet been paired with a specific sponsor are supported through general donations.

As in previous years, the pairing of international sponsors with the children and youth cared for by Malaika continued throughout 2025. For some of the older youth who have turned 18 and are approaching independence, some contributions previously allocated to the "Child Sponsorship" project were redirected during the latter part of the year toward the "Towards Independence for Young Adults" project, which is detailed later in this report.



2.2.2 SCHOLARSHIPS

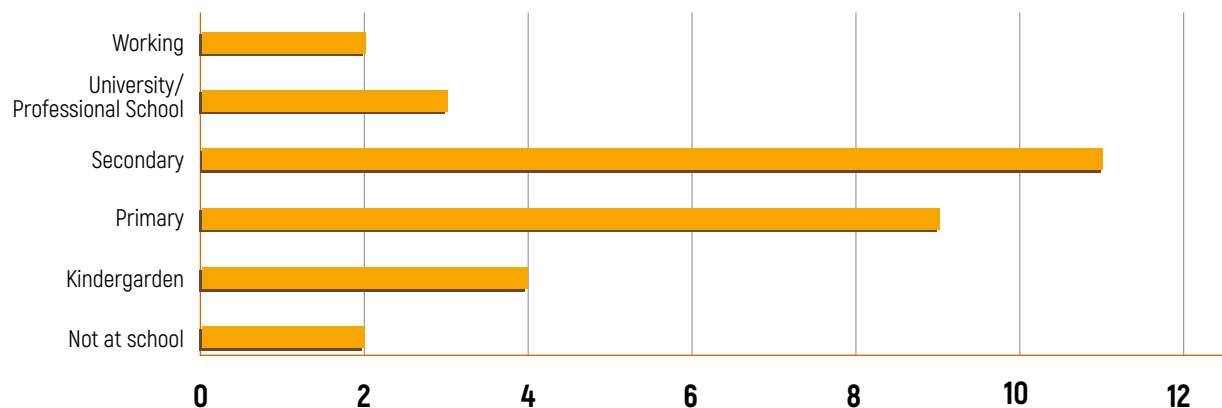
Our contribution to the SDGs



One of Malaika's core principles is to guarantee an excellent education for all children, both those residing in the children's home and those who have returned to their extended families of origin.

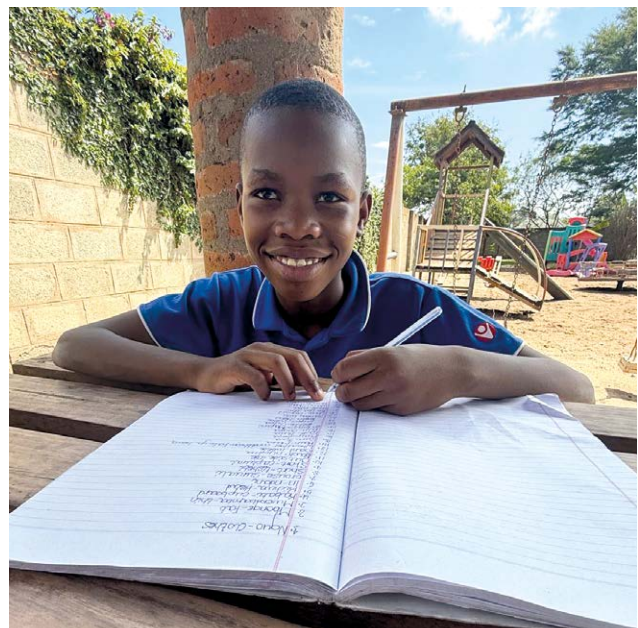
We select high-quality schools that offer English-medium instruction from the early years to facilitate a smoother transition into secondary education. Consequently, school expenses represent a significant cost item; for this reason, various scholarships aimed at covering tuition fees have been introduced over the past few years.

Enrollments in the various school grades in 2025



In most cases, scholarships are provided by private individuals who directly support a child over several years—sometimes in memory of a deceased loved one—with the students being enrolled in local schools.

The schooling costs for the few children who do not yet benefit from a direct scholarship are covered by donations designated for general education. These funds allow us to supplement, where necessary, the costs of transportation, school supplies, books, uniforms, field trips, and everything else needed to ensure a comprehensive and well-rounded education for every student.



Notable examples of scholarships include those provided by the Aumund Foundation. Based in Germany, the foundation continued throughout 2025 to support six children at St. Constantine's International School in Arusha through a project managed by Malaika Kids. This year, two new scholarships were added: the first was offered to a young girl starting primary school by the Santa Monica School in Arusha; the second was awarded in September 2025 by the prestigious Les Roches International School of Hotel Management in Marbella, Spain, via MCF Italy. This opportunity will allow a young woman raised at Malaika to fulfill her ambition of earning a degree in Global Hospitality Management in an international environment.

Regarding university costs in Tanzania, students are encouraged, whenever possible, to apply for government loans to partially cover their tuition fees. They are supported for their remaining costs—such as living expenses and rent—through the “Towards Independence for Young Adults” project, which is described in the following section.

CHILDREN'S VOICES

I recently took the biggest step of my life, moving to a new country to study Global Hospitality Management. To be honest, starting over from scratch has not been an easy journey: from making new friends and adapting to a different culture, to simply getting used to daily life here.

Being far from home means carrying two worlds in my heart: the one I come from and the one I am trying to build now. I miss the laughter, the warmth, and the memories that I always carry with me. One of the most important lessons I've learned so far is that life is unpredictable; every challenge has taught me resilience and patience, even when I feel the full weight of it all on my shoulders.

I am proud of my courage and, above all, I am excited for everything that lies ahead.



2.2.3 PROJECTS FOR INTEGRATION INTO SOCIETY

Our contribution to the SDGs



Over the years, Malaika has remained consistently active in its “Outreach” project, which facilitates the reintegration of children into their families of origin when circumstances improve enough to make this return to society possible. This process is carried out in coordination with Social Services and in compliance with the Tanzanian Law of the Child Act. Beyond legal requirements, Malaika commits to continuing its support for the educational and healthcare expenses of nearly all children who return home, while remaining vigilant regarding their overall well-being.

Within this project during 2025, one young girl—who had been hosted at Malaika for a short period at the request of Social Services—was able to return to her family of origin once favorable conditions were confirmed. There were no other reintegrations in 2025.

Another form of social reintegration involves our young adults leaving the shelter to transition into independent living, whether as students finishing their education or as young people seeking their first employment. The “Towards Independence” project, launched in mid-2024, continued at full capacity throughout 2025.

Each of these young men and women living outside the center was allocated a modest monthly budget to cover all the needs of daily life, with each individual responsible for managing their own finances within that set amount. In cases where a young person has started working, we have agreed on a reduction in their budget proportional to their earnings, aimed at fostering greater personal responsibility. We manage this process with close and constant oversight, including regular visits from our staff to monitor how they are maintaining their living spaces and managing their belongings.



By the end of last year, four of our young people—three girls and one boy—had already begun their journey outside the shelter. Over the course of this year, they were joined by two others who, while remaining fully connected to us, now live away from Malaika nearly all the time for study purposes; one is even in Europe on a scholarship.

Since several students completed their secondary education during 2025, we plan to further intensify the “Towards Independence” project in 2026. This will necessarily involve a greater investment in external living spaces for those transitioning out (in 2025, the investment in this project amounted to €4,000). Whenever possible, we seek these spaces in areas close to Malaika or our staff’s homes to facilitate regular check-ins.

Overall, from the start of our activities until the end of 2025, we have successfully reintegrated 33 children into civil society through the “Outreach” and “Towards Independence” projects. This represents 68% of the total number of children and young people hosted throughout Malaika’s history.

CHILDREN’S VOICES

Leaving the Malaika was a major change, but not a clean break. I carry Malaika’s values with me, along with its people. Even from a distance, I feel rooted and connected to the goal we built together: it is an evolution, not a separation. Living away has brought me growth and new perspectives, yet Malaika remains in my daily thoughts and in my heart. The bond hasn’t faded; it has simply evolved. I am still here, in a different form, ready to contribute in new ways and give back to the community.

– 23 years old, Economics student

Life outside Malaika has taught me responsibility and self-confidence. I am learning to rely on my own strength, while always remembering where I come from. The connection to the shelter remains, even at a distance. This new phase presents challenges, but it also brings a great deal of growth: it is a step forward, not a distancing. I carry Malaika with me wherever I go.

– 22 years old, Beautician

Leaving Malaika was both exciting and emotional. It is hard to move away from the place that raised us, helping us overcome our pain and giving us the hope to believe in tomorrow. However, I don’t see it as a goodbye, but as a way to take my home with me. I think back to the days when we first arrived: we were scared and suffering, and we all needed love. Love is exactly what we received, and it is what we carry with us wherever we go. Although we have started new chapters, our bond is unbreakable: we continue to find support, guidance, and a sense of belonging, and for that, we will always be grateful.

– 23 years old, Nursing student



2.3 MALAIKA'S STAFF

Our contribution to the SDGs



As of late December 2025, Malaika had **10 direct employees**, consistent with the 2024 staffing levels. The addition of one staff member in late 2024 proved to be the right move, meeting the center's growing needs stemming from increased candle production and the expansion of the cultivation areas. During 2026, once the egg production project becomes fully operational, we will work with the coordinator to assess whether further staffing increases are required.

Since there was no staff turnover during 2025, the team's composition remained unchanged, consisting of seven women and three men.

The women hold the following roles:

- » **One Staff Coordinator** for the entire team.
- » **Four Housemothers**, working in pairs on alternating weeks.
- » **One Registered Nurse**, present six days a week, who also steps in to cover for the housemothers when necessary.
- » **One Social Worker**, an experienced professional who manages relations with local Social Welfare authorities. She visits the center on alternate days, including Saturdays, to monitor the children and youth when they are not in school.

Of the three men, two work on alternating days maintaining the vegetable garden and the facilities, while the third is dedicated entirely to candle production. The laying-hen project, currently in its start-up phase, is managed on a rotational basis by two of the men already on staff. However, once the project reaches full capacity with over **300 hens**, a dedicated resource will likely be needed to ensure daily care and disease prevention.

In addition to the 10 direct employees (aged between 23 and 51), there is an external night watchman. All employees are on regular annual contracts: **eight full-time and two part-time**. Malaika is diligent in paying social security contributions to the pension fund (NSSF) and health insurance (NHIF), which covers the employee and up to five family members. To promote staff retention, the organization has chosen to cover **100% of health insurance costs**, even though the law only requires the employer to cover 50%. Contributions are also paid to the Workers Compensation Fund (WCF).

TRAINING: During 2025, our Social Worker participated in a training course entitled "Advanced Trauma Competence Care," conducted by the nonprofit organization ACRO. Since 2018, ACRO has collaborated with over 100 centers like Malaika in Tanzania, providing staff with the necessary tools to support children and young people who have experienced trauma or find themselves in situations of significant vulnerability.



2.4 INTERACTION WITH THE LOCAL COMMUNITY

Malaika has always been deeply integrated into the local community, not only to meet our obligations to local authorities but, above all, to foster opportunities for engagement. It is essential that the children and young people do not lose touch with the world outside: while they live in a protected environment that guarantees their basic needs—such as food, healthcare, and housing—they must remain aware that these standards are not a given within the country's context.

For this reason, as the children have grown, we have intensified our external contacts—starting with exchanges with other organizations and, subsequently, by creating opportunities for volunteering, internships, and employment. This year, several of our youth worked during their school holidays at local companies such as Regency Investment Ltd, Schwari Ltd, The Plantation Lodge & Safaris Ltd, and the Adonai bricks factory.

Furthermore, one of our university students volunteered for three months at **Elephant Guardian Camp**, an NGO dedicated to protecting elephant migratory corridors in a remote area 200 km from Arusha. This experience in nature conservation and anti-poaching, which he shared with the rest of the group, allowed all the young



people at Malaika to reflect on a crucial national issue: the balance between economic development and the protection of a wildlife heritage that is unique in the world.

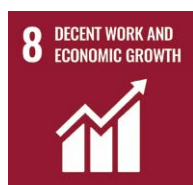
We also maintained our traditional presence at the **Arusha Christmas Fair**. Since the very first year of our candle production, the fair has reserved an exhibition booth for us, managed directly by our young women. For them, the stand represents an important opportunity to interact with both commercial and humanitarian organizations, allowing them to immerse themselves actively in the local social fabric.

Finally, we must highlight the consistent and spontaneous support received from the community. Since the beginning of this journey, the local population has never failed to show its support, expressed through numerous gestures of affection and donations—both in-kind and monetary—throughout the year.



2.5 SELF-SUSTAINABILITY AND SUSTAINABLE MANAGEMENT

Our contribution to the SDGs



Compared to 2024, the center's overall food requirements remained substantially stable throughout 2025, influenced only by the year's inflationary trends.

Total expenditure settled at approximately €6,400, representing an absolute increase of 4% compared to the €6,136 recorded in 2024. This increase was largely driven by the exchange rate effect (-2%) of the Tanzanian Shilling against the Euro.

A more significant shift occurred, however, in the relative weight of the three fundamental components of food consumption: purchases, self-production, and in-kind donations. First, 2025 saw a notable rise in the contribution of homegrown fruit and vegetables toward meeting food needs; these yields continued to grow despite the ongoing cycle of extreme weather conditions. Even more significant was the contribution of in-kind donations, which nearly tripled their share of total food requirements:

FOOD CONSUMPTION SUMMARY

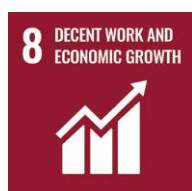
	2025		2024		2023	
	€	%	€	%	€	%
Direct Purchases	2.226	35,0%	3.705	60,4%	4.685	62,5%
Self Production vegetables	1.317	20,7%	1.316	21,4%	1.339	17,9%
Self Production Fruit	954	15%	406	6,6%	47	0,6%
Eggs Production	-	0,0%	50	0,8%	249	3,3%
Chicken/Rabbit	-	0,0%	29	0,5%	111	1,5%
Donation in Kind	1.870	29,4%	630	10,3%	1.064	14,2%
Total	6.366	100,0%	6.136	100,0%	7.495	100,0%

(1) The comparison among the years is not strictly in line with reality due to the exchange rate fluctuations of the Tanzanian Shilling toward the Euro. As an indication between 2023/2024 the TZS weakened of around 8% while during 2024/2025 the value of TZS decreased around 2%.



2.5.1 FOOD AND WATER MANAGEMENT

Our contribution to the SDGs



2025 was a year of exceptional importance for the restructuring of Malaika's agricultural and livestock areas, marked by unprecedented investments in food self-production. First, we doubled the protected cultivated area within the perimeter wall: to achieve this, we transported 70 tons of fertile soil to the center and built an 80-meter-long retaining wall. This operation provided a surface area of over 1,600 square meters, which was brought into cultivation during the first quarter of the year.



The most significant structural work was the 25-meter extension of the boundary wall, a project involving the construction of 110 meters of masonry over two meters high. Within this newly integrated area, we built a 22-meter-long poultry house for laying hens, while externally, we entirely reconstructed the fencing for the maize field—spanning 285 meters and reinforced with concrete-set iron posts. These works, valued at nearly €50,000, represent one of the most significant interventions ever carried out at the center.

Currently, Malaika has 11,300 square meters of cultivated land, of which 1,600 square meters are inside the wall and 9,700 square meters are outside. Of the latter, 6,700 square meters are protected by the new fencing, while the remaining 3,000 square meters—though owned and regularly cultivated by us—will not receive further investment as they are slated for

future expropriation for the construction of a national highway.

In addition to these areas, within the protected perimeter, two sections totaling 1,100 square meters are dedicated to raising chickens, rabbits, and turkeys.

Despite climate instability—with a very rainy spring followed by a long drought—overall production was higher than in 2024 in terms of both volume and value (+30%). The maize harvest exceeded 1,200 kg, benefiting from the early rains, and there was a steady production of vegetables and tubers, alongside a smaller yield of tomatoes and eggplants. The fruit sector also recorded excellent results, with bananas as the main crop and a doubling of mango and papaya trees, which increased from 70 to over 150. Overall, self-production guaranteed savings on food purchases totaling €2,270.



FOOD PRODUCTION 2024				
FOOD ITEM	TOTAL AMOUNT KG/PZ	UNITARY PRICE TSH	TOTAL TSH	TOTAL €
EGGPLANTS	48	3.000	142.665	49
TOMATOES	264	4.000	1.056.000	366
ONIONS	101	3.000	301.647	105
BELL PEPPERS	4	2.000	8.000	3
Sweet Potatoes	24	3.000	72.000	25
Beans	55	3.500	191.695	66
Leeks	29	4.000	117.168	41
Cucumbers	46	5.000	228.850	79
Corns	1200	1.200	1.440.000	499
Lentis	31	3.400	103.965	36
Other vegetables			136.597	47
Green Bananas	263	8.000	2.104.000	729
Yellow Bananas	116	3.000	348.000	121
Papaya	58	4.000	232.000	80
Mango	30	1.000	30.000	10
Other fruits			37.822	13,1
Total self-production valorizations - TZS			6.550.409	
Total self-production valorizations - €				2.270
TZS/€ 2025		2.885,30		

Our poultry and rabbit farming experienced a scheduled pause for health and sanitary protocols. To prepare for the new laying hens—a delicate and selective breed—we cleared the old stock to avoid any cross-contamination between animals of different origins. At the same time, we temporarily reduced the rabbit population to sanitize the breeding areas. In October, the first batch of 150 chicks arrived, with production expected to begin next spring. Despite an initial loss caused by a faulty vaccine, we promptly addressed the situation by ordering another 150 chicks for early 2026. At year-end, we also introduced three turkeys to test their ease of management.

Regarding water management, 2025 saw the completion of our storage system with the installation of two new 5,000-liter tanks. Malaika's total capacity has now reached 98,000 liters, with 30,000 liters in underground reservoirs and the remainder distributed across 16 rainwater harvesting cisterns. In addition to rainwater collection, the center relies on the Arusha water main, especially during the dry season; annual consumption from the water main was approximately 700 cubic meters—consistent with the previous year—at a cost of €446.

To manage peak drought periods between August and September, we also purchased 40 cubic meters of non-potable water via tankers. This water was used exclusively for irrigation and transferred into our storage tanks to ensure the continuity of our crops.



IN-KIND DONATIONS

2025 was a record-breaking year for in-kind donations, which saw a value increase of over 110% compared to the previous year. Specifically, food donations tripled, bringing their share of total consumption from 10.3% up to 29.6%. The following table illustrates the trends for the main food contributions over the last three years.

DONATION IN KIND ⁽¹⁾						
	2025		2024		2023	
	€	%	€	%	€	%
Rise	692	26,8%	281	23,0%	304	19,0%
Sugar	176	6,8%	74	6,1%	80	5,0%
Coking Oil	234	9,1%	99	8,1%	107	6,7%
Beans	198	7,7%	68	5,6%	74	4,6%
Flour	152	5,9%	108	8,8%	117	7,3%
Other	418	16,2%	187	15,3%	382	23,8%
Total Food	1.870	72,4%	817	66,9%	1.064	66,3%
Other non food ⁽²⁾	713	27,6%	404	33,1%	540	33,7%
Total	2.583	100,0%	1.221	100,0%	1.604	100,0%

(1) The comparison among the years is not strictly in line with reality due to the exchange rate fluctuations of the Tanzanian Shilling toward the Euro. As an indication between 2023/2024 the TZS weakened of around 8% while during 2024/2025 the value of TZS decreased around 2%.

(2) House cleaning products, Toiletries and stationary.



2.5.2 ENERGY MANAGEMENT

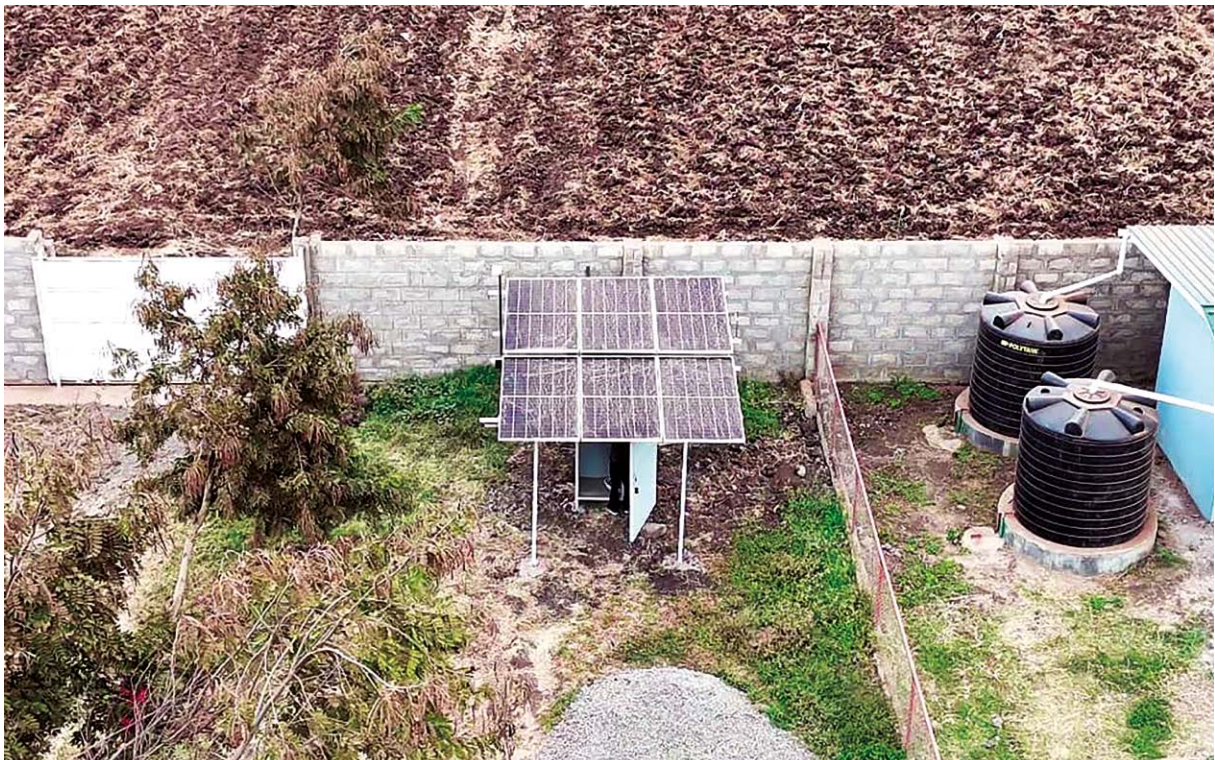
Our contribution to the SDGs



Malaika generates nearly all of its energy from two renewable sources: wind and solar. Together, the photovoltaic panels and the wind turbine installed at the center cover over 95% of our estimated energy requirements.

In the autumn of 2025, with the completion of the sixth building—dedicated to the breeding and production of laying hens—we further increased Malaika's electrical self-production capacity. Although this building is within the perimeter wall, it is located at a considerable distance from the central wind turbine. Consequently, as we did with the candle factory building, we opted for an "off-grid" setup that operates completely independently of the other buildings.

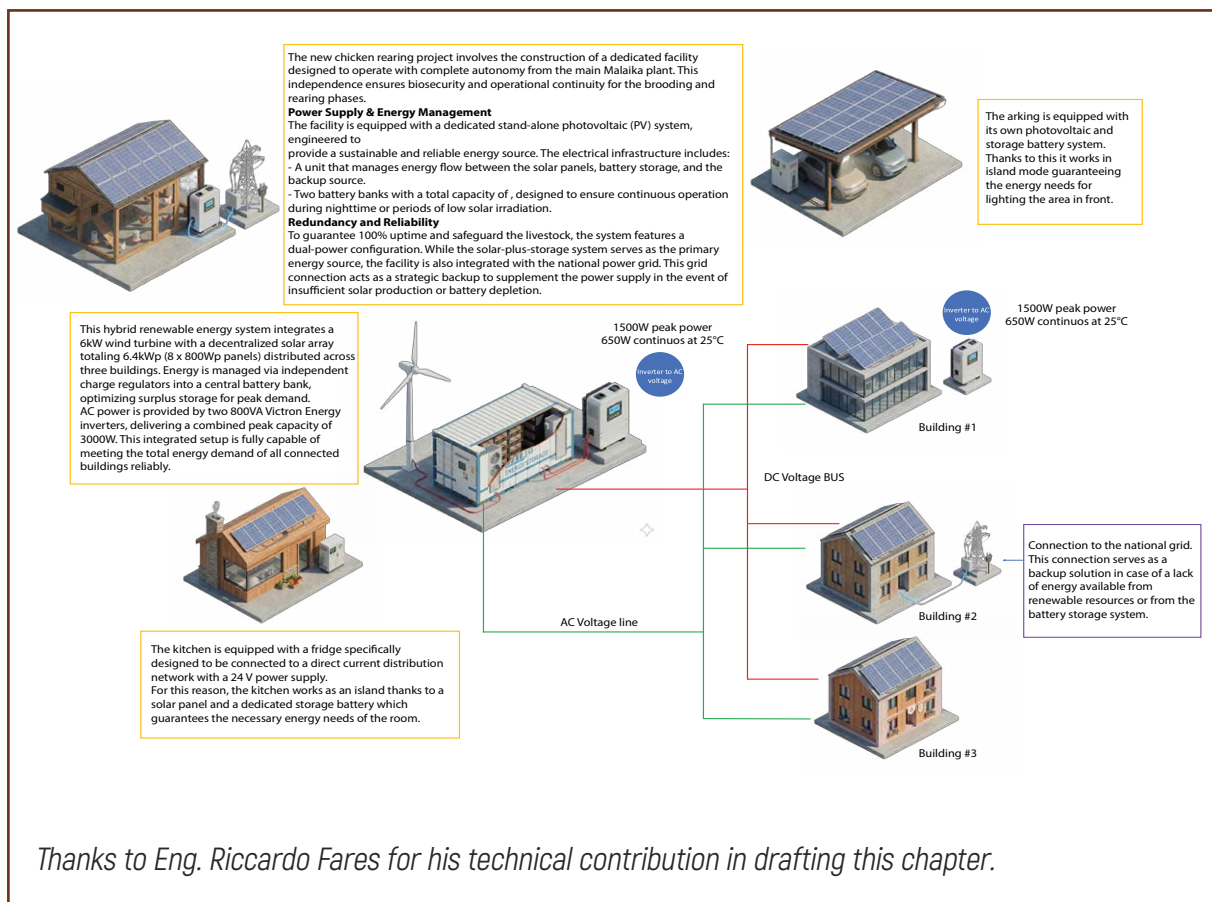
The facility was equipped with two solar panels, an inverter, and two storage batteries, allowing the system to run continuously, including at night or during periods of low sunlight. Furthermore, to ensure the ideal temperature for newborn chicks—and thus their survival—under all circumstances, the building also features an independent connection to the national grid. This serves as a backup that activates if the self-production system fails.



The system installed on the poultry house has a peak capacity of 3.3 kW, capable of generating approximately 12 kWh per day at full performance. This is estimated to be more than sufficient to power the utilities required for the poultry house's operation. This was already confirmed during the first two months of use in late 2025 as this system fully met the electricity demands—which were particularly high given the 150 chicks needing constant heat from infrared lamps—without ever having to resort to the external grid.

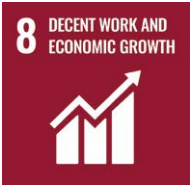
Annual energy consumption should be considered an approximate estimate, as it depends heavily on how utilities are used and their duration of operation. Under optimal conditions—including constant wind and solar exposure for over 12 hours a day—Malaika's renewable energy production, including the recently completed system, can be estimated at around 50 kWh per day during months with an ambient temperature of approximately 25°C. These figures are highly dependent on environmental conditions and represent a best-case estimate.

Based on national grid consumption, which totaled 711 kWh in 2025, it is estimated that only 4.6% of the electricity required for the center's operations was supplied by the national grid, while the remaining 95.6% was covered by clean energy produced on-site. This figure represents a slight decrease compared to previous years (96.1%), due both to the expansion of cultivated areas requiring more water for irrigation during dry periods, and to the children's increased use of computers for schoolwork and evening studies as they grow older.

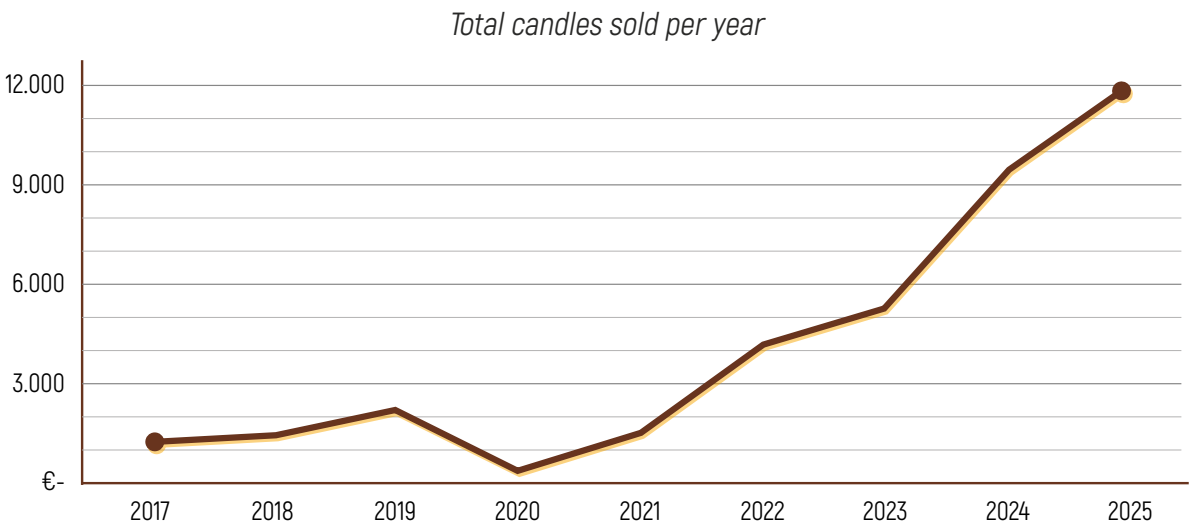


2.5.3 CANDLE FACTORY

Our contribution to the SDGs



Seven full years have now passed—excluding the year of near-total standstill in 2020 following the pandemic, which halted the flow of tourists and, consequently, our operations—since late 2017, when we began producing our own candles, almost as a hobby. Over these seven years, this activity has rapidly expanded, thanks to our outreach efforts and, above all, our growing ability to offer a product of consistent quality. The overall sales trend, which saw nearly 12,000 units sold in 2025, stands as a testament to this growth.



Today, having completed a building entirely dedicated to candle production and hired a full-time staff member to ensure we can always meet customer orders, we can say that this activity represents a true asset and a cornerstone of life at the center.

The decision to hire a dedicated production employee, which may have seemed like a gamble due to the resulting increase in fixed costs, has proven to be entirely positive. Having a resource 100% committed to the activity has yielded several advantages, such as more careful inventory management, reduced processing times, and greater product uniformity. In fact, through the improvement in margins and more timely deliveries, we were able to fully absorb the cost of this additional staff member within the first year, while keeping our profit margins on sales intact.

The resources generated from these sales allowed us to cover the labor costs for six out of Malaika's ten staff members, including the dedicated candle production personnel.



During the year, we not only consolidated our relationship with key clients—the top five of whom continue to represent over 75% of total sales—but also slightly increased the overall number of customers served. We once again surpassed the previous year's performance, reaching sales of over 92 million Tanzanian Shillings (an increase of more than 24% over the previous year) by processing over 3 tons of paraffin wax.

We have also expanded the range of formats we offer, ensuring the availability of both white and colored candles, although the majority of demand—primarily from resorts and restaurants—remains for white candles. Furthermore, we continued to provide small, non-standard production runs for key or prospective clients and for special occasions, such as holidays or anniversaries.

As is tradition, we once again participated in the Arusha Christmas Fair, the most significant social event in Arusha at the end of the year. Our booth was managed by our older girls and served as an important showcase, allowing us to reach a wide audience, including several tour operators.



At present, we believe the infrastructure established in recent years is perfectly suited to support further increases in production (currently, operations run on a single shift, six days a week); therefore, we do not anticipate the need for further investments related to candle production.



3

FUNDRAISING AND FINANCIAL MANAGEMENT OF ACTIVITIES

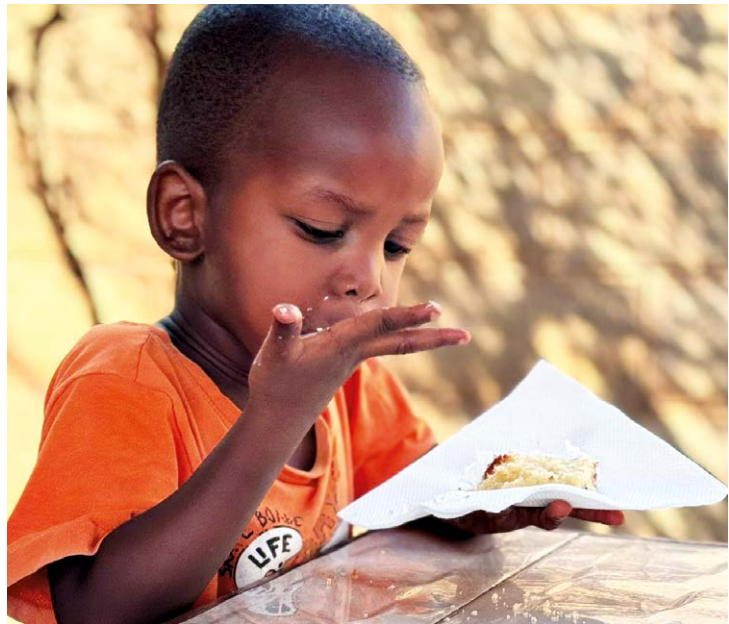


3.1 FUNDRAISING

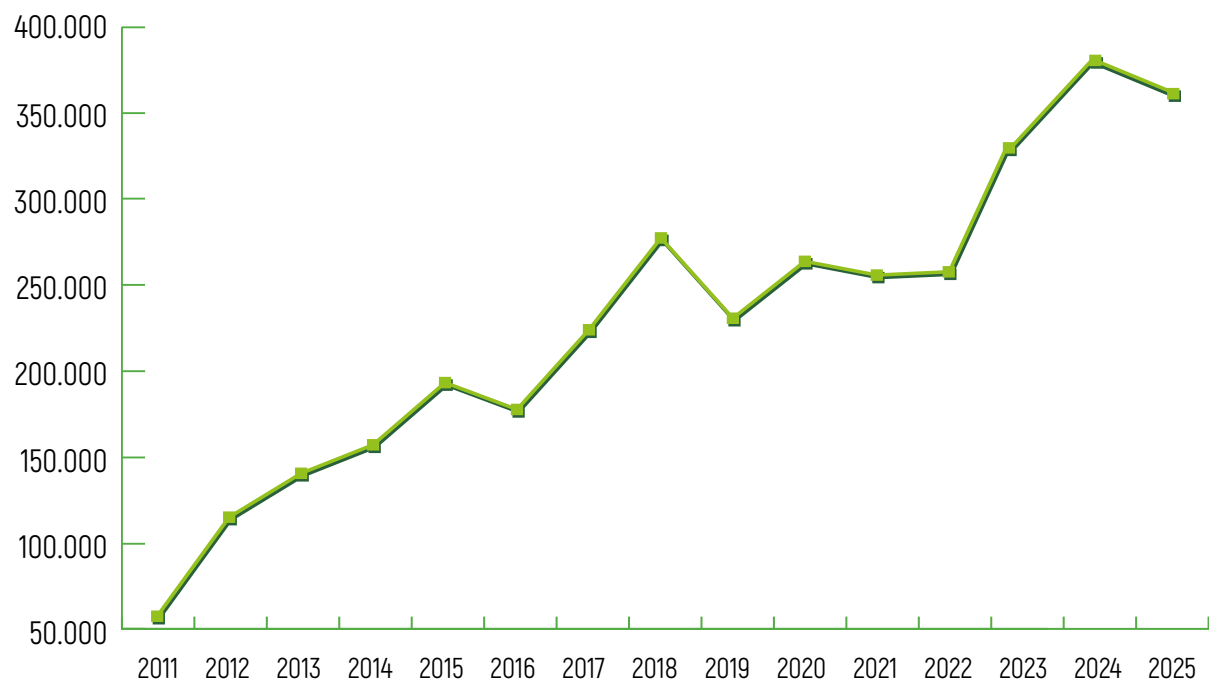
Thanks to the invaluable support of individuals and companies who continue to back us with their donations, we were able to cover both operating expenses and investments, ensuring the continuity and development of our activities. This year, the share of self-financing grew significantly, reaching nearly 9% of total fundraising and covering 12.5% of the center's management costs.

The following graph illustrates the trend of the total resources (fundraising and self-financing) available to Malaika. Despite the natural fluctuations across various components (individuals, companies, and the "5x1000" tax allocations), the general trend remains one of strong growth.

Following the historic record set in 2024, 2025 shows a slight dip (-5%), settling at approximately **€360,000**. It is important to emphasize that, despite this minor decrease compared to the previous year, the 2025 figure represents our **second-best result ever**, standing well above the historical average of the last decade. This consolidation at such high levels was made possible by increasingly widespread word-of-mouth and the growth of initiatives implemented by our staff over the years.



Total donations collected (Euros)



This dip was primarily driven by a reduction in the “5x1000” tax allocation and a decrease in donations from companies, associations, and foundations; however, donations from private individuals and special initiatives partially offset these declines.

The following table provides a detailed breakdown of how fundraising was generated across the various countries.

Fundraising 2025 €	2025	2024	2023
INDIVIDUAL DONORS	109.362	92.227	121.255
COMPANIES, NGOs, FOUNDATIONS	104.913	132.439	72.540
SPECIAL CAMPAIGNS	68.470	56.011	38.629
FUNDRAISING 5XMILLE*	38.766	48.007	81.139
TOTAL	321.511	328.684	313.563
Self-financing	38.068	50.326	16.062
TOTAL	359.578	379.010	329.625

**5xmille: The Italian Tax Authority allows a portion (five per thousand) of your personal income taxes (IRPEF) to support a non-profit organization of your choice.*

This dip was primarily driven by a reduction in the “5x1000” tax allocation and a decrease in donations from companies, associations, and foundations; however, donations from private individuals and special initiatives partially offset these declines.

The following table provides a detailed breakdown of how fundraising was generated across the various countries.



DONORS			
COUNTRIES	2025	2024	2023
Tanzania	54	46	47
Germany	23	20	17
Italy	370	290	226
USA	8	6	44
Australia	3	1	1
Kenya	1	1	1
Canada	1	2	1
United Kingdom	2	0	0
Sweden	1	0	0
Spain	1	0	0
TOTAL	464	366	337



3.2 EVENTS AND ACTIVITIES WITH VOLUNTEERS

In 2025, several solidarity events and initiatives were organized in Italy. These not only raised essential funds to support the children's home in Tanzania but also strengthened community ties and raised awareness for Malaika's cause among a growing audience.

IN ITALY

- **Solidarity "Colomba" and "Panettone" Sales**

As is tradition during the Easter and Christmas holidays, fundraising campaigns were held through the sale of solidarity Colombe (Easter cakes) and Panettoni (Christmas cakes), as well as handicrafts made from African fabrics. This year, numerous companies joined these initiatives, choosing to celebrate the holidays in the spirit of solidarity. The dedication of our volunteers was once again crucial in managing the warehouse and distributing packages to supporters who placed orders.



- **Solidarity Reception (Apericena)**

In 2025, the presentation of the Social Report once again provided an opportunity to meet Malaika's supporters during a solidarity dinner. The 20th anniversary of Malaika's founding added an extra reason for celebration. These events allow us to engage both long-standing supporters, providing them with an account of our latest activities, and new friends to whom we can introduce our mission.

The "apericena" took place on June 11th at La Tradizionale restaurant in Milan. The evening featured testimonials from several people who have visited Malaika; their stories of meeting the children and staff provided moments of warmth and emotion for everyone present.

Testimonials were shared by journalist **Stefano Pancera**, entrepreneur **Andrea Gais**, and manager **Enrico Destro**—who chose Malaika as the African stop on his world journey to discover various humanitarian organizations. Other friends of Malaika shared their experiences, including **Alberto Corradini** as well as **Aliona and Nicolò Zugnino**, who visited Malaika during their honeymoon.



- **First Padel Tournament for Malaika**

On September 14th, the first Malaika Padel Tournament was held in Lodi at the La Pergola Sports Center, organized by recently appointed Board member **Gianluca Marchesi**. There were approximately one hundred participants, including players and guests. Participants competed in both beginner and experienced categories, wearing colored t-shirts and carrying drawstring bags featuring the Malaika logo and the names of the sponsors who made the tournament possible. The awards ceremony was well-attended, and the evening concluded with an aperitif to celebrate a day of sport and fun dedicated to solidarity. The funds raised were allocated to the construction of the poultry house for egg production and sales, a key self-financing activity for the children's home.



- **Initiatives Managed Directly by Supporters**

Some activities were organized independently by Malaika's supporters. Notably, as has been the case since MCF Italy's first year, a raffle in favor of Malaika was held during the last week of January among the dozens of friends attending the traditional "Maialata" organized by **Massimo Grasselli** at Cascina Lagoscuro, his family's prestigious restaurant.



The volunteer association **Micromondo**, which raises funds to help children worldwide, has also supported Malaika since MCF Italy's inception, organizing events and markets throughout the year and donating the proceeds to the various causes the association follows. Additionally, **the Muroduro Gym, together with the Rotary Club Novara Antonelli**, successfully organized a Christmas fundraiser for the second consecutive year.

IN GERMANY

Fundraising in Germany takes place through both one-time and recurring donations from Malaika Kids supporters, as well as through sales events held in shopping centers that provide exhibition space. On these occasions, the public can purchase handcrafted goods from Tanzania. Such initiatives were held with great success in Berlin and Jetzendorf, in southern Germany, thanks to the commitment of Malaika Kids volunteers.



3.3 HOW FUNDS ARE USED

The following table illustrates the financial inflows and outflows for the past three years. In order to provide a clear and comprehensive representation of all flows generated by our organization's operations, the table includes values derived from the pro-forma consolidation of the three legal entities, including the Tanzanian entity, whose official accounts are expressed in Tanzanian Shillings.

The conversion from Shilling to Euro was carried out in accordance with **IAS-IFRS** principles, which require Income Statement items for MCFT to be recorded at the 2025 average TZS/€ exchange rate, and Balance Sheet items at the year-end exchange rate. The exchange rates used as a reference are those published by the Bank of Italy.

As in previous years, all funds raised during the year were allocated to the project and utilized to cover all current operating expenses and investments.

GENERATION AND USE OF CASH FLOWS				
(Figures in €)				
		2025	2024	2023
FUNDRAISING	INDIVIDUAL DONORS	109.362	92.227	121.255
	COMPANIES, NGOS, FOUNDATIONS	104.913	132.439	72.540
	SPECIAL CAMPAIGNS	68.470	56.011	38.629
	5XMILLE	38.766	48.007	81.139
REVENUES FROM CANDLE PRODUCTION		32.073	26.347	16.062
OTHER REVENUES ⁽¹⁾		5.994	23.978	-
TOTAL RESOURCES GENERATED		359.578	379.010	329.625
EXPENSES	DIRECT PROJECTS COSTS	271.974	268.287	240.399
	FUNDRAISING - INCLUDING PRODUCT PURCHASES	34.841	25.699	38.224
	OVERHEAD OF THE FACILITY	18.556	20.131	14.634
TOTAL EXPENSES		325.370	314.118	293.256
TOTAL BALANCE		34.208	64.892	36.369

(1) Sold assets, interest income, bond coupons



2025 saw a slowdown in overall fundraising (-5%), primarily due to a decline in contributions from companies and foundations (-21%) and the trend of the "5x1000" tax allocations (-20%) compared to 2024. These decreases were, however, largely offset by the excellent performance of private donations (+19%), special initiatives (+22%), and self-financing activities (+22%).

Total outflows (comprising operating expenses, investments, and working capital) increased by approximately 3% compared to the previous year. This increase is limited to a single line item: fundraising, which reached €34,841 (+36%). This is a tangible demonstration of the growing challenges our team faces in raising necessary funds and maintaining donor loyalty. Administrative expenses decreased slightly, while direct project management costs remained substantially stable, though with very different dynamics across individual items.

Overall, despite the reduction in revenue and the increase in outflows, the balance between generated and utilized resources remained positive. This allowed Malaika to make a further prudential reserve to cover future expenses for the education and independent living support of the older boys and girls who have recently left the center or are about to do so in the next two to three years.

The following table details the direct project management expenses, totaling €271,974, an increase of approximately 1% compared to 2024. This increase results from several contrasting dynamics: on one hand, growth was seen in staff costs (+18%)—partly due to a retention program—and, as a positive sign, in expenses for raw materials and packaging (+16%) to support the further growth of the candle production and sales business.

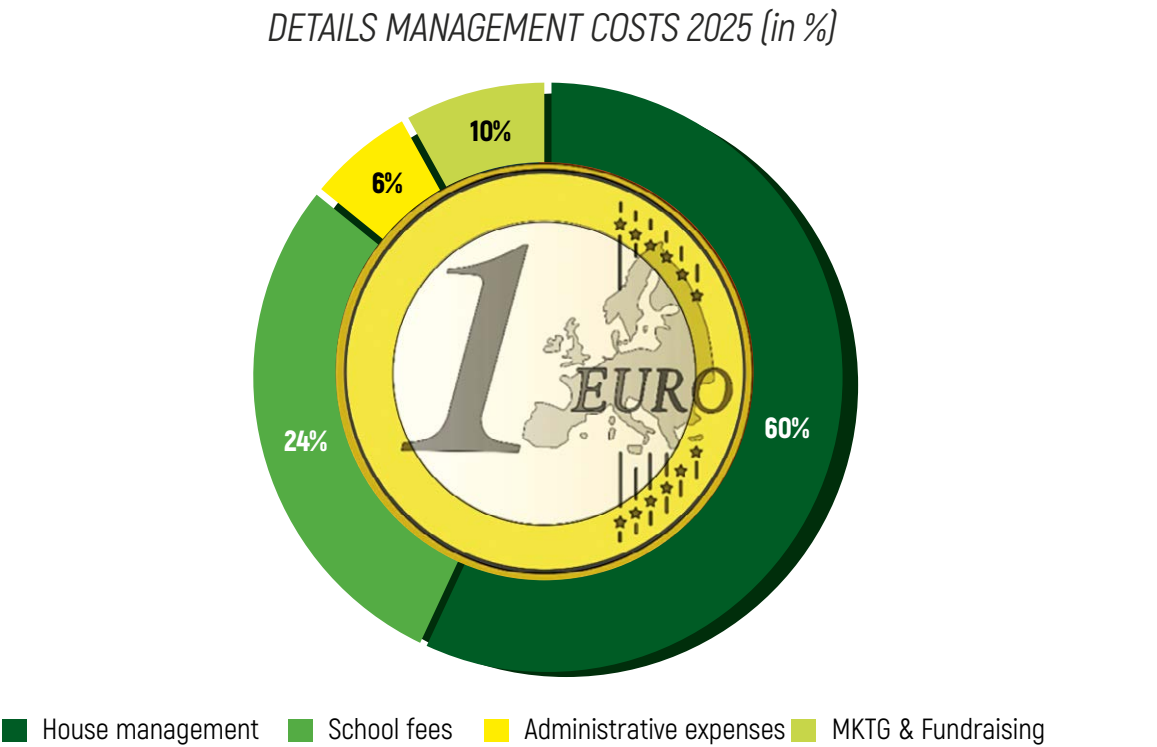
DETAILS MANAGEMENT PROJECT EXPENSES				
[Figures in €]				
		2025	2024	2023
EXPENSES	STAFF	83.366	70.574	66.444
	HOUSEKEEPING	59.727	43.820	37.810
	FOOD AND TOILETTRIES	3.569	5.343	6.460
	SCHOOL (1)	77.813	91.398	62.856
	ADMINISTRATIVE EXPENSES	10.443	11.932	11.134
INVESTMENTS (2)		37.054	45.221	55.696
TOTAL PROJECT EXPENSES		271.974	268.287	240.399

(1) Includes expenses paid directly by Aumund Foundation for the school fees
(2) In 2023 the amount of investments included the deposit paid for the purchase of the new car.

Significant savings, on the other hand, were achieved in educational expenses (-15%), due to several young men and women completing their studies, and in investments (-42%), following the completion of major works initiated in 2024. This latter decrease, however, was more than offset by investments in working capital, specifically for the creation of an inventory of both raw materials and finished products to support the candle production and sales business.



Direct management costs of the center (food, toiletries, utilities, and routine maintenance) remained well under control thanks to the efforts of the Arusha staff, showing a slight decrease compared to 2024 (-1%). Taking into account not only the direct costs of the center but also those incurred in Italy and Germany for the overall administration of the project—and particularly for fundraising and outreach activities involving the entire community that supports Malaika—the overall breakdown of annual expenses incurred in 2025 is as follows:



In 2025, overall expenditure focused on Direct Center Management represented 83.6% of total expenses. This shows a slight downward trend compared to the previous year, resulting from the combined effect of a decrease in education expenses and the ever-increasing effort our organization must dedicate to fundraising—an activity that remains fundamental to sustaining our initiatives. The percentage of administrative expenses remained stable.

The resources raised, together with the growing share of self-financing, were more than sufficient to cover all current and capital expenditures; therefore, in 2025 as well, there was no need to resort to costly financing to meet our spending commitments.

Over the years, more than €570,000 has been invested in the development of the Arusha center and all its service infrastructure, as well as the purchase of five vehicles over time (including two small minibuses). The first purchase was the land—two hectares—on part of which we have built the center over the years. Today, the area occupied by the center (approximately 9,900 sqm) has been fully secured with the construction of a perimeter wall over 400 meters long. This project required a significant investment, but without it, it would not have been possible to develop everything that exists today.

Within this area, there are now six masonry buildings: two residential buildings (one for girls and one for boys) with annexed rooms for study, play, and laundry, as well as storage for food and toiletries; one building used as a kitchen and dining area; one building housing the office and several storage rooms; one building



used as a candle factory; and the final building completed at the end of 2025, which serves as a poultry house. Also within the perimeter wall are a large cultivated area, a section dedicated to raising chickens and rabbits, and finally, a large play area. At the December 31, 2025 exchange rate, the historical cost of all construction work carried out amounts to just over €300,000.

The second most significant investment area relates to vehicles. These have been replaced one by one over the years at Malaika: two minibuses, three cars, and two motorcycles, with total investments over 20 years of activity estimated at approximately €100,000.

The third investment area involves the solar (photovoltaic) and wind power systems for the self-production of electricity and hot water—an investment totaling over €40,000.

In addition to these three main areas, further investments have been made in furnishings, as well as in water storage and irrigation systems.

At the end of 2025, the assets and facilities present and operational at the center were as follows:

ASSETS as of DECEMBER 31, 2025 €								
	LAND	BUILDINGS	OFFICE EQUIPMENT	FURNITURE	VEHICLES	PHOTOVOLTAIC & WIND SYSTEMS	WATER STORAGE	TOTAL
ORIGINAL COST	6.917	301.477	11.272	9.165	49.943	43.943	27.128	449.845
ACCUMULATED DEPRECIATION	0	-69.397	-5.541	-7.796	-22.795	-31.982	-25.205	-162.716
NET VALUES AS OF 31.12.2025	6.917	232.080	5.731	1.369	27.148	11.960	1.922	287.128

THE CONTROL SYSTEM

The control system has been developed over the years, especially in the Tanzanian legal entity, as it is the only project for which the two European entities raise funds. Except for expenses for fundraising and external contributions to cover international scholarships, all project operating expenses are incurred directly in Tanzania, where a series of procedures have been developed to ensure constant and comprehensive financial flow control over the years.

The management system has proven simple and effective in ensuring control over all expenses. A second, proper accounting system is supervised by an external auditor and ensures overall account balancing.

The MCFT balance sheets closed for 2023, 2024 and 2025, prepared in accordance with the “International **Public Sector Accounting Standards**” (IPASs), were handled by the two operational Councilors under the supervision of the “Head of Accounting” as required by the National Board of Accounting and Auditors (NBAA), Auditors and Accountants” Act. No. 33 of 1972, subsequently amended by Act. No. 2 of 1995. All balance sheets **have been voluntarily audited by an independent auditing firm.**



MCFT also complies with Tanzanian laws by preparing a series of reports sent to Tanzanian authorities responsible for monitoring centers hosting children:

- » Monthly reports on the children hosted, their health status, and activities are sent to Social Welfare, and an annual management report along with the audited balance sheet is sent.
- » Quarterly summary reports of the shelter economic figures and an annual summary report of financial activities, along with the audited balance sheet, are sent to the authority governing NGOs operating in Tanzania.

The Italian legal entity uses a periodically updated accounting system managed by an external independent firm of chartered accountants and auditors. Transactions are very simple and few: donations on one side and remittances to MCTF to cover project costs and limited structure maintenance and fundraising costs on the other.

The MCFT balance sheets closed for 2022, 2023, 2024 and 2025 were prepared in accordance with the new provisions of the forms (the “modulistica” referred to in art. 13 of the Third Sector Code) provided by the **ministerial decree of March 5, 2020**, and in compliance with the national accounting standard **“OIC 35 - Accounting Principle ETS,” published by the Italian Accounting Organization (OIC), the standard setter of Italian accounting standards, on February 4, 2022.**

MK, not having significant activity, does not need to prepare a proper balance sheet but limits itself to preparing a very simplified economic situation.

THE METHODOLOGICAL NOTE

REPORTING SCOPE

The reporting scope of this Annual Report (hereinafter also referred to as “AR”) includes the activities of three legal entities that contribute, in various forms, to the overall activities. In particular:

- » “Malaika Children’s Friends ETS,” also known as “MCFT” (Italy); “Malaika Kids e.V.,” also known as “MK” (Germany);
- » “Malaika Children’s Friends,” also known as “MCFT” (Tanzania).

It is specified that the aforementioned entities have no equity relationship. However, the activities of the three organizations are interconnected. The two European entities, particularly, focus on fundraising activities, seeking school sponsorships, and securing funding for special projects. Additionally, the Italian entity is directly involved in managing the family home, ensuring a constant presence at the shelter. On the other hand, the Malaika’s operational management activities are under the legal entity of Tanzanian law, which operates with the recognized status of Humanitarian Operator registered in the NGO register of the Tanzanian Government.

As already mentioned in the initial sections, the document refers to “Malaika Children’s Friends”, “Malaika” or “the organization” as an aggregate of the three legal entities listed above. However, they operate independently from each other.



REPORTING GUIDELINES AND REFERENCE STANDARDS

The Annual Report presents the organization's activities, distinctive features, and major changes initiated through projects and initiatives over the years. The preparation of the Annual Report has been voluntarily aligned with the guidelines of the Ministry of Labor and Social Policies (approved by Ministerial Decree 04/07/2019), from which the principles are derived to ensure the quality of information: relevance, completeness, transparency, neutrality, accrual basis, comparability, clarity, truthfulness, verifiability, and reliability.

Malaika has adopted the Sustainability Reporting Standards of the GRI (Global Reporting Initiative) to report its social, economic, and environmental performance. Malaika has thus reported the information in the Annual Report 2025 for the period from January 1, 2025, to December 31, 2025, according to the "with reference to the GRI Standards" approach. In this regard, the GRI Content Index, appended to the document, links the selected GRI Standards to the contents of the Annual Report sections.

REPORTING PERIOD

As previously described, this Annual Report covers financial and non-financial information and data for the reporting period from January 1, 2025 to December 31, 2025. Where possible, data and information for 2023 and 2024 have been provided to facilitate comparison and analysis of Malaika's performance, in accordance with the comparability principle of the GRI Standards. It is also noted that, to better represent Malaika's development and evolution over time, representations of information over a broader range of years have been provided for some particularly significant data.

The organization plans to disclose its non- financial performance annually.



APPROVAL AND PUBLICATION

The organization's Chairman has shared and approved the annual report, which is available for consultation on the website at <https://www.malaika-childrenfriends.org/annual-reports/?lang=en>

For further inquiries regarding the document, please contact: info@malaika-childrenfriends.org

GRI CONTENT INDEX				
DICHIARAZIONE D'USO	Malaika Children's Friends ETS has reported the information in the Annual report 2025 for the period from January 1st, 2025 to December 31st, 2025 in the manner "with reference to the GRI Standards."			
GRI 1	GRI 1: Core Principles 2021			
GRI STANDARD DISCLOSURES	DISCLOSURE	LOCATION		NOTES / OMISSION
		SECTION	PAGE NUMBER	
General Disclosures				
GRI 2: GENERAL DISCLOSURES 2021	2-1 Organizational details	1 Malaika: who we are and what we do	pg. 8	-
	2-2 Entities included in the organization's sustainability reporting	1.3 The Governance: Tanzania, Italy and Germany; Methodological note	pg. 13, 47	-
	2-3 Reporting period, frequency and point of contact	Methodological note	pg. 47	-
	2-6 Activities, value chain and other business relationships	2. The shelter	pg. 19	-
	2-7 Employees	2.3 Malaika's staff	pg. 28	-
	2-9 Governance structure and composition	1.3 The Governance: Tanzania, Italy and Germany;	-	-
	2-22 statement on sustainable development strategy	Letter from the Founder and the Chairman	pg. 3	-
	2-29 Approach to stakeholder engagement	14.1 Stakeholders	pg. 16	-



GRI STANDARD DISCLOSURES	DISCLOSURE	LOCATION		NOTES / OMISSION
		SECTION	PAGE NUMBER	
Material themes				
GRI 3: MATERIAL THEMES 2021	3-1 Process for determining material themes	14.2 Material themes	pg. 17	Although there is no timely reporting of impacts, this was considered when identifying material themes, considering the impacts generated as a starting point
	3-2 List of material themes	14.2 Material themes	pg. 17	-
	3-3 Management of material themes	2.1 Youth care 2.2 Specific projects	pg. 20, 23	The indicator is reported within the sections of the document that outline the projects and activities undertaken by the organization.
GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	2.5.2 Energy Management	pg. 34	The reported consumption is estimated by the organization.
GRI 401: EMPLOYMENT 2016	401-1 Benefits provided to full-time employees that are not provided to temporary or part-time employees.	2.3 Malaika's staff	pg. 28	-
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity in governance bodies and among employees	2.3 Malaika's staff	pg. 28	-



THANKS

A heartfelt thanks to all Malaika's supporters: individuals, associations and companies that support Malaika with their donations and in many other forms.



AGN ENERGIA



Arte Giardini



la Coldana



INGEN

Les Roches



rei milano



SAIF



Studio avv. Garbagnati
Studio notarile Grandi

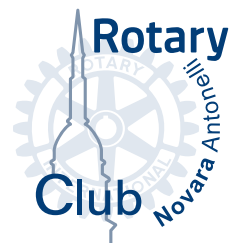


Unicoal S.p.A.



THANKS

A heartfelt thanks to all Malaika's supporters: individuals, associations and companies that support Malaika with their donations and in many other forms.



We extend our heartfelt gratitude to the generous companies that have supported us by providing products for our Christmas and Easter campaigns



A special thanks to BLUREFLEX and KOSMOS who follow Malaika's communication



HOW TO SUPPORT MALAIKA

Donate via bank transfer

Malaika Children's Friends

IBAN: IT 57 C 030 6909 6061 0000 0063 382

BIC / SWIFT: BCITITMM

Banca Intesa San Paolo

Donate directly to our webpage

<https://dona.malaika-childrenfriends.org>

For US donors

bit.ly/malaikacf



162



Malaika
children's friends

www.malaika-childrenfriends.org

info@malaika-childrenfriends.org