AIRTEL MOBILE COMMERCE RWANDA LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31st, 2024

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CONTENTS

AIRTEL MOBILE COMMERCE RWANDA LIMITED

CORPORATE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2024

DIRECTORS

The directors who served during the year and to the date of this report were:

Name	Role	Date of appointment
Mr. Jean Claude Gaga	Executive Director	Appointed on 20th April 2022
Mr. Kelvin Ndhlovu	Non -Executive Director	Appointed on 23rd Sept 2024
Mr. Jacques Voogt	Non -Executive Director	Appointed on 05th July 2024
Mr. Andrew Chuma	Non -Executive Director	Appointed on 24th July 2023
Mr. Moussa Theimoko Dao	Non -Executive Director	Resigned on 30th June 2024
Mr. Mukesh Singla	Non -Executive Director	Resigned on 30th Nov 2024

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE	Airtel Mobile Commerce Rwanda Limited Remera, Gasabo P.O. Box 4164 Kigali Rwanda
AUDITORS	BDO East Africa (Rwanda) Ltd Certified Public Accountants Career Center Building, 8th Floor KG 7AV, PO Box 6953 Kigali, Rwanda

BANKERS	I&M Bank Rwanda Plc P.O. Box 354 Kigali Rwanda	Ecobank Rwanda Plc P.O. Box 3268 Kigali Rwanda
	BPR Bank Rwanda Plc P.O Box 1348 Kigali Rwanda	Zigama CSS P.O. Box 4772 Kigali Rwanda
	Guaranty Trust Bank (Rwanda) Plc Rwanda plc P.O Box 331 Kigali Rwanda	Equity Bank Rwanda Plc P.O. Box 494 Kigali Rwanda
	Bank of Kigali Plc P.O. Box 175 Kigali Rwanda	Access Bank Rwanda Limited Plc P.O Box 2059 Kigali Rwanda

CORPORATE INFORMATION (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

SECRETARY	Mr. Shema Baker C/O Airtel Rwanda Limited P.O. Box 4164 Kigali Rwanda
LEGAL ADVISORS	Trust law chambers P.O Box 6679 Kigali Rwanda B&A Advocates P.O Box 4067 Kigali, Rwanda

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AIRTEL MOBILE COMMERCE RWANDA LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The directors submit their report on the affairs of Airtel Mobile Commerce Rwanda Limited ("the Company") together with financial statements and the auditors' report for the year ended 31 December 2024, which disclose the state of affairs of the Company.

1. PRINCIPAL ACTIVITIES

The principal activities of the Company are provision of mobile money services in Rwanda and to hold and safeguard the funds in trust for Airtel Money e-value account holders.

2. RESULTS

The results for the year are set out on page 8.

3. DIVIDEND

The directors do not recommend payment of dividend with respect to the year ended 31 December 2024 (2023: Nil).

4. RESERVES

The reserves of the Company are set out on page 10.

5. DIRECTORS

The Directors who held office during the year and to the date of this report are set out on page 1.

6. AUDITORS

BDO East Africa (Rwanda) Ltd were appointed initially in the year 2021 and have expressed their willingness to continue in office in accordance with Law No 007/2021 of 05/02/2021 governing companies as modified and complimented to date by the Law No 019/2023 of 30/03/2023 governing companies in Rwanda.

By order of the Board

The financial statements on pages 8 to 32 were approved at a meeting of the Directors held on 21st March 2025 and signed on its behalf by:

Shema Baker

Company Secretary

21st March 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2024

Law No 007/2021 of 05/02/2021 governing companies as modified and complimented to date by the Law No 019/2023 of 30/03/2023 governing companies requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the operating results of the Company for that year. It also requires the directors to ensure that the Company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company.

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the requirements of the Law No 007/2021 of 05/02/2021 governing companies as modified and complimented to date by the Law No 019/2023 of 30/03/2023 governing companies, and for such internal controls as directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with IFRS Accounting Standards and in the manner required by the Law No 007/2021 of 05/02/2021 governing companies as modified and complimented to date by the Law No 019/2023 of 30/03/2023 governing companies. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company as at 31 December 2024 and of its loss and cash flows for the year then ended in accordance with the IFRS Accounting Standards and the requirements of the Rwanda Law No 007/2021 of 05/02/2021 governing companies as modified and complimented to date by the Law No 019/2023 of 30/03/2023 governing companies.

The Company incurred a net loss of Rwf 1,422 million (2023: Rwf 272 million). As of 31 December 2024, accumulated losses were Rwf 3,242 million (2023: Rwf 1,820 million). The Directors are of the opinion that the Company is going concern on the basis that the Company:

a) Will generate cash inflows from operations;
b) Will obtain sufficient funding as required to meet its obligations as and when they fall due;
c) The Company will be able to obtain from the holding company any additional funding required to meet its obligations as and when they fall due.

The Directors are confident that the funds described above will be available to the Company to support its obligations as required and that it is therefore appropriate to prepare the financial statements on a going concern basis.

Kelvin Ndhlovu
Director
21 March 2025

Airtel
Mobile Commerce
Rwanda Limited

Jean Claude Gaga
Director
21/03/2025

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Airtel Mobile Commerce Rwanda Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Airtel Mobile Commerce Rwanda Ltd "the Company" set out on pages 8 to 34, which comprise:

- the statement of financial position as at December 31, 2024,
- the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and
- notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and (*of*) its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Law No 007/2021 of 05/02/2021 as modified and complimented to date by the Law No 019/2023 of 30/03/2023 governing companies in Rwanda.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independence requirements applicable to performing audits of financial statements in Rwanda, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Report of the Directors and Statement of Directors' Responsibilities, but 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 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, 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 Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is

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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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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 International Standards on Auditing, we exercise professional judgment and maintain professional skepticism 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 Management.
- Conclude on the appropriateness of the Management' 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 fair presentation.

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.

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Report on Other Legal and Regulatory Requirements

As required by the Rwanda Companies Act we report to you, based on our audit, that:

- We have no relationship, interest or debt with Company. As indicated in our report on the audit of the financial statements, we comply with ethical requirements. These are the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which includes comprehensive independence and other requirements.
- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
- In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
- We have communicated with those charged with governance our significant audit findings, and significant deficiencies in internal control that we identified during our audit.
- According to the best of the information and the explanations given to us as auditors, as shown by the accounting and other documents of the company, the financial statements comply with Article 125 of Rwanda Companies Act.

BDO East Africa (Rwanda) Ltd
Certified Public Accountants
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DocuSigned by:
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CPA Roy Kinoti Nkandau
PC/CPA 0647/0134
Engagement Partner

Date: 04 April **2025**

STATEMENT OF COMPREHENSIVE INCOME

(All amounts are in thousands Rwf, unless stated otherwise)

	Note	For the year ended 31 December 2024	31 December 2023
Income			
Service Revenue	5	5,495,023	6,528,753
		5,495,023	**6,528,753**
Expenses			
Commission, Sales and marketing expenses	6	4,920,721	4,662,482
Employee benefit expense	7	642,936	592,279
Other expenses	8	830,931	514,530
Impairment loss on Financial Assets	9	13,294	(15,876)
Depreciation	11	310,583	554,520
Amortization	12	54,154	98,887
		6,772,619	**6,406,821**
Operating profit/(loss)		**(1,277,596)**	**121,932**
Finance cost	10	200,026	498,253
Finance Income	10	(55,296)	(104,255)
Loss before tax		**(1,422,326)**	**(272,066)**
Income tax	19	-	-
Loss and total comprehensive loss for the period		**(1,422,326)**	**(272,066)**

There were no items of other comprehensive income for the year (2023: Nil)

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STATEMENT OF FINANCIAL POSITION

(All amounts are in thousands Rwf, unless stated otherwise)

	Notes	As of 31 December 2024	31 December 2023
Non-current assets			
Property, plant and equipment	11	678,713	877,587
Capital work in progress	11	177,651	83,173
Intangible assets	12	162,461	88,967
		1,018,825	1,049,727
Current assets			
Trade and other receivables	13	432,154	250,998
Other current assets	14	310,011	341,154
Cash and cash equivalents	17	2,281,506	3,041,936
Balance held under mobile money trust	17	7,599,827	9,648,785
		10,623,498	13,282,873
Total assets		11,642,323	14,332,600
Equity			
Share capital	16	4,097,200	200,000
Accumulated losses		(3,242,500)	(1,820,174)
		854,700	(1,620,174)
Non-current liabilities			
Borrowings	15	-	2,004,914
		-	2,004,914
Current liabilities			
Trade and other payables	18	3,034,079	4,169,892
Other Non-Financial Liability	18	153,717	129,183
Mobile money wallet balance	17	7,599,827	9,648,785
		10,787,623	13,947,860
Total equity & liabilities		11,642,323	14,332,600

Note

The financial statements on pages 8 to 32 were approved by the board of directors on 21 March 2025 and were signed on its behalf by:

Kelvin Ndhlovu

Director

Airtel Mobile Commerce Rwanda Limited

Jean Claude Gaga

Director

21/3/2025

STATEMENT OF CHANGES IN EQUITY

(All amounts are in thousands Rwf, unless stated otherwise)

	Share capital	Accumulated losses	Total
	Rwf '000	Rwf '000	Rwf '000
At 1 January 2023	200,000	(1,548,108)	(1,348,108)
Total comprehensive loss	-	(272,066)	(272,066)
At 31 December 2023	200,000	(1,820,174)	(1,620,174)
At 1 January 2024	200,000	(1,820,174)	(1,620,174)
Issue of Share Capital during the year	3,897,200	-	3,897,200
Total comprehensive loss	-	(1,422,326)	(1,422,326)
At 31 December 2024	4,097,200	(3,242,501)	854,699

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STATEMENT OF CASH FLOWS

(All amounts are in thousands Rwf, unless stated otherwise)

	Note	For the year ended 31 December 2024	31 December 2023
Cash flow from operating activities:			
Loss before tax		(1,422,326)	(272,066)
Adjustments for:			
Depreciation and amortization	11&12	364,738	653,407
Foreign exchange Loss/ (Gain)	10	(49,087)	181,104
Interest expense	10	249,113	317,149
Interest income on receivable	10	(55,296)	(104,255)
Operating cash flow before working capital changes		(912,858)	775,339
Changes in working capital			
(Increase)/Decrease in trade and other receivables		(150,013)	74,643
(Decrease)/Increase in trade and other payable		(1,062,192)	659,353
(Decrease)/Increase in mobile money wallet balance		(2,048,958)	1,108,060
Net cash (used) / *generated from operating activities before tax*		(4,174,022)	2,617,395
Income tax paid	19	-	-
Net cash (used) / generated from operating activities		(4,174,022)	2,617,395
Cash flow from investing activities:			
Purchase of property, plant and equipment and intangibles	11&12	(333,835)	(289,242)
Interest income on receivable	10	55,296	-
Net cash used in investing activities		(278,539)	(282,242)
Cash flow from financing activities:			
Proceeds from issue of share capital	16	3,897,200	-
Interest expense	10	(249,113)	-
Repayment of borrowings	15	(2,004,914)	-
Net cash generated from financing activities		1,643,173	-
(Decrease)/Increase in cash and cash equivalents		(2,809,388)	2,328,153
Cash and cash equivalents at the beginning of the year		12,690,721	10,362,568
Cash and cash equivalents at the end of the year		9,881,333	12,690,721
Represented by:			
Balance held in wallets	17	671,755	1,841,961
Balance at Bank	17	1,609,751	1,199,975
Balance held under mobile money trust on behalf of customers	17	7,599,827	9,648,785
		9,881,333	12,690,721

1. Corporate information

Airtel Mobile Commerce Rwanda Limited is a limited liability company registered and domiciled in Rwanda and licensed under the Law No 007/2021 of 05/02/2021 governing companies as modified and complimented to date by the Law No 019/2023 of 30/03/2023 governing companies in Rwanda. The Company was incorporated on 22 February 2013 and it is 100% owned by Airtel Mobile Commerce Rwanda B.V.

Airtel Mobile Commerce Rwanda Limited is part of Bharti Airtel group of companies. The company's direct shareholder is Airtel Mobile Commerce Rwanda BV incorporated and domiciled in the Netherlands. The step-up parent company that produces consolidated financial statements for public use within the group is Airtel Africa plc, a company incorporated and domiciled in London.

2. Application of new and revised international financial reporting standards (IFRSs)

New and amended standards that are effective for the current period

No new IFRS issued during the year is applicable to the company. Amendments to existing IRFS have been applied by the Company as required. However, these amendments do not have any material impact on the Company's financial statements.

Newly issued amendments include:

- Amendments to IAS 7 and IFRS 7 in relation to "Supplier Finance Arrangements"
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Presentation of Financial Statements-Non-current Liabilities with Covenants

New and revised IFRSs in issue but not yet effective

The following pronouncements issued by the IASB are relevant to the Company and effective for annual periods beginning on or after 1 January 2024. The Company's financial statements will be presented in accordance with these requirements, which are being evaluated but are not expected to have a material impact on the results, financial position or cash flows of the Company. These pronouncements have been issued by IASB, but are not yet effective

- IFRS 18 – Presentation and disclosures in Financial Statements
- Amendments to IAS 21 - Lack of Exchangeability
- Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments
- Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in future periods.

3. Accounting policies

Summary of material accounting policies

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

3.1 *Statement of compliance*

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

3.2 *Basis of preparation and measurement*

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All the amounts included in the financial statements are reported in Rwandan Francs (Rwf), with all values rounded to the nearest thousands (Rwf "000") except when otherwise indicated.

Fair value is the price at the measurement date at which an asset can be sold, or the price paid to transfer a liability in an orderly transaction between market participants

The company is required to classify the fair valuation method of the financial/non-financial assets and liabilities either measured or disclosed at fair value in the financial statements using a three-level fair-value hierarchy (which reflects the significance of inputs used in the measurement of fair value).

Accordingly, the company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The three levels of the fair-value-hierarchy are described below:

- Level 1- Quoted (unadjusted) prices for identical assets or liabilities in active markets.
- Level 2 - Significant inputs to the fair value measurement are directly or indirectly observable.
- Level 3 - Significant inputs to the fair value measurement are unobservable.

3.3 *Revenue recognition*

Revenue is recognised upon the transfer of control of promised products or services to the customer at the consideration which the company has received or expects to receive in exchange for those products or services, net of any taxes/duties and discounts. When determining the consideration to which the company is entitled for providing promised products or services via intermediaries, the company assesses whether the intermediary is a principal or agent in the onward sale to the end customer. To the extent that the intermediary is considered a principal, the consideration to which the company is entitled is determined to be that receivable from the intermediary. To the extent that the intermediary is considered to be an agent, the consideration to which the company is entitled is determined to be the amount receivable from the ultimate customer, the upfront discount provided to the intermediary is recognised as Commission Sales and Marketing expense.

As part of the mobile money services, the company earns commission from merchants for facilitating recharges, bill payment and other merchant payment. It also earns commission on the cash out of money from customers wallet. Such commission is recognised as revenue at a point in time on fulfilment of these services by the company.

3.4 *Foreign currencies*

(i) *Functional and presentation currency*
The items included within the financial statements are measured using the currency of the primary economic environment in which each entity operates (i.e., 'functional currency'). The financial statements are presented in Rwandan Franc which has been determined to be the entity's functional currency.

(ii) *Transactions and balances*
In preparing the financial statements of the Company, transactions in foreign currencies are initially recorded in the relevant functional currency at the rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement/settlement, recognised in the Statement of Comprehensive Income within finance costs/finance income.

Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – with the resulting foreign exchange difference, on subsequent re-statement/settlement, recognised in the profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

3.5 *Employee benefits*

The Company's employee benefits mainly include wages, salaries, bonuses, defined contribution plans, defined benefit plans, other long-term benefits including compensated absences. The employee benefits are recognised in the year in which the associated services are rendered by the employees. Short-term employee benefits are recognised in Statement of profit or loss at undiscounted amounts during the period in which the related services are rendered. Details of long-term employee benefits are provided below:

Defined Contribution plans

The Company contributes to a statutory defined contribution pension scheme, the Rwanda Social Security Board (RSSB). Contributions are determined by local statute and are currently limited to 5% of the employees' gross salary. The Company's RSSB contributions are charged to profit or loss in the period to which they relate. The Company has no further obligations under these plans beyond its periodic contributions.

Defined benefit plans

The company has defined benefit plans in form of 'Retirement Benefits' wherein, the cost of providing benefits is determined using the Projected Unit Credit Method. The obligation towards the said benefits is recognised in the balance sheet under provisions, at the present value of the defined benefit obligations. The present value of the said obligation is determined by discounting the estimated future cash outflows, using an appropriate discount rate.

Defined benefit costs are split into the following categories:

i. Service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements.
ii. Interest expense; and
iii. Re-measurements.

The company recognises service costs within profit or loss as employee benefit expenses. Past service, cost is recognised in profit or loss when the plan amendment or curtailment occurs. Gains or losses on settlement of a defined benefit plan are recognised when the settlement occurs. Interest cost is calculated by applying a discount rate to the defined benefit liability and is recognised within finance costs. Re-measurements comprising actuarial gains and losses are recognised immediately as a charge or credit to other comprehensive income in the period in which they occur. Re-measurements recognised in other comprehensive income are not reclassified.

Other entitlements

The employees of the company are entitled to compensated absences. Compensated absences benefit comprises encashment and the availing of leave balances that were earned by the employees over the period of past employment.

3.6 *Taxation*

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

Current tax and deferred tax is recognised as an expense or income in profit or loss, except to the extent that it relates to items credited or debited directly to equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

(i) *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it also excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by reporting date. The payment made in excess/ (shortfall)of the income tax obligation for the respective periods are recognised in the statement of financial position under income tax assets/income tax liabilities, respectively.
Any interest, related to accrued liabilities for potential tax assessments are not included in income tax charge or (credit), but are rather recognised within finance costs.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable or based on expected value approach, as applicable and are presented within current tax liabilities. The assessment is based on the judgement of tax professionals within the company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Current tax assets and tax liabilities are offset where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) *Deferred tax*

Deferred tax is recognised, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, the deferred tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred tax liability is settled.

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

Deferred tax assets, recognised and unrecognised, are reviewed at each reporting date and assessed for recoverability based on best estimates of future taxable profits.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity.

3.7 *Property, plant and equipment and capital work-in-progress*

(i) *Property, plant and equipment*

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE is initially recognised at cost.

The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes and after deducting trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Further, it includes assets installed on the premises of customers where the associated risks, rewards and control remain with the Company.

Subsequent to initial recognition, PPE is stated at cost less accumulated depreciation and any impairment losses. When significant parts of PPE are required to be replaced at regular intervals, the Company recognises such parts as separate component of each asset. When an item of PPE is replaced, it carrying amount is derecognised from the statement of financial position and cost of the new item of PPE is recognised. The expenditure incurred after an item of PPE is ready to use, such as repairs and maintenance, are charged to the statement of comprehensive income in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

When funds borrowed are specifically for the purpose of obtaining a qualifying asset, the entity determines the amount of the borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of the borrowings.

Gains and losses arising from retirement or disposal of plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in statement of comprehensive income within other income.

Assets are depreciated to the residual values on a straight-line basis over the estimated useful lives. The asset's residual values and useful lives are reviewed at each financial year end or whenever there are indicators for impairment and adjusted prospectively. Land is not depreciated:

Categories	**Years**
Computers	3 years
Furniture and fittings	2 to 5 years
Leasehold improvements	20 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end. The effect of any changes in estimate is accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of comprehensive income within other income.

(ii) *Capital work-in- progress*

PPE in the course of construction less any accumulated impairment is carried at cost and presented separately as capital work-in-progress (CWIP) (including capital advances) in the statement of financial position until ready for use at which point it is transferred to PPE and subsequently depreciated. Such cost comprises the purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any other directly attributable costs.

3.8 *Intangible assets*

Identifiable intangible assets are recognised when the company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the company and the cost of the asset can be measured reliably. Intangible assets with definite useful life are carried at cost less accumulated amortisation and any impairment losses. Amortisation is computed using the straight-line method over the expected useful life.

The Company's intangible asset comprises of software licenses which are amortised over the software license period, generally not exceeding three years.

3.9 *Impairment of non-financial assets*

Property, plant & equipment and intangible assets

Property, plant & equipment and intangible assets with definite lives are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash-generating-unit ('CGU') level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment recognised in statement of comprehensive income is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro rata basis.

Reversal of impairment losses

Impairment losses are reversed and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset in previous years.

3.10 *Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the relevant obligation, using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to un-winding of the discount sale due to the passage of time is recognised within finance costs

3.11 *Cash and cash equivalents*

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value).

However, for the purpose of the statement of cash flows, in addition to above items, any bank overdrafts that are integral part of the company's cash management and balance held under mobile money trust are also included as a component of cash and cash equivalents.

3.12 *Statement of cash flow*

Cash flows are reported using the indirect method as per IAS-7" Statement of cash flows", whereby profit for the period is adjusted for the effect of transactions of a non-cash nature, any deferral or accrual of past or future cash operating receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

3.13 *Financial instruments*

a. Recognition, classification and presentation

Financial assets and liabilities are recognised in the statement of financial position when the company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial instruments at initial recognition.

The company classifies its financial assets in the following categories:
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- those to be measured at amortised cost.

The Company does not have any financial instruments classified as fair value through other comprehensive income. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The company has classified all non-derivative financial liabilities as measured at amortised cost.

Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the statement of financial position, if and only when, the company currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The amounts held by Airtel Money electronic value (E-value) account holders in their mobile money wallets are presented separately in the Balance Sheet as 'Mobile money wallet balance'. These amounts held in separate bank accounts on behalf of such E-value account holders are restricted for use by the Company and are presented as 'Balance held under mobile money trust'."

b. *Measurement - Non-derivative financial instruments*

I. *Initial measurement*
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other transaction costs are expensed as incurred in the Statement of Comprehensive Income.

II. *Subsequent measurement - financial assets*
The subsequent measurement of non-derivative financial assets depends on their classification as follows:

- *Financial assets measured at amortised cost*

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest rate ('EIR') method (if the impact of discounting/any transaction costs is significant). Interest income from these financial assets is included in finance income.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

- *Financial assets at fair value through profit or loss ('FVTPL')*

All equity instruments and financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income ('FVTOCI') are measured at FVTPL. Interest (basis EIR method) and dividend income from financial assets at FVTPL is recognised in the profit and loss within finance income/finance costs separately from the other gains/losses arising from changes in the fair value."

Impairment
The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and debt instrument carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, 12 month expected credit loss ('ECL') is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

III. *Subsequent measurement - financial liabilities*
Financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting/any transaction costs is significant)."

c. *De-recognition*
Financial liabilities are derecognised from the statement of financial position when the underlying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are derecognised from the statement of financial position when the rights to

receive cash flows from the financial assets have expired, or have been transferred and the Company has transferred substantially all risks and rewards of ownership. The difference in the carrying amount and consideration is recognised in the statement of comprehensive income."

3.14 *Share capital*

Issued ordinary shares are classified as 'share capital' in equity when the Company has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect.

3.15 *Contingent liabilities and contingent assets*

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised unless virtually certain and disclosed only where an inflow of economic benefits is probable.

3.16 *Comparatives*

Where necessary, comparative figures have been adjusted to confirm with changes in presentation in the current year.

3.17 *Interest income*

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected useful life of the financial asset to that asset's net carrying amount on initial recognition.

3.18 *Current versus non-current classification*

The company presents assets and liabilities in the statement of financial position based on current/non-current classification.

Deferred tax assets and liabilities, and all assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in the Group's normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

A liability is classified as current when it is expected to be settled in the Group's normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within 12 months after the reporting period, or there is no right to defer the settlement of the liability at the end of the reporting period for at least 12 months after the reporting period

3.19 Mobile Money deposits and wallet balances

Airtel Money deposits are balances that are held with banks for and on behalf of Airtel Money customers. Airtel Money regulations in the country require that these balances with banks are held in a manner to ensure that these balances are not co-mingled with the Company's cash and cash equivalents and that these are ring-fenced to settle Airtel Money customers' obligations. Regulation specify the types of permissible liquid instruments that these deposits may be invested in. The deposits held are accounted for at amortised cost in accordance with the Company's accounting policy (we'll need the policy note reference on the fs). Upon recognition of the Airtel Money financial asset, the Company recognises a corresponding current liability, in the ordinary course, to refund Airtel Money customers for the deposits made. The Company earns transactional fees and recognises it as part of revenue. Transactional fees are recognised over time as the transactions occur. The Company accounts for fees paid to agents as a commission expense as part of selling, distribution and marketing expenses and interest paid to customers in other operating expenses. Cash flows that relate to transaction fees earned and operating expenses incurred are classified as operational cash flows. Cash flows that relate to the principal Airtel Money deposit balance and corresponding liabilities are reflective of customer transactions and, consequently, are not recorded on the Company's statement of cash flows.

Airtel Money involves the issuing of electronic money in return for cash. Airtel Money enables an active mobile phone subscriber to load a Mobile Money wallet, with a balance which is recorded electronically for immediate or later use. The Company utilises Airtel Money agents to facilitate customer activities i.e. depositing cash and loading and storing the Mobile Money in wallets. The Company also performs the activities of a Mobile Money agent through Airtel branches. Any monetary value stored on a Mobile Money wallet is supported by an equivalent Mobile Money deposit held with a bank or multiple banks. The Company provides the platform to administer the Mobile Money wallet and the Mobile Money service generally. The Company opens bank accounts in which the Money deposits on the cash balances is held. Mobile Money is a regulated service offering. These regulations govern the manner in which Mobile Money services are conducted as well as the rights and obligations of all parties to the Mobile Money service offering. The treatment of Mobile Money in the financial statements is not, and should not be construed as a waiver by members of the Company of any legal, contractual or statutory rights, remedies and defences they may have, or as an admission of liability enforceable against any of them in law or otherwise. The legal, contractual and statutory rights, remedies and defences of members of the Company are reserved.

4 Critical accounting estimates and judgements

The estimates and judgements used in the preparation of these financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. These estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the company regularly assesses these estimates, actual results could differ materially from these estimates – even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the financial statements in the year in which they become known.

Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below:

(i) Uncertain tax treatments -Uncertainties exist with respect to the interpretation of complex tax regulations. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The company establishes provisions/contingencies, based on reasonable estimates, for potential audits by the tax authorities as well as where the probability of tax authorities accepting the company's treatment is in doubt

(ii) Going concern – The company's director has made an assessment of the company's ability to continue as a going concern and are satisfied that the company has resources to continue in business for the foreseeable future. Furthermore, the directors are not aware of any other material uncertainties that may cast significant doubt upon the company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

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	2024 Rwf'000	2023 Rwf'000
5. Service Revenue		
Commission on Money transfer	997,357	895,782
Commission on easy recharge (Refer note 15)	4,055,083	4,419,624
Commission on Bill and merchant payments	192,716	106,908
Cross charge revenue for commission on collection (Refer Note 15)	217,169	2,743
Cross charge revenue for Churn (Refer Note 15)	32,698	1,103,696
	5,495,023	6,528,753
6. Commission, Sales and marketing expenses		
Marketing Expenses	903,135	206,130
Commission, Sales and distribution expenses	4,017,586	4,456,352
	4,920,721	4,662,482
7. Employee benefit expense		
Salaries and bonus	630,971	567,797
Contribution to national social security fund	11,965	16,059
Leave encashment	-	8,423
	642,936	592,279
8. Other expenses		
Administrative expenses	253,850	11,137
IT Expenses	461,233	374,420
Legal & Professional charge	45,745	57,038
Regulatory cost	69,397	42,058
Audit fees	14,000	14,000
	844,225	498,653
8.1 Auditor's remuneration		
Audit Services	14,000	14,000
Non Audit Services	-	-
	14,000	14,000
9. Impairment loss on Financial Assets		
Impairment loss on Financial Assets	13,294	(15,976)
	13,294	(15,976)
10. Finance Cost and Income		
Finance Cost		
Net exchange Loss/(gain)	(49,087)	181,104
Interest expense	249,113	317,149
	200,026	498,253
Finance Income		
Interest income on receivable (Refer note 15)	55,296	104,255
	55,296	104,255

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11. Property, plant and equipment

Year ended 31 December 2024	Leasehold Rwf'000	Furniture and fittings Rwf'000	Computers Rwf'000	Total Rwf'000	Capital Work-In-Progress Rwf'000
Cost					
At 01 January 2024	-	1,841,488	394,953	2,236,441	83,173
Purchase of assets / (Capitalized WIP)	-	-	239,357	239,357	333,835
Disposal / Adjustments	-	-		-	(239,357)
Reclass	54,427	(54,427)	8,337	8,337	-
At 31 December 2024	54,427	1,787,061	642,647	2,484,135	177,651
Accumulated Depreciation					
At 01 January 2024	-	1,247,657	111,197	1,358,854	-
Depreciation during the year	42,011	183,294	85,278	310,583	-
Reclass	-	8,337	127,649	135,985	-
At 31 December 2024	42,011	1,439,288	324,123	1,805,422	-
Net carrying amount					
At 31 December 2024	12,416	347,773	318,524	678,713	177,651

Period ended 31 December 2023	Leasehold Rwf'000	Furniture and fittings Rwf'000	Computers Rwf'000	Total Rwf'000	Capital Work-In-Progress Rwf'000
Cost					
At 01 Jan 2023	-	1,500,894	200,428	1,701,322	363,037
Purchase of assets	-	340,594	194,525	535,119	(279,865)
Additions/Adjustments	-	-	-	-	-
At 31 December 2023	-	1,841,488	394,953	2,236,441	83,173
Accumulated Depreciation					
At 01 Jan 2023	-	683,662	198,319	881,981	-
Depreciation during the period	-	480,371	74,149	554,520	-
Reclass	-	83,624	(83,624)	-	-
Reclass to intangibles	-	-	(77,647)	(77,647)	-
At 31 December 2023	-	1,247,657	111,197	1,358,854	-
Net carrying amount					
At 31 December 2023	-	593,831	283,756	877,587	83,173

The carrying value of Capital work-in progress as at December 31, 2024 and December 31, 2023 pertains to computers and furniture and fixture that are under installation and not ready for use.

12. Intangible assets

	Software license
Year ended 31 December 2024	Rwf'000
Cost	
At 01 January 2024	780,908
Additions	-
Reclass from Property, plant and equipment	(8,337)
At 31 December 2024	772,571
Accumulated Amortization	
At 01 January 2024	691,941
Amortisation during the year	54,154
Reclass from Property, plant and equipment	(135,985)
At 31 December 2024	610,110
Net carrying amount	
At 31 December 2024	162,461

	Software License
Period ended 31 December 2023	Rwf'000
Cost	
At 01 January 2023	746,920
Additions	33,988
At 31 December 2023	780,908
Accumulated Amortization	
At 01 January 2023	515,407
Depreciation during the period	98,887
Reclass from property, plant and equipment	77,647
At 31 December 2023	691,941
Net carrying amount	
At 31 December 2023	88,967

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13. Trade and other receivables

	2024 Rwf'000	2023 Rwf'000
Trade receivables	17,615	16,973
Less: Loss allowance	(10,281)	(9,255)
	7,334	7,718
Other Receivables	115,600	-
Due from related parties (Refer Note 14)	309,219	243,280
	432,154	250,998

14. Other Current assets

Prepaid expenses	17,815	11,235
Electricity token	-	98,558
Other receivables	292,196	231,361
	310,011	341,154

15. Related party transactions and balances

The following provides the total amount of transaction that has been entered into with related parties and outstanding balances for the relevant reporting period. The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowing balance which is charged @ 15%. There has been no guarantee provided for any related party payables.

(i) *Due from related parties*

	Relationship	As at Dec 2024 Rwf'000	As at Dec 2023 Rwf'000
Airtel Mobile Commerce Uganda Limited	Fellow subsidiary	111,692	55,695
Airtel Mobile Commerce Zambia Limited	Fellow subsidiary	154,250	187,585
Airtel Money Tanzania Limited	Fellow subsidiary	43,277	-
		309,219	243,280

(ii) *Due to related parties*

Airtel Money Kenya Limited	Fellow subsidiary	75,653	64,178
Airtel Money Tanzania Limited	Fellow subsidiary	-	7,724
Airtel Mobile Commerce Limited (Malawi)	Fellow subsidiary	56,376	39,380
Airtel Rwanda Limited	Fellow subsidiary	1,953,478	3,305,634
		2,085,507	3,416,916

(iii) *Borrowings from related parties*

		As at Dec 2024 Rwf'000	As at Dec 2023 Rwf'000
Airtel Rwanda Limited	Fellow subsidiary	-	2,004,914
		-	2,004,914

The loan is unsecured attracting fixed interest rate of 15% and was fully repaid during the year free of any penalties.

(iv) *Sale of services during the year*

	Goods/Service	Relationship	2024 Rwf'000	2023 Rwf'000
Airtel Rwanda Limited	Cross charge revenue for commission on collection	Fellow subsidiary	217,169	2,743
Airtel Rwanda Limited	Cross Charge revenue for easy recharge	Fellow subsidiary	4,055,083	4,419,624
Airtel Rwanda Limited	Cross charge revenue for Churn	Fellow subsidiary	32,698	1,103,696
Airtel Rwanda Limited	Interest income on receivable	Fellow subsidiary	55,296	104,255
			4,360,246	5,630,318

(v) *Purchase of services*

Airtel Rwanda Limited	Cross charge of expenses	Fellow subsidiary	424,208	347,039
			424,208	347,039

(vi) *Money Transfer (Outgoing) during the year*

	Goods/Service	Relationship	2024 Rwf'000	2023 Rwf'000
Airtel Mobile Commerce Zambia Limited	Money transfer	Fellow subsidiary	4,103,558	5,095,338
Airtel Mobile Commerce Uganda Limited	Money transfer	Fellow subsidiary	238,513	701,811
Airtel Money Tanzania Limited	Money transfer	Fellow subsidiary	72,781	50,337
Airtel Money Kenya Limited	Money transfer	Fellow subsidiary	19,560	13,186
			4,434,412	5,860,672

(vii) *Money transfer (Incoming) during the year*

Airtel Mobile Commerce Zambia Limited	Money transfer	Fellow subsidiary	274,875	438,121
Airtel Mobile Commerce Uganda Limited	Money transfer	Fellow subsidiary	179,347	216,663
Airtel Money Tanzania Limited	Money transfer	Fellow subsidiary	23,083	52,621
Airtel Money Kenya Limited	Money transfer	Fellow subsidiary	21,311	78,463
Airtel Mobile Commerce Limited (Malawi)	Money transfer	Fellow subsidiary	13,371	12,555
			511,988	798,423

(viii) *Key management compensation*

Key management personnel are described as the persons having authority and responsibility for planning, directing and controlling the activities of the company directly or indirectly, including Executive Directors of the company. For the company these includes executive committee members.

Details of Key management personnel

(a) Jean Claude Gaga (Since January 2022)

Remuneration to Key management personnel are as below:	2024 Rwf'000	2023 Rwf'000
(a) Salaries and other employment benefits	229,064	225,304

16. Share capital

	2024 Rwf'000	2023 Rwf'000
Issued and Paid-up share capital 40,972 ordinary shares issued at par value of Rwf 100,000 each (2,000 ordinary shares issue at par value of Rwf 100,000 each in year 2023)	4,097,200	200,000
Authorized share capital 40,972 ordinary shares issued at par value of Rwf 100,000 each (2,000 ordinary shares issue at par value of Rwf 100,000 each in year 2023)	4,097,200	200,000

In the current year, the company has issued an additional 38,972 ordinary shares.
Each holder of equity shares is entitled to cast one vote per share and carry a right to dividends.

16.1 Reconciliation of Equity Shares

Year ended 31 December 2024	Share Capital (No of shares)	Share Capital Rwf'000
At 01 January 2024	2,000	200,000
Issue during the year	38,972	3,897,200
At 31 December 2024	40,972	4,097,200

17. Cash and cash equivalent

Balance held in wallets	671,755	1,841,961
Cash at bank	1,609,751	1,199,975
	2,281,506	3,041,936

For the purpose of the statement of cash flows, cash and cash equivalents comprise of the following as at 31 December 2024.

Cash at bank and on wallets	2,281,506	3,041,936
Balance held under mobile money trust*	7,599,827	9,648,785
	9,881,333	12,690,721

*The amount due to E-value holders amounting to Rwf'000 7,599,827 (2023: Rwf'000 9,648,785) includes liability for Interest wallet held separately for Rwf'000 365,571 (2023: Rwf'000 363,902).

Balance held under mobile money trust

Equity Trust Bank	1,430,993	1,977,020
Access Trust Bank	1,299,947	1,942,085
Bank of Kigali Trust Bank	1,407,057	-224,454
BPR Trust Bank	1,311,905	2,991,186
I&M Trust Bank	1,286,954	1,518,449
COGEBANK Trust Bank	497,400	1,080,597
Access Bank - Interest	365,571	363,902
	7,599,827	9,648,785

18. Trade payables and other Non-financial liabilities

Trade payables	735,369	524,850
Other payables	213,203	228,126
Due to related parties (Refer Note 14)	2,085,507	3,416,916
	3,034,079	4,169,892
Other Non-Financial Liability[1]	153,717	129,183

[1]Other non-financial liability consists of other taxes payable

19. Income tax

Income tax rate was revised to 28% from 30% w.e.f. 14 September 2023 in pursuant to Article 2, law no:051/2023 dated 05/09/2023. Further, the Commissioner General on January 4, 2024, issued a public ruling on article 2 of the Income tax law no 051/2023 stating that the new Income tax rate was to be applied prospectively, and companies were required to prepare an annual income tax return and apply the prorate computation method basing on the date of publication 14th September 2023.

Accordingly, income tax is calculated using the enacted income tax rate of 28%. The Company has not recognised the deferred tax assets arising from tax losses for year ended 31 December 2024 of Rwf'000 1,878,657 (2023: Rwf'000 384,830) as it is currently in a loss position and may recognise them in future if sufficient taxable profits are available. Deferred tax asset arising from the losses may be deducted from the taxable profit in the next five (5) tax periods, earlier losses being deducted before later losses.

	2024 Rwf 000	2023 Rwf 000
(i) Current year income tax	-	-
(ii) *Reconciliation of income tax*		
Loss before tax	(1,422,326)	(272,066)
Rwanda's statutory income tax rate of 28% (2023:29.33%)	(398,251)	(79,987)
Tax effect of expenses non-deductible	2,683	54,308
Deferred tax asset not recognized	395,568	25,679
	-	-
(iii) *Deferred tax asset not recognized on*		
Accelerated depreciation on property and equipment	65,219	157,852
Provisions	273,317	261,862
Tax losses	1,878,657	384,830
	2,217,193	804,544

Unused tax losses and deductible temporary difference for which no deferred tax asset is not recognised

Expiring within 5 years	1,878,657	384,830
Expiring beyond 5 Years	-	-
Unlimited	338,536	419,714
	2,217,193	804,544

20. Contingencies and capital commitments

(a) Legal claims
There are no lawsuits and claims pending against the Company in courts of law (2023: Nil)

(b) Capital commitments
The capital commitments for the year are as follows:

	2024 Rwf '000'	2023 Rwf '000'
Capital commitments	150,400	323,934
	150,400	323,934

Capital commitments are authorised and contracted for.

21. Financial risk management

The company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk, liquidity risk and operational risk. The directors review and agree policies for managing these risks.

The directors have overall responsibility for the establishment and oversight of the company's risk management framework. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as foreign exchange rates, interest rates and equity prices. The objective of market risk management is to manage and control market risk exposure within acceptable levels, while optimizing on the return on the risk.

Interest rate risk

Interest rate risk is the risk that the future profitability and/or cash flows of financial instruments will fluctuate because of changes in the market interest rates. However, the company is not exposed to this risk as it currently has no borrowings.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when purchases are denominated in a different currency from the Company's functional currency).

The following table demonstrates the sensitivity, to a reasonable possible change in the USD with all other variables held constant, of the Company's profit before tax and equity due to changes in fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

	2024 Rwf '000	2023 Rwf '000
Foreign Currency denominated Assets		
Due from related parties	309,219	243,280
Cash & Cash Equivalent	284,793	310,381
Total Assets	594,011	553,661
Foreign Currency denominated Liabilities		
Due to related parties	132,029	111,281
Total Liabilities	132,029	111,281
Net financial position	461,982	442,380

Sensitivity Analysis	Effect on profit before tax Rwf '000	Effect on equity Rwf '000
31st Dec 2024		
Changes in USD -+ 6%	27,719	27,719
31st Dec 2023		
Changes in USD -+ 6%	26,543	26,543

Liquidity Risk

Liquidity risk is the risk that the company may not be able to meet its present and future obligations as and when due, without incurring unacceptable losses. The company's prudent liquidity risk management objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement. The company closely monitors its liquidity position and deploy a robust cash management system. The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

At 31 December 2024:	0-6 Months Rwf'000	6-12 Months Rwf'000	Above 12 Months Rwf'000	Total
Liabilities				
Borrowings	-	-	-	-
Mobile money wallet balance	7,599,827	-	-	7,599,827
Trade and other payables	3,034,079	-	-	3,034,079
Total	10,633,906	-	-	10,633,906

At 31 December 2023:

Liabilities

Borrowings	-	-	2,004,914	2,004,914
Mobile money wallet balance	9,648,785	-	-	9,648,785
Trade and other payables	4,169,892	-	-	4,169,892
Total	13,818,677	-	2,004,914	15,823,591

Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:

Rwf'000

		1 Jan 2024	Cash Flow	Non-Cash Movement	31 Dec 2024
Borrowings	Proceeds/Repayment of Borrowings	2,004,914	(2,004,914)	-	-
Total		2,004,914	(2,004,914)	-	-

		1 Jan 2023	Cash Flow	Addition	Others	31 Dec 2023
Borrowings	Proceeds/Repayment of Borrowings	-	-	-	.	-
Total		-	-	-	-	-

Credit Risk
Credit risk is the risk that a counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The company is exposed to credit risk from its operating activities primarily from trade receivable but also from cash, other bank balances and other financial receivable.

Trade receivable
Trade receivables are typically non-interest bearing unsecured and derived from sales made to large number of independent customers. As the customer base is widely distributed both economically and geographically, there is no concentration of credit risk. Credit risk related to trade receivables is managed/mitigated in accordance with the policies and procedures established by the company by setting appropriate payment terms and credit period. The company uses an age-based provision policy to measure the expected credit loss (ECL) Based on industry practices and the business environment in which the company operates, the management considers trade receivables are credit impaired if payments are more than 90 days past due. In determining the amount of impairment, management considers the collateral against such receivables and any amount payable to such customers.

The below table details the risk profile of gross trade receivable based on company's provision policy.

At 31 December 2024:	12 Month or lifetime ECL	Internal Credit rating	Gross Carrying Amount Rwf'000	Less: Allowances Rwf'000	Net Carrying Amount Rwf'000
Trade and other Receivable	Lifetime ECL	Performing	326,834	(10,281)	316,553
Total			326,834	(10,281)	316,553

At 31 December 2023:	12 Month or lifetime ECL	Internal Credit rating	Gross Carrying Amount Rwf'000	Less: Allowances Rwf'000	Net Carrying Amount Rwf'000
Trade and other Receivable	Lifetime ECL	Performing	260,253	(9,255)	250,998
Total			260,253	(9,255)	250,998

22. Fair value of financial assets and liabilities

Fair value of financial assets and financial liabilities approximate to their carrying amount as on 31 December 2024 and 2023 on account of their current nature and they are recognised at amortized cost as on 31 December 2024 and 2023

31 December 2024:	Carrying Value Rwf'000	Fair Value Rwf'000
Amortized Cost		
Trade and other receivables & other current assets	432,154	432,154
Cash and Cash Equivalents	2,281,506	2,281,506
Balance held under Trust	7,599,827	7,599,827
Trade and other payables	(3,034,079)	(3,034,079)
Mobile Money Wallet Balance	(7,599,827)	(7,599,827)
Borrowings	-	-
31 December 2023:		
Amortized Cost		
Trade receivables and other current assets	592,152	592,152
Cash and Cash Equivalents	3,041,936	3,041,936
Balance held under Trust	9,648,785	9,648,785
Trade and other payables	(4,169,892)	(4,169,892)
Mobile Money Wallet Balance	(9,648,785)	(9,648,785)
Borrowings	(2,004,914)	(2,004,914)

23. Capital Management

Capital includes equity attributable to the equity holders of the company. The primary objective of the Companies's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes during the year ended 31 December 2024 and 31 December 2023. On 28 November 2024. Company increased the share capital by way of creating an additional 38,972 ordinary shares of Rwf 100,000 at par value each, amounting an additional Share capital of Rwf 3,897,200,000 beyond the registered capital of Rwf 200,000,000 only. The negative reserves of the company were offset against the new share capital.

The Group monitors capital using a leverage ratio, which is net debt divided by Underlying EBITDA. Net debt is calculated as total of borrowings and lease liabilities less cash and cash equivalents, term deposits with banks, processing costs related to borrowings and fair value hedge adjustments.

	For the year ended	
	31-Dec-24	31-Dec-23
Long-term borrowings	-	-
Short-term borrowings	-	2,004,914
Lease Liabilities	-	-
Adjusted for:		
Cash and cash equivalents	(2,281,506)	(3,041,936)
Balance held under mobile money trust	(7,599,827)	(9,648,785)
Processing costs related to borrowings	-	-
Net debt	(9,881,333)	(10,685,807)
Underlying EBITDA	(912,858)	775,338
Underlying EBITDA	(912,858)	775,338
Leverage ratio	10.82	(13.78)

24. Events after Reporting Period

No material subsequent events or transaction have occurred since the date of statement of financial position.

25. Going concern assessment

The directors are aware that the Company incurred a net loss of Rwf 1,422 million (2023: Rwf 272 million). As of 31 December 2024, accumulated losses were Rwf 3,243 million (2023: Rwf 1,820 million) and that the company's total assets exceed its liabilities by Rwf 855 million (2023: Rwf. (1,620) million) The Directors are of the opinion that the Company is going concern on the basis that the Company:

a) Will generate cash inflows from operations;
b) Will obtain sufficient funding as required to meet its obligations as and when they fall due;
c) The Company will be able to obtain from the external financial institutions any additional funding required to meet its obligations as and when they fall due.

The Directors are confident that the funds described above will be available to the Company to support its obligations as required and that it is therefore appropriate to prepare the financial statements on a going concern basis.