AIRTEL MOBILE COMMERCE ZAMBIA LIMITED

AUDITED ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2025

AIRTEL MOBILE COMMERCE ZAMBIA LIMITED
(Incorporated in Zambia)

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AIRTEL MOBILE COMMERCE ZAMBIA LIMITED

DIRECTORS' REPORT
for the year ended 31 December 2025

The Directors present their financial statements on the affairs of Airtel Mobile Commerce Zambia Limited ("the Company") for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES
The principal activity of the Company is to provide mobile commerce services through Airtel Money infrastructure and to hold the funds in the Airtel Money infrastructure in a trust, for Airtel Money E-value account holders. There have been no significant changes in the Company's business during the year.

SHARE CAPITAL
There were no changes to the authorised and issued share capital during the year.

RESULTS AND DIVIDEND
The Company had a profit after tax of **K2,975,395,630** for the year ended 31 December 2025 (2024: K2,457,127,006). The Company paid dividends during the year amounting to K2,885,400,000 made up of an interim dividend for 2025 of K2,105,400,000 and K780,000,000 final dividend for the financial year ended 31 December 2024. Further, Directors have proposed a final dividend for the year ended 31 December 2025 of **K836,000,000** (2024: K780,000,000).

FINANCIAL STATEMENTS
At the date of this report, the Directors were not aware of any circumstances, which would have rendered the values attributed to the assets and liabilities in the financial statements of the Company misleading.

DIRECTORS
The following Directors held office during the year and to the date of this report.

Name	Role	Date of appointment/resignation
Vimal Ambat (Non-ED)	Chairperson	Appointed on 3 June 2021
Andrew Chuma (ED)	Managing Director	Appointed on 20 May 2022
Joshua Banda (Non-ED)	Board Member	Appointed on 18 January 2024
Mukuka Bwalya (Non-ED)	Board Member	Appointed on 3 May 2024
Alok Bafna (Non-ED)	Board Member	Appointed on 30 November 2024

None of the Directors held any shares in the Company in the year (2024: nil).

PROPERTY AND EQUIPMENT
During the year, the Company acquired Property and equipment worth **K199,359,775** (2024: K106,739,034).

NUMBER OF EMPLOYEES AND REMUNERATION
At the end of the year, the related wages and salaries cost was **K41,613,845** (2024: K35,270,651). The number of employees for each month of the year was as follows.

Month	2025	2024
January	**25**	26
February	**26**	25
March	**27**	25
April	**28**	25
May	**28**	27
June	**28**	27
July	**28**	25
August	**28**	25
September	**29**	25
October	**27**	24
November	**29**	24
December	**29**	24

HEALTH AND SAFETY

The Company has policies and procedures to safeguard the occupational health, safety and welfare of its employees.

GIFTS AND DONATIONS

During the year, the Company made a donation of **nil** (2024: K1,000,000).

AUDITORS

The Company's Auditor, Messrs Deloitte & Touche, have indicated their willingness to continue in office. A resolution proposing their reappointment and authorising the Directors to fix their remuneration will be put to the Annual General Meeting.

STATEMENT ON CORPORATE GOVERNANCE

Airtel Mobile Commerce Zambia Limited takes the issue of corporate governance seriously. The Company's focus is to have a sound corporate governance framework that contributes to improved corporate performance and accountability in creating long term shareholder value.

The Board meets at least four times a year and concerns itself with key matters. The responsibilities for implementing the Company's strategy is delegated to management. The Board of Directors continues to provide considerable depth of knowledge and experience to the business.

The Company has put in place a Code of Conduct, Data Protection and Privacy Policy and Anti-Bribery & Anti-Corruption Policy that sets out the standards on how staff should behave with all stakeholders. An effective monitoring mechanism to support management's objective of enforcing the Code of Conduct, Data Protection and Privacy Policy and Anti-Bribery & Anti-Corruption has been developed and is being used across the Company.

RELATED PARTY TRANSACTIONS

The Directors confirm full and adequate disclosures of all related party transactions entered during the year with all the related parties and the subsequent year. See details included under Note 26 to the financial statements.

SUBSEQUENT EVENTS

No material subsequent events or transactions have occurred since the date of statement of financial position except as disclosed below:

The Board recommended a final dividend of **K836,000,000** on 20 February 2026.

By order of the Board

COMPANY SECRETARY
Sonia Shamwana Chinganya
LUSAKA

Date: 20 February 2026

AIRTEL MOBILE COMMERCE ZAMBIA LIMITED

STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2025

The Companies Act 2017 requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its financial performance. It also requires the Directors to ensure that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company. They are also responsible for safeguarding the assets of the Company. The Directors are further required to ensure the Company adheres to the corporate governance principles or practices contained in Part VII Sections 82 to 122 of the Companies Act, 2017 of Zambia.

The Directors accept the responsibility for the financial statements which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board, requirements of the Companies Act, 2017 of Zambia and the reporting requirements under the National Payment Systems Act, 2007.

The Directors are also responsible for the systems of internal control. These are designed to provide reasonable but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability for assets, and to prevent and detect material misstatements. The systems are implemented and monitored by suitably trained personnel with an appropriate segregation of authority and duties. Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The annual financial statements are prepared on a going concern basis. Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern in the foreseeable future.

In the opinion of the Directors:

- the statement of profit or loss and other comprehensive income is drawn up so as to give a true and fair view of the performance of the Company for the period ended 31 December 2025;
- the statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2025;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due;
- the financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies Act, 2017 of Zambia and the reporting requirements under the National Payment Systems Act, 2007; and
- the Directors have implemented and further adhered to the corporate governance principles or practices contained in Part VII, Sections 82 to 122 of the Companies Act, 2017 of Zambia.

The Auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework described above. Their report is shown on pages 4 to 5.

Approval of the financial statements

The financial Statements of the Company as indicated above, were approved by the Directors on **20 February 2026** and signed on behalf of the Board by:

Vimal Kumar Ambat

Vimal Ambat
DIRECTOR

Andrew Chuma
DIRECTOR

Deloitte.

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Lusaka
Zambia

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INDEPENDENT AUDITOR'S REPORT

To the shareholders of
Airtel Mobile Commerce Zambia Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Airtel Mobile Commerce Zambia Limited (the "Company) set out on pages 6 to 33, which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies Act, 2017 of Zambia and the reporting requirements under the National Payment Systems Act, 2007.

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 Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities, together with ethical requirements that are relevant to audits of financial statements of public interest entities in Zambia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises the Directors' Report and the statement of responsibility as required by the Companies Act, 2017 of Zambia. The other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act, 2017 of Zambia, and the reporting requirements under the National Payment Systems Act, 2007, and for such internal control as the Directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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 assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

The Companies Act, 2017 of Zambia requires that in carrying out our audit, we consider and report on whether:

- There is a relationship, interest or debt which we as the Company's auditors have, in Airtel Mobile Commerce Zambia Limited;
- There are serious breaches by the Company's Directors of the corporate governance principles or practices contained in Part VII sections 82 to 112 of the Companies Act, 2017 of Zambia; and
- There is an omission in the financial statements as regard particulars of loans made to a Company officer (a director, Company secretary or executive officer of a Company) during the year, and if reasonably possible, disclose such information in our opinion.

In respect of the foregoing requirements, we have no matters to report.

Deloitte & Touche

DELOITTE & TOUCHE
CHARTERED ACCOUNTANTS

KUMOYO WAMBULAWAE
ASSOCIATE DIRECTOR
AUD/F006226

Date: 20 February 2026

AIRTEL MOBILE COMMERCE ZAMBIA LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Kwacha For the year ended 31 December 2025	31 December 2024
Revenue	7	**7 592 115 676**	5 991 661 199
Other income	8	**50 777 332**	25 141 161
		7 642 893 008	6 016 802 360
Expenses			
Sales and marketing expenses		**(2 712 098 129)**	(2 102 344 470)
Employee benefit expenses	11	**(41 613 845)**	(35 270 651)
Impairment loss on trade receivables	19	**(106 246)**	-
Other operating expenses	13	**(420 971 079)**	(266 263 956)
Depreciation and amortisation	14	**(94 962 415)**	(58 728 393)
		(3 269 751 714)	(2 462 607 470)
Operating profit		**4 373 141 294**	3 554 194 890
Net exchange (losses) gains	9	**(125 178 512)**	(53 236 844)
Finance costs	10(a)	**(1 058 677)**	(2 600 742)
Finance income	10(b)	**11 737 542**	9 017 733
Profit before tax		**4 258 641 647**	3 507 375 037
Income tax expense	15	**(1 283 246 017)**	(1 050 248 031)
Profit for the year		**2 975 395 630**	2 457 127 006

The notes on pages 10 to 33 form an integral part of these financial statements.

AIRTEL MOBILE COMMERCE ZAMBIA LIMITED

STATEMENT OF FINANCIAL POSITION

	Notes	Kwacha As at 31 December 2025	31 December 2024
ASSETS			
Non-current assets			
Property and equipment	17	**49 517 221**	171 916 462
Capital work-in-progress	17	**36 822 758**	30 927 957
Intangible assets	18	**223 427 093**	2 525 293
Total non-current assets		**309 767 072**	205 369 712
Current assets			
Trade and other receivables	19	**531 406 428**	389 102 182
Cash and cash equivalent	22	**651 155 437**	851 406 882
Balance held under mobile money trust	20	**6 411 087 578**	4 937 291 817
Total current assets		**7 593 649 443**	6 177 800 881
Total assets		**7 903 416 515**	6 383 170 593
EQUITY AND LIABILITIES			
Equity			
Share capital	23	**2 000 000**	2 000 000
Retained earnings		**967 437 902**	877 442 272
Shareholders equity		**969 437 902**	879 442 272
Non-current Liabilities			
Deferred tax liability	16	**15 503 207**	8 205 575
Current liabilities			
Trade and other payables	25	**490 056 255**	346 088 286
Mobile money wallet balances	24	**6 402 230 741**	4 931 112 275
Current tax liabilities	15	**26 188 410**	218 322 185
Total current liabilities		**6 918 475 406**	5 495 522 746
Total liabilities		**6 933 978 613**	5 503 728 321
Total equity and liabilities		**7 903 416 515**	6 383 170 593

The responsibilities of the Directors of the company with regard to the preparation of the financial statements are set out in on page 3. The financial statements on pages 6 to 33 were approved by the board of Directors and authorised for issue on 20 February 2026 and signed on their behalf by:

Vimal Kumar Ambat

Vimal Ambat
DIRECTOR

Andrew Chuma
DIRECTOR

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2025

		Kwacha	
	Share capital	**Retained earnings**	**Total**
At 1 January 2024	2 000 000	618 715 266	620 715 266
Profit for the year	-	2 457 127 006	2 457 127 006
Final dividend paid for the year ended 31 December 2023	-	(546 400 000)	(546 400 000)
Interim dividend declared and paid during the year	-	(1 652 000 000)	(1 652 000 000)
At 31 December 2024	2 000 000	877 442 272	879 442 272
At 1 January 2025	**2 000 000**	**877 442 272**	**879 442 272**
Profit for the year	-	2 975 395 630	2 975 395 630
Final dividend paid for the year ended 31 December 2024	-	(780 000 000)	(780 000 000)
Interim dividend declared and paid during the year	-	(2 105 400 000)	(2 105 400 000)
At 31 December 2025	**2 000 000**	**967 437 902**	**969 437 902**

The Directors have proposed a final dividend for the year ended 31 December 2025 of **K836,000,000** (2024: K780,000,000).

The notes on pages 10 to 33 form an integral part of these financial statements.

AIRTEL MOBILE COMMERCE ZAMBIA LIMITED

STATEMENT OF CASH FLOWS

for the year ended 31 December 2025

Kwacha	**Notes**	**For the year ended**	
		31 December 2025	31 December 2024
Cashflow from Operating activities			
Profit before tax		**4 258 641 647**	3 507 375 037
Adjustments for:			
Depreciation expense	17	**32 134 366**	55 560 461
Amortisation of intangible assets	18	**62 828 049**	3 167 932
Impairment loss on trade receivables	19	**106 246**	-
Finance income		**(11 737 542)**	(9 017 733)
Net exchange losses		**17 658 802**	19 525 262
Operating cash flow before changes in working capital		**4 359 631 568**	3 576 610 959
Changes in working capital:			
Changes in trade and other receivables		**(142 410 492)**	(93 318 921)
Changes in trade and other payables		**143 967 969**	51 835 622
Changes in mobile money wallet balances		**1 471 118 466**	1 277 033 227
Cash flows generated from operations		**5 832 307 511**	4 812 160 887
Income tax paid (i)	15	**(1 468 082 160)**	(1 063 597 602)
Net cash flows generated from operating activities		**4 364 225 351**	3 748 563 285
Cashflows from investing activities			
Interest received		**11 737 542**	9 017 733
Purchase of property and equipment	17	**(199 359 775)**	(106 739 034)
Purchase from investments held to maturity	21	**(1 751 410 000)**	(952 576 250)
Proceeds from investments held to maturity	21	**1 534 920 000**	1 365 492 900
Net cash flows (used) generated in investing activities		**(404 112 233)**	315 195 349
Cash flows from financing activities			
Dividend paid to shareholders	28	**(2 885 400 000)**	(2 198 400 000)
Net cash flows used in financing activities		**(2 885 400 000)**	(2 198 400 000)
Net increase in cash and cash equivalents		**1 074 713 118**	1 865 358 634
Cash and cash equivalents at beginning of the year		**5 788 698 699**	3 925 816 877
Effects of foreign exchange rate changes		**(1 168 802)**	(2 476 812)
Cash and cash equivalents at end of the year (ii)	22	**6 862 243 015**	5 788 698 699

(i) Income tax paid include recoveries of withholding tax amounting to **K15,772,381** (2024: K11,200,179).

(ii) Cash and cash equivalents held on 31 December includes balance held under mobile money trust of **K6,411,087,578** (2024: K4,937,291,817).

The notes on pages 10 to 33 form an integral part of these financial statements.

1. GENERAL INFORMATION

Airtel Mobile Commerce Zambia Limited (the "Company") is a limited Company incorporated under the Companies Act, 2017 and domiciled in Zambia. The Company's principal activities are disclosed on page 1 of the Director's report.

The address of the Company's registered office and principal place of business is disclosed below.

Airtel Zambia HQ
Stand 2375
Corner Addis Ababa drive & Great east Road
P.O. Box 320001
Lusaka, Zambia

These financial statements are presented in Zambian Kwacha ("K") and are rounded to the nearest Kwacha.

2. ADOPTION OF NEW AND REVISED STANDARDS

2.1 New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability	The Company has adopted the amendments to IAS 21 for the first time in the current year. The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not. The Company does not have any transactions or balances denominated in currencies that are not readily exchangeable, and therefore the adoption of this amendment had no impact on the Company's financial position, financial performance, or cash flows.

2.2 New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective.

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7, IFRS 9 Financial Instruments, and IAS 7 Statement of Cash Flows*
IFRS 18	*Presentation and Disclosures in Financial Statements*

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

Amendments to IFRS 9 and IFRS 7—Amendments to the Classification and Measurement of Financial Instruments

The amendments in Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) are:

Derecognition of a financial liability settled through electronic transfer

The amendments permit an entity to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be discharged (and derecognised) before the settlement date if specified criteria are met. If an entity elects to apply this accounting policy, it must do so for all settlements made through the same electronic payment system.

2. ADOPTION OF NEW AND REVISED STANDARDS (CONTINUED)

2.2 New and revised IFRS Accounting Standards in issue but not yet effective (continued)

Classification of financial assets

• Contractual terms that are consistent with a basic lending arrangement.

The amendments provide guidance on how an entity should assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. This is intended to assist an entity to apply the requirements for assessing contractual cash flow characteristics to financial assets with features linked to environmental, social and governance (ESG) concerns.

• Assets with non-recourse features.

The amendments enhance the description of the term 'non-recourse', in particular to specify that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

• Contractually linked instruments.

The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. Specifically, the amendments highlight that in such instruments a prioritisation of payments to the holders of financial assets using multiple contractually linked instruments (tranches) is established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of losses between the holders of different tranches. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements.

Disclosures

• Contractual terms that could change the timing or amount of contractual cash flows.

The amendments require an entity to disclose the contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in basic lending risks and costs. The requirements apply to each class of financial asset measured at amortised cost or Fair Value Through Other Comprehensive Income (FVTOCI) and each class of financial liability measured at amortised cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026 with earlier application permitted. If an entity elects to apply these amendments for an earlier period, it is required to either:

- apply all the amendments at the same time and disclose that fact or
- apply only the amendments to the classification of financial assets for that earlier period and disclose that fact.

The amendments are required to be applied retrospectively, in accordance with IAS 8, with specific exceptions.

The directors of the entity do not anticipate that the application of these amendments will have a significant impact on the Company's financial statements in future periods.

Annual Improvements to IFRS Accounting Standards—Volume 11

The IASB issued amendments to IFRS Accounting Standards as part of its annual improvements process.

IFRS 7 Financial Instruments: Disclosures—Gain or loss on derecognition

The amendments remove an obsolete cross-reference in IFRS 7:B38 to a paragraph that had been deleted when IFRS 13 was issued and align the wording of this paragraph with the terms used in IFRS 13.

Guidance on implementing IFRS 7—Disclosure of deferred difference between fair value and transaction price

The amendments update IFRS 7:IG14 to make the wording of that paragraph consistent with IFRS 7:28 and improve the internal consistency of the wording in the example in IFRS 7:IG14.

2. ADOPTION OF NEW AND REVISED STANDARDS (CONTINUED)

2.2 New and revised IFRS Accounting Standards in issue but not yet effective (Continued)

Guidance on implementing IFRS 7—Introduction and credit risk disclosures

The amendments add a statement to IFRS 7:IG1 clarifying that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7. The amendments also simplify the explanation of the aspects of the requirements that are not illustrated in IFRS 7:IG20B.

IFRS 9 Financial Instruments—Transaction price

The amendments replace 'their transaction price (as defined in IFRS 15)' in IFRS 9.5.1.3 with 'the amount determined by applying IFRS 15' to address inconsistency between IFRS 9.5.1.3 and the requirements of IFRS 15 which may require a receivable to be measured at an amount that differs from the amount of the transaction price recognised as revenue. Additionally, the reference to 'transaction price' (as defined in IFRS 15) is deleted from Appendix A of IFRS 9.

IAS 7 Statement of Cash Flows—Cost method

The amendment replaces the term 'cost method' with 'at cost' in IAS 7:37 in line with the removal of the definition of 'cost method' from the IFRS Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. An entity is required to apply the amendments to IFRS 9:2.1(b)(ii) to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. No specific transition provisions are provided in respect of the other amendments.

IFRS 18 *Presentation and Disclosures in Financial Statements*

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some paragraphs from IAS 1 have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The directors of the entity anticipate that the application of these amendments may have an impact on the Company's financial statements in future periods.

3. MATERIAL ACCOUNTING POLICY INFORMATION

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 IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies Act 2017 and the reporting requirements under the National Payment Systems Act, 2007.

3.2 Basis of preparation

The financial statements have been prepared on the historical cost basis 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.

3.3 Revenue recognition

The Company recognises revenue from the following major sources:

- Transaction charges on cash withdrawals, merchant collection service fees and airtime recharge transaction fees;
- Churn revenue; and
- Service fees on international money transfers, bank transfer service fees, collection service fees and bulk payment service fees.

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when its performance obligation is satisfied.

Revenue arising from transaction charges on cash withdrawals, merchant collection service fees, and airtime recharge transaction fees is based on a fee charged on the transaction values of customers. These fees are recognised as revenue at a point in time on fulfilment of these services by the Company.

The Company charges Customer churn reduction charge' from a mobile operator (being a merchant for the Company), for enabling reduction in average customer churn of such mobile operator. This revenue is recognised over time during which such benefit is received by the mobile operator.

Service fees arising from International money transfers, bank transfers, collection services and bulk payments, are recognised as revenue in real time when its performance obligation is satisfied.

3.4 Foreign currencies

(i) *Functional and presentation currency*

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Zambian Kwacha 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 currencies other than the Company's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated at the foreign exchange rate ruling at that date. Exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at the closing date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.5 Employee benefits

Retirement benefit

Payments to defined contribution retirement plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The Company operates a defined contribution scheme for all its employees. The Company and all its employees also contribute to the National Pension Scheme Fund, a state managed retirement benefit plan, which is a defined contribution scheme. Membership is compulsory and monthly contributions by both employer and employee are made. A defined contribution plan is a retirement benefit plan under which the company pays fixed contributions into a separate entity. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The contributions to the defined contribution schemes are recognised in profit or loss in the year in which they fall due.

Other entitlements

The estimated liability for employees' accrued annual leave entitlement at the reporting date is recognised as an expense accrual, in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in the exchange for that service.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Taxation

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

(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 recognized 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 recognized within finance costs.

A provision is recognized 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 on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. 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.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. 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. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current tax and deferred tax is recognised as an expense or income in profit or loss, except to the extent that it relate 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.

3.7 Property and equipment (PPE)

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.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.7 Property and equipment (PPE) (continued)

The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any 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 as 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 assets. When an item of PPE is replaced, then its carrying amount is derecognised from the statement of financial position and cost of the new item of PPE is recognised. The expenditures that are incurred after an item of PPE has been put to use, such as repairs and maintenance, are normally 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.

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 other equipment	5 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.

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 discount and rebates), and any directly attributable costs.

3.8 Intangible assets

The Company's intangible asset comprise of software licenses. Licenses are recognised as an asset when it is probable that future economic benefits from the asset will flow to the entity and the cost of the license can be reliably measured.

Software licenses are initially measured at cost and subsequently amortised on a straight-line basis over their useful lives. Intangible assets are measured at cost less accumulated amortisation and impairment losses. Amortisation periods are reviewed annually and adjusted prospectively as required. Gains or losses arising from derecognition of licenses are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised. Licenses are amortised over a period of 1 to 5 years.

At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Gains or losses arising from derecognition of the assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Impairment of non financial assets

Property & Equipment and intangible assets

Property & 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 to be recognised in profit or loss 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. Impairment losses, if any, are recognised in statement of profit and loss.

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 a past event, it is probable that the Company will be required to settle the obligation, and which a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of comprehensive income date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.11 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

However, for the purpose of the statement of cash flows, in addition to above items, 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.

The Company maintains separate bank accounts with Commercial Banks for holding customer funds and are not used for Company's operational purpose. These bank accounts are used only for holding customer funds for the purpose of facilitating money transfer services

3.13 Financial instruments

Recognition, classification and presentation

Financial instruments 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 measures its financial assets at fair value.

3 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.13 Financial instruments (continued)

The Company has classified all non-derivative financial liabilities as measured at fair value.

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 statement of financial position as 'Mobile money wallet balance'. The amounts held in bank 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'.

Measurement - Non-derivative financial instruments

i. Initial measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

ii. Subsequent measurement - financial assets

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.

iii. Subsequent measurement - financial liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expense over the relevant period.

Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology is a simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition

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 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.15 Contingencies

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 Dividend

Dividends to shareholders of the Company are recognised as a liability and deducted from equity in the year in which the dividends are approved by the shareholders. Interim dividends are deducted from the retained earnings when they are paid.

3.18 Interest income

Interest income from a financial asset is recognised when its 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.

3.19 Current versus non-current classification

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

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading , expected to be realised within twelve months after the reporting period, or 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 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 unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the accounting policies, which are described in note 3, the Company is required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgements in applying the Company's accounting policies

During the year 31 December 2025, the Directors did not make critical judgments in the process of applying the Company's accounting policies on the amounts recognised in the financial statements.

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Kwacha

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(ii) Key sources of estimation uncertainty (continued)

Taxation provisions

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date.

Determination of residual values and useful lives

Judgement and estimations are used when determining the residual values and useful lives of property and equipment on annual basis.

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments comprise cash and cash equivalents, receivables and payables. These instruments arise directly from its operations. The Company does not speculate or trade in derivative financial instruments.

The Company's activities expose it to a variety of financial risks: market risk (foreign exchange 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 programme 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. 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.

Foreign exchange risk

Foreign exchange risk arises from future investment transactions on recognized assets and liabilities. The Company's policy is to record transactions in foreign currencies at the rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange in effect at the statement of financial position date. All gains or losses on changes in currency exchange rates are accounted for in the statement of profit or loss.

Currency exposure arising from liabilities denominated in foreign currencies is managed primarily through the holding of bank balances in the relevant foreign currencies and hedging through foreign currency forward contract. Policy is consistent with previous period.

The sensitivity analysis has been prepared on the basis of trade receivables, other receivables and trade and other payables are all constant. The assumption in calculation of the sensitivity analysis is that: the sensitivity of the relevant statements of profit or loss, is the effect of the assumed changes in respective market risk.

At 31 December 2025, if the Kwacha had weakened/strengthened by 5% against the US dollar with all other variables held constant, post tax profit for the period would have been K0.495 million (2024: K1.354 million) lower/higher, mainly as a result of US dollar denominated cash balances, trade receivables and trade payables. There would be no impact on equity.

Exposure to currency risk

The Company's exposure to foreign currency risk was as follows:

Exposure to currency risk	As of	
	31 December 2025	31 December 2024
Cash & cash equivalents (net)	**9 147 213**	5 845 441
Trade and other receivables	**138 655 164**	134 934 868
Trade and other payables	**(158 008 402)**	(167 869 114)
	(10 206 025)	(27 088 805)

Kwacha

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

The following US Dollar exchange rates applied during the period:

	As of	
	31 December 2025	31 December 2024
Average Rate	**22.807**	27.566
Closing Rate	**22.230**	27.860

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from credit exposure to customers relating to outstanding receivables and amounts due from related parties. For banks and financial institutions, only reputable institutions are used.

The amount of that best represents the Company's maximum exposure to credit risk at the reporting date was as follows:

		Carrying amount	
	Note	**2025**	2024
Financial assets			
Trade and other receivables (financial assets)	19	**529 062 715**	384 097 122
Balance under mobile money trust	20	**6 411 087 578**	4 937 291 817
Cash and cash equivalent	22	**651 155 437**	851 406 882
		7 591 305 730	6 172 795 821

As at 31 December, the ageing analysis of trade receivables only, as follows:

		Days past due			
	Not Due	**< 30 days**	**30 - 60 days**	**60 - 90 days**	**> 90 days**
2025	**250 583 403**	-	-	-	**195 031**
	Not Due	Days past due			
2024	**182 955 475**	-	-	-	**88 785**

Kwacha

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations from its financial liabilities. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

	Note	Carrying amount 2025	2024
Financial liabilities			
Trade and other payables (financial liabilities)	25	**420 233 358**	290 999 275
Mobile money wallet balance	24	**6 402 230 741**	4 931 112 275
		6 822 464 099	5 222 111 550

*The difference between the closing balance disclosed in this note and note 20 is the Company's allocated 10% of the interest earned on the trust account as approved by the Central Bank and the inter-trust bank transfer charges.

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date based on contractual undiscounted payments.

	On demand	Within 1 1 year	Between 1 - 5 years	Greater than 5 years	Total
31 December 2025					
Trade and other payables (financial liabilities)	-	**420 233 358**	-	-	**420 233 358**
Mobile money wallet balance	**6 402 230 741**	-	-	-	**6 402 230 741**
	6 402 230 741	**420 233 358**	-	-	**6 822 464 099**
31 December 2024					
Trade and other payables (financial liabilities)	-	290 999 275	-	-	290 999 275
Mobile money wallet balance	4 931 112 275	-	-	-	4 931 112 275
	4 931 112 275	290 999 275	-	-	5 222 111 550

Kwacha

5. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the company's operations and are faced by all business entities.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to management of the Company.

The Company has developed processes of overall company's standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorisation of transactions.
- Requirements for the reconciliation and monitoring of transactions.
- Compliance with regulatory and other legal requirements.
- Documentation of controls and procedures.
- Requirements for the year assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified.
- Requirements for the reporting of operational losses and proposed remedial action.
- Development of contingency plans.
- Training and professional development.
- Ethical and business standards.

(i) Risk management

Risk is inherent in the company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing viable operations.

Exposure to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk arises in the normal course of the company's business.

(ii) Operations

The Directors have put in place internal control systems which include instituting ostensibly to ensure adequate accounting records are maintained.

6. CAPITAL MANAGEMENT

The primary objectives of the Company is to hold, in trust, the funds owing to the Airtel Mobile Commerce Zambia Limited e-value holders and safeguard the safety and sanctity of these funds. The Company does not trade and is not allowed to deal in these funds otherwise than to settle obligations arising from genuine transaction of Airtel Mobile Commerce Zambia Limited E-value. The principal obligation of the Company is not to maximize wealth but to safeguard third party funds.

The capital structure of the Company consists of share capital and reserves. In order to maintain or adjust the capital structure, the Company may return loan capital to shareholders, issue new shares or sell assets to reduce debt.

7. REVENUE

	For the year ended	
	31 December 2025	31 December 2024
Transaction charges on cash withdrawals	**4 421 697 323**	3 410 343 706
Merchant collection service fees	**1 499 417 064**	1 297 147 320
Airtime recharge transaction fees	**747 616 062**	625 611 348
Churn revenue	**596 678 373**	444 627 672
Bank transfer service fees	**162 463 063**	115 516 610
Bulk payment service fees	**78 440 121**	40 573 574
Service fees on international money transfers	**60 045 430**	53 063 518
Collection service fees	**25 758 240**	4 777 451
	7 592 115 676	5 991 661 199

Kwacha	For the year ended	
	31 December 2025	31 December 2024
8. OTHER INCOME		
Other income	**50 777 332**	25 141 161

Other income primarily comprises interest earned on trust accounts, calculated as 10% of the total accrued interest, interest from fixed deposits, and a one-off application installation fee for Emerald Bay.

9. NET EXCHANGE (LOSSES) GAINS		
Exchange gains	**13 928 254**	1 741 011
Exchange losses	**(139 106 766)**	(54 977 855)
	(125 178 512)	(53 236 844)

The Zambian Kwacha appreciated against the US Dollar and other major convertible foreign currencies during the year. The impact of the appreciation of the Zambian Kwacha during the year is that the Company recorded exchange losses on its foreign currency denominated monetary assets.

The table below illustrates the movements in the US Dollar exchange rates during the period:

		Mid – market exchange rate as at 1 January	Mid – market exchange rate as at 31 December	Movement during the year
US Dollar (1 US$ =)	**2025**	**27.88**	**22.81**	**5%**
US Dollar (1 US$ =)	2024	26.26	27.57	(5%)

10. FINANCE COST AND INCOME	For the year ended	
	31 December 2025	31 December 2024
(a) Finance costs		
Bank charges	**1 058 677**	2 600 742
(b) Finance income		
Interest income on bank balances	**11 737 542**	9 017 733

11. EMPLOYEE BENEFIT EXPENSE		
Salaries	**38 635 341**	33 100 386
Defined contribution plan	**2 978 504**	2 170 265
	41 613 845	35 270 651

12. PROFIT BEFORE TAX		
This is stated after charging:		
Depreciation and amortisation	**94 962 415**	58 728 393
Employee benefit expense	**41 613 845**	35 270 651
Auditors' remuneration	**1 642 947**	1 478 435

13. OTHER OPERATING EXPENSES		
Management fees (Note 26(c))	**223 050 624**	184 883 358
IT expenses	**114 041 345**	50 022 106
Legal, rates and taxes	**50 152 215**	4 787 102
Other expenses	**32 083 948**	25 092 955
Auditors' remuneration	**1 642 947**	1 478 435
	420 971 079	266 263 956

14. DEPRECIATION AND AMORTISATION		
Depreciation on property and equipment (Note 17)	**32 134 366**	55 560 461
Amortisation of intangible assets (Note 18)	**62 828 049**	3 167 932
	94 962 415	58 728 393

Kwacha	For the year ended 31 December 2025	31 December 2024
15. INCOME TAX EXPENSE		
The components of income tax expense for the years ended 31 December 2025 and 2024 are:		
Current income tax	**1 274 267 002**	1 058 759 350
Current tax - Under/ (over) provision in prior year	**1 681 383**	(1 386 390)
Deferred tax (note 16)	**7 297 632**	(7 124 929)
Income tax expense	**1 283 246 017**	1 050 248 031
The tax charge for the year can be reconciled to the profit before tax as follows:		
Profit before income tax	**4 258 641 647**	3 507 375 037
Tax calculated at the statutory income tax rate of 30%.	**1 277 592 494**	1 052 212 511
Tax effect of:		
Expenses not deductible for tax purposes (net)	**3 972 140**	(578 090)
Current tax - Under/ (over) provision in prior year	**1 681 383**	(1 386 390)
Income tax expense	**1 283 246 017**	1 050 248 031
Income tax payable		
Current income tax movement in the statement of financial position:		
At 1 January	**218 322 185**	224 546 827
Current tax charge for the year	**1 274 267 002**	1 058 759 350
Current tax - Under/ (over) provision in prior year	**1 681 383**	(1 386 390)
WHT recoveries in respect of current year (i)	**(15 772 381)**	(11 200 179)
Payments during the year	**(1 452 309 779)**	(1 052 397 423)
At 31 December	**26 188 410**	218 322 185

(i) Withholding tax recoveries are taxes withheld at source of the receivables which are claimable on annual Corporate Income Tax return.

16. DEFERRED TAX LIABILITIES

The following are the major deferred tax assets and liabilities recognised by the Company and movements thereof during the current and prior reporting period.

	31 December 2025	31 December 2024
At beginning of year	**8 205 575**	15 330 504
Charge/(credit) for the year	**7 297 632**	(7 124 929)
At end of year	**15 503 207**	8 205 575

31 December 2025	**At 1 January**	**Charge/ (credit) to profit and loss**	**At 31 December**
Deferred tax liabilities (assets)			
Other provisions (i)	**(1 336 529)**	**(940 279)**	**(2 276 808)**
Net unrealised exchange gains (losses)	**(4 322 090)**	**7 610 012**	**3 287 922**
Property and equipment	**13 864 194**	**627 899**	**14 492 093**
	8 205 575	**7 297 632**	**15 503 207**
31 December 2024			
Deferred tax liabilities (assets)			
Other provisions (i)	(912 104)	(424 425)	(1 336 529)
Net unrealised exchange gains	8 769 073	(13 091 163)	(4 322 090)
Property and equipment	7 473 535	6 390 659	13 864 194
	15 330 504	(7 124 929)	8 205 575

(i) Other provisions comprise employee related expense provisions.

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17. PROPERTY AND EQUIPMENT

	Computers	Furniture & other equipment	Total	Capital work in progress
Historical Cost:				
At 1 January 2024	29 592 793	212 543 790	242 136 583	50 939 714
Additions	-	-	-	106 739 034
Transfers	106 143 819	20 606 972	126 750 791	(126 750 791)
Transfer to intangible assets (Note 18)	(1 698 816)	-	(1 698 816)	-
At 31 December 2024	134 037 796	233 150 762	367 188 558	30 927 957
At 1 January 2025	**134 037 796**	**233 150 762**	**367 188 558**	**30 927 957**
Additions	**-**	**-**	**-**	**199 359 775**
Transfers	**8 335 548**	**6 698 854**	**15 034 402**	**(15 034 402)**
Transfer to intangible assets (Note 18)	**-**	**-**	**-**	**(178 430 572)**
*Transfers to intangible assets (Note 18)	**(129 636 990)**	**-**	**(129 636 990)**	-
Disposal	**(88 045)**	**-**	**(88 045)**	-
At 31 December 2025	**12 648 309**	**239 849 616**	**252 497 925**	**36 822 758**
Depreciation				
At 1 January 2024	4 801 738	134 909 897	139 711 635	-
Charge for the year	19 800 698	35 759 763	55 560 461	-
At 31 December 2024	24 602 436	170 669 660	195 272 096	-
At 1 January 2025	**24 602 436**	**170 669 660**	**195 272 096**	**-**
Charge for the year	**5 878 115**	**26 256 251**	**32 134 366**	**-**
*Transfers to Intangible assets (Note 18)	**(24 337 713)**	**-**	**(24 337 713)**	**-**
Disposal	**(88 045)**	**-**	**(88 045)**	**-**
At 31 December 2025	**6 054 793**	**196 925 911**	**202 980 704**	**-**
Carrying amount:				
At 31 December 2025	**6 593 516**	**42 923 705**	**49 517 221**	**36 822 758**
At 31 December 2024	109 435 360	62 481 102	171 916 462	30 927 957

The Company rolled out Airtel money branches across the country. These have been presented as part of the furniture and other equipment.

*During the year, application development, enhancement, and software licence costs amounting to K105.3 million (gross carrying value: K129.6 million, and accumulated amortisation: K24.3 million) were reclassified from property and equipment to intangible assets.

18. INTANGIBLE ASSETS

	Total
Cost	
At 1 January 2024	36 182 215
Transfers from Capital work in progress (Note 17)	1 698 816
At 31 December 2024	37 881 031
At 1 January 2025	**37 881 031**
Transfers from Capital work in progress (Note 17)	**178 430 572**
*Transfers from Property and Equipment (Note 17)	**129 636 990**
At 31 December 2025	**345 948 593**
Amortization	
At 1 January 2024	32 187 806
Charge for the year	3 167 932
At 31 December 2024	35 355 738

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18. INTANGIBLE ASSETS (CONTINUED)

	Total
At 1 January 2025	**35 355 738**
Charge for the year	**62 828 049**
*Transfers from Property and equipment(Note 17)	**24 337 713**
At 31 December 2025	**122 521 500**
Net book value	
At 31 December 2025	**223 427 093**
At 31 December 2024	2 525 293

The intangible asset is the software license for mobiquity mobile financial services platform which allows for services such as the sending and transfer of money, bulk payments, merchant transactions, savings and loans.

*During the year, application development, enhancement, and software licence costs amounting to K105.3 million (gross carrying value: K129.6 million, and accumulated amortisation: K24.3 million) were reclassified from property and equipment to intangible assets.

19. TRADE AND OTHER RECEIVABLES

	As at	
	31 December 2025	31 December 2024
Trade receivables	**250 778 434**	183 044 260
Less: allowance for expected credit losses	**(195 031)**	(88 785)
Net trade receivables	**250 583 403**	182 955 475
Other receivables	**32 049 665**	16 353 183
Amounts due from related parties - [Refer note 26(e)]	**246 429 647**	184 788 464
Total before prepayments and vat receivable	**529 062 715**	384 097 122
Prepayments and vat receivable	**2 343 713**	5 005 060
	531 406 428	389 102 182

The average credit period on sales of services is 30 days. No interest is charged on outstanding trade receivables.

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Company has recognised a loss allowance of 100 per cent against all receivables over 90 days past due because historical experience has indicated that these receivables are generally not recoverable.

The Company performs on-going credit evaluations of its customers' financial condition and monitors the credit-worthiness of its customers to which it grants credit in its ordinary course of business.

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19. TRADE AND OTHER RECEIVABLES (CONTINUED)

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables has crossed the law of limitation period past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

As at 31 December 2025, trade receivables with an initial carrying value of K195,031 (2024: K88,785) were impaired and fully provided for. The movement in impairment provisions is as follows:

	As at	
	31 December 2025	31 December 2024
As at 1 January	**88 785**	88 785
Charge for the year	**106 246**	-
As at 31 December	**195 031**	88 785

Amounts due from related parties are assessed regarding credit risk at each reporting date. As the same are closely monitored and controlled by the same management, there is no provision matrix being followed on ageing basis. There have been no instances observed in the past where collection are assumed to be at risk for such related party receivable.

The following table details the risk profile of trade receivables based on the Company's provision matrix. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Company's different customer segments.

31 December 2025	**Trade and other receivables- days past due**				
	Current	**30 - 60 days**	**60 - 90 days**	**> 90 days**	**Total**
Expected credit loss rate					
Estimated total gross					
Carrying amount at default	**250 583 403**	-	-	**195 031**	**250 778 434**
Expected credit loss	-	-	-	**195 031**	**195 031**

31 December 2024	Trade and other receivables- days past due				
	Current	30 - 60 days	60 - 90 days	> 90 days	Total
Expected credit loss rate	0%	0%	0%	100%	
Estimated total gross					
Carrying amount at default	183 044 260	-	-	88 785	183 133 045
Expected credit loss	-	-	-	88 785	88 785

Kwacha	As at 31 December 2025	31 December 2024
20. BALANCE HELD UNDER MOBILE MONEY TRUST		
Cash at bank held in trust	**6 322 635 238**	4 875 612 432
Interest earned on cash at bank held in trust*	**88 452 340**	61 679 385
	6 411 087 578	4 937 291 817

*Includes **K11,604** (2024: K11,604) funding from the Company to cater for Inter-trust bank transfer charges.

Funds held on behalf of customers are held on bank accounts bearing an interest at the annual rates mentioned below:

Bank		
Citi bank Zambia Limited	**4.00%**	4.00%
Access Bank Zambia Limited	**MPR-5%**	MPR-3%
Zambia National Commercial Bank Plc	**7.00%**	7.00%
Absa Bank Zambia Plc	**7.00%**	8.00%
Indo Zambia Bank Limited	**7.00%**	7.00%
Stanbic Bank Zambia Limited	**7.00%**	7.00%
First National Bank Zambia Plc	**7.00%**	7.00%
National Savings Bank Plc	**7.00%**	7.00%
Standard Chartered Bank Plc	**MPR-5%**	MPR-5%
United Bank of Zambia Plc	**MPR-6%**	MPR-6%

21. OTHER BANK BALANCES

Investments held to maturity

Investments comprise term deposits held with the following commercial banks:		
Eco Bank Zambia Plc	**200 000 000**	-
Disclosed in the statement of financial position as:		
Cash and cash equivalents (maturity < 90 days after 31 December	**200 000 000**	-
The movements on investments held to maturity during year were as follows:		
At the beginning of the year	-	429 965 100
Matured within the year	**(1 534 920 000)**	(1 365 492 900)
Additions during the year	**1 751 410 000**	952 576 250
Foreign exchange losses	**(16 490 000)**	(17 048 450)
	200 000 000	-
Fair value hierarchy of held to maturity investments		
Fixed term deposits	**200 000 000**	-

The carrying value of held to maturity investments at amortised cost approximates its fair value. The Company performs an in-depth credit worthy analysis on all new counterparties and only invests with satisfactory credit worthy counterparties. At year end all investments had matured.

The business model is hold to collect contractual cash flows. The contractual cash flows consist of principal payments as well as interest. The transactions are on general commercial terms. These term deposits meet the SPPI (Solely payments of principal and interest) test.

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	As at	
22. CASH AND CASH EQUIVALENTS	**31 December 2025**	31 December 2024
Balance with bank		
On current accounts	**121 859 403**	533 401 997
Cash in hand	**329 296 034**	318 004 885
Investments held to maturity < 90 days (Note 21)	**200 000 000**	-
	651 155 437	851 406 882

Bank accounts bear interest at the rate of 4% per annum (2024: 4%). Interest earned has been disclosed in note 10.

The Company does not hold any physical cash at the premises. The funds reported as cash balance represent the funds held in the form of electronic value on the mobile wallets owned by the company.

For the purpose of the statement of cashflows, cash and cash equivalents are as follows:

On current accounts	**121 859 403**	533 401 997
Cash in hand	**329 296 034**	318 004 885
Balance held under mobile money trust	**6 411 087 578**	4 937 291 817
	6 862 243 015	5 788 698 699

23. SHARE CAPITAL

Authorised, issued and fully paid share capital:		
200,000,000 ordinary shares of K0.01 each	**2 000 000**	2 000 000

24. MOBILE MONEY WALLET BALANCE

Customer deposits	**6 322 635 238**	4 875 612 432
Interest earned on trust accounts*	**79 595 503**	55 499 843
	6 402 230 741	4 931 112 275

*The difference between the closing balance disclosed in this note and note 20 is the Company's allocated 10% of the interest earned on the trust account as approved by the Central Bank and inter-trust bank transfer charges.

25. TRADE AND OTHER PAYABLES

Trade payables	**26 720 479**	19 524 295
Other payables	**144 090 656**	72 796 007
Amounts due to related parties [Refer note 26(f)]	**249 422 223**	198 678 973
Total before withholding tax, VAT payable and employee related accruals.	**420 233 358**	290 999 275
Withholding tax payable	**45 477 270**	36 269 135
VAT payable	**18 606 079**	13 668 611
Employee related accruals	**5 739 548**	5 151 265
	490 056 255	346 088 286

Trade payables are non-interest bearing and have an average term of 60 days. Other payables are non-interest bearing and have an average term of three months.

The Company has financial risk management policies in place to ensure that all payables are paid within pre agreed credit terms.

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26. RELATED PARTY DISCLOSURES

Airtel Mobile Commerce Zambia Limited's Holding company is Airtel Mobile Commerce BV, a company incorporated in Netherlands.

The shareholding of the Company as at 31 December 2025 and 2024 is as stated below:

	2025 and 2024	
Name of shareholder	**Number of shares**	**% shareholding**
Airtel Mobile Commerce Holding BV	2 000 000	1%
Airtel Mobile Commerce BV	198 000 000	99%
	200 000 000	**100%**

The Company had transacted with the following related party companies during the normal course of business. Details of the amounts classified under current assets or current liabilities are disclosed in part (e) and (f) respectively of this note.

(a) Sale of services to related parties

			For the year ended	
Name of related parties	**Nature of relationship**	**Country of incorporation**	**31 December 2025**	31 December 2024
Airtel Networks Zambia Plc	Fellow subsidiary	Zambia	**1 354 503 059**	1 075 016 470
Airtel Money Transfer Limited	Fellow subsidiary	Kenya	**11 356 089**	7 913 430
Airtel Money Tanzania Limited	Fellow subsidiary	Tanzania	**6 378 563**	13 828 922
Airtel Mobile Commerce Rwanda Limited	Fellow subsidiary	Rwanda	**5 232 817**	5 093 633
Airtel Mobile Commerce Uganda Limited	Fellow subsidiary	Uganda	**3 246 352**	19 234 223
Nxtra Data Limited	Fellow subsidiary	India	**1 946**	50 950
			1 380 718 826	1 121 137 628

(b) Purchase of services from related parties

Name of related parties	**Nature of relationship**	**Country of incorporation**		
Airtel Mobile Commerce Rwanda Limited	Fellow subsidiary	Rwanda	**90 498 359**	85 553 164
Airtel Networks Zambia Plc	Fellow subsidiary	Zambia	**87 394 721**	23 896 774
Airtel Money Tanzania Limited	Fellow subsidiary	Tanzania	**69 253 315**	154 168 816
Airtel Mobile Commerce Uganda Limited	Fellow subsidiary	Uganda	**48 123 432**	84 370 662
Airtel Money Transfer Limited	Fellow subsidiary	Kenya	**45 820 992**	101 531 002
Airtel Mobile Commerce (Malawi) Limited	Fellow subsidiary	Malawi	**7 051 575**	17 551 983
Bharti Airtel France	Fellow subsidiary	France	**1 911 137**	-
Airtel Africa plc	Intermediate parent company	United Kingdom	**1 090 756**	-
Nxtra Data Limited	Fellow subsidiary	India	**131 988**	52 752
			351 276 275	467 125 153

Amounts due from/to related parties carry no interest, are receivable/payable on demand and are at arms length.

There is no impairment of receivables relating to amounts owed by related parties as on 31 December 2025 and 2024.

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26. RELATED PARTY DISCLOSURES (CONTINUED)

(c) Management fees expenses

			For the year ended 31 December 2025	31 December 2024
*Airtel Mobile Management Services FZ	Parent Company	Dubai	**142 622 790**	108 401 933
Airtel Networks Zambia Plc	Fellow subsidiary	Zambia	**80 427 834**	76 481 425
			223 050 624	184 883 358

*During the year ended 31 December 2025, the name of Airtel Mobile Commerce B.V. (Dubai branch) was changed to Airtel Mobile Management Services FZ LLC.

(d) Key management compensation

	31 December 2025	31 December 2024
Salaries and other short-term employment benefits	**13 540 728**	13 117 840

(e) Amounts due from related parties

Name of related parties	Nature of relationship	Country of incorporation	As at 31 December 2025	31 December 2024
Airtel Mobile Commerce (Malawi) Limited	Fellow subsidiary	Malawi	**128 188 132**	128 188 132
Airtel Networks Zambia Plc	Fellow subsidiary	Zambia	**108 662 733**	50 741 846
Bharti Airtel International (Netherlands) B.V	Intermediate parent Company	Netherlands	**2 856 703**	-
Airtel Mobile Management Services FZ	Parent Company	Dubai	**2 881 125**	3 134 458
Airtel Mobile Commerce Uganda Limited	Fellow subsidiary	Uganda	**1 673 613**	1 701 334
Airtel Money Transfer Limited	Fellow subsidiary	Kenya	**1 059 953**	772 491
Bharti Airtel France	Fellow subsidiary	France	**867 653**	-
Airtel Mobile Commerce Rwanda Limited	Fellow subsidiary	Rwanda	**237 789**	250 203
Nxtra Data Limited	Fellow subsidiary	India	**1 946**	-
			246 429 647	184 788 464

(f) Amounts due to related parties

Name of related parties	Nature of relationship	Country of incorporation		
Airtel Mobile Commerce (Malawi) Limited	Fellow subsidiary	Malawi	**128 188 132**	129 767 429
Airtel Networks Zambia Plc	Fellow subsidiary	Zambia	**91 413 821**	30 809 859
Airtel Mobile Management Services FZ	Parent Company	Dubai	**16 946 837**	19 401 511
Airtel Mobile Commerce Rwanda Limited	Fellow subsidiary	Rwanda	**6 548 077**	3 356 748
Bharti Airtel France	Fellow subsidiary	France	**2 735 519**	-
Airtel Mobile Commerce Uganda Limited	Fellow subsidiary	Uganda	**1 673 613**	3 684 641
Airtel Africa plc	Intermediate parent company	United Kingdom	**1 045 555**	-
Bharti Airtel International (Netherlands) B.V	Intermediate parent Company	Netherlands	**738 681**	-
Nxtra Data Limited	Fellow subsidiary	India	**131 988**	1 801
Airtel Money Tanzania Limited	Fellow subsidiary	Tanzania	-	8 093 104
Airtel Money Transfer Limited	Fellow subsidiary	Kenya	-	3 563 880
			249 422 223	198 678 973

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27. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value measurement

Set out below is a comparison by class of the carrying amount and fair value of the financial instruments that are recognised in the financial statements. The carrying amount of the financial assets and financial liabilities approximate their fair values because of their short term nature as shown below.

Classes and categories of financial instruments and their fair values

The following table combines information about:

- classes of financial instruments based on their nature and characteristics;
- the carrying amounts of financial instruments;
- fair values of financial instruments (except financial instruments when carrying amount approximates their
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of financial instruments include trade and other receivables, cash and cash equivalent, other bank balances, amounts due from related parties, trade and other payables, mobile money wallet balances and amounts due to related parties approximates fair value because of the short period to maturity of these instruments or as a result of market-related variable interest rates with similar terms, currency, credit risk and remaining maturities.

	Fair value hierarchy as at 31 December 2025			
31 December 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Trade and other receivables	-	-	**529 062 715**	**529 062 715**
Cash and cash equivalent	-	-	**651 155 437**	**651 155 437**
Balance held under mobile money trust	-	-	**6 411 087 578**	**6 411 087 578**
Financial liabilities				
Trade and other payables	-	-	**(420 233 358)**	**(420 233 358)**
Mobile money wallet balances	-	-	**(6 402 230 741)**	**(6 402 230 741)**
	-	-	**768 841 631**	**768 841 631**

31 December 2024	Fair value hierarchy as at 31 December 2024			
	Level 1	Level 2	Level 3	Total
Financial assets				
Trade and other receivables	-	-	384 097 122	384 097 122
Cash and cash equivalent	-	-	851 406 882	851 406 882
Balance held under mobile money trust	-	-	4 937 291 817	4 937 291 817
Financial liabilities				
Trade and other payables	-	-	(290 999 275)	(290 999 275)
Mobile money wallet balances	-	-	(4 931 112 275)	(4 931 112 275)
	-	-	950 684 271	950 684 271

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28. DIVIDEND PAYABLE

	As at 31 December 2025	As at 31 December 2024
At 1 January	-	-
Dividends declared	**2 885 400 000**	2 198 400 000
Dividends paid	**(2 885 400 000)**	(2 198 400 000)
At 31 December	-	-

29. CAPITAL COMMITMENTS

The Company had capital commitments amounting to **K128,616,825** as at 31 December 2025 (2024: K77,011,725).

30. CONTINGENT LIABILITIES

There are contingent liabilities amounting to **K71,877,977** as at 31 December 2025 (2024: K71,877,977) as disclosed below:

(i) Competition and Consumer Protection Commission (CCPC)

As at 31 December 2025, the liability amounting to K15,139,996 (2024: K15,139,996) arises out of a fine by the Competition and Consumer Protection Commission ("CCPC") for anti-competitive business practices in the provision of airtel mobile money services. It was alleged that Airtel had been abusing its dominant position by unfairly increasing its mobile money merchant charges and threatening to terminate the contracts with all sports betting companies that did not comply with the abrupt increase in charges. According to the Commission, the allegations would appear that the Company was in breach of the Competition and Consumer Protection Act No. 24 of 2010 (the "Act"). The investigation by CCPC was triggered by a complaint from one of the Betting entities after a decision was made to increase collection and disbursement charges for the Betting industry.

A notice of appeal has since been submitted to the Commission against the ruling. We have appealed against the ruling and await the hearing dates.

(ii) Property Transfer Tax (PTT) and Value Added Tax (VAT)

As at 31 December 2025, there were two existing assessments issued by the Zambia Revenue Authority (ZRA) relating to Property Transfer Tax and Value Added Tax (VAT). Based on management's evaluation and assessment, an amount of K56,737,981 (2024: K56,737,981) was deemed not probable for possibility of pay-out as the chances of success were considered high. We have appealed against the ruling of the ZRA before the tribunal and await a hearing date.

31. EVENTS AFTER REPORTING DATE

No material subsequent events or transactions have occurred since the date of statement of financial position except as disclosed below:

The Board recommended a final dividend of K836,000,000 on 20 February 2026.