

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF MTNA - MOBILE MONEY LTD

### Opinion

We have audited the financial statements of MTNA - Mobile Money Ltd (the Company), which comprise the statement of financial position as at December 31, 2024, and the statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements including a summary of material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

### Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Afghanistan, and we have 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.

### Material Uncertainty relating to Going Concern

We draw attention to note 2.3 to the financial statements, which indicate that the Company has incurred a net loss of AFN 58 million (2023: loss of AFN 64 million) during the year, resulting, the accumulated losses of AFN 521 million (December 31, 2023: AFN 463 million) as at December 31, 2024. These conditions, along with other matters as set forth in note 2.3, indicate the existence of a material uncertainty which may cast doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Emphasis of matter

We draw attention to note 2.3.1 to the financial statements, which state that the Company's EMI license has been expired on December 3, 2024. Our opinion is not modified in respect of this matter.

### Other Information

In connection with our audit of the financial statements, we have been informed by the management that there is no other information that will be attached with the financial statements and our auditors report thereon.

BDO



## Responsibilities of the Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

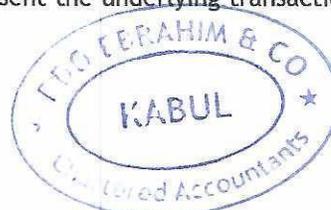
## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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.

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We communicate with the Board of 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.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Kamran.

KABUL

DATED:

17 DEC 2025

CHARTERED ACCOUNTANTS

Engagement Partner: Muhammad Kamran

17 DEC 2025

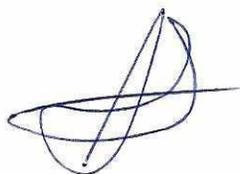


**MTNA - Mobile Money Ltd**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Note	December 31, 2024	December 31, 2023
		----- AFN'000 -----	
Revenue - net	7	62,092	42,625
Employees benefits expense	8	(9,050)	(8,131)
Selling, distribution and marketing expenses	9	(68,092)	(49,078)
Other operating expenses	10	(54,190)	(46,005)
<b>EBITDA</b>		(69,240)	(60,590)
Depreciation of property and equipment	12	(1,608)	(2,166)
Amortization of intangible assets	13	(2,103)	(16,807)
<b>Operating loss</b>		(72,951)	(79,563)
Finance cost		(35)	(425)
<b>Loss before tax</b>		(72,986)	(79,988)
Taxation	11	14,598	15,998
<b>Loss for the year</b>		(58,388)	(63,990)
Other comprehensive income for the year		-	-
<b>Total comprehensive loss for the year</b>		(58,388)	(63,990)

The annexed notes 1 to 31 form an integral part of these financial statements.

**CHIEF EXECUTIVE OFFICER**




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**MTNA - Mobile Money Ltd**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2024**

	Note	December 31, 2024	December 31, 2023
----- AFN'000 -----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipments	12	3,012	1,822
Intangible assets	13	50,094	2,106
Deferred tax asset - net	14	129,778	115,180
		182,884	119,108
<b>Current assets</b>			
Trade and other receivables	15	204,524	156,369
Restricted cash	16	76,659	174,384
Mobile money deposits	17	158,438	30,070
Cash at bank	18	120,012	225,801
		559,633	586,624
<b>Total assets</b>		<u>742,517</u>	<u>705,732</u>
<b>EQUITY</b>			
Share capital	19	620,000	600,000
Accumulated losses		(521,351)	(462,962)
<b>Total equity</b>		<u>98,649</u>	<u>137,038</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
		-	-
<b>Current liabilities</b>			
Trade and other payables	21	485,430	538,624
Mobile money payables	22	158,438	30,070
		643,868	568,694
<b>Total liabilities</b>		<u>643,868</u>	<u>568,694</u>
<b>Total equity and liabilities</b>		<u>742,517</u>	<u>705,732</u>
Contingencies and commitments	23		

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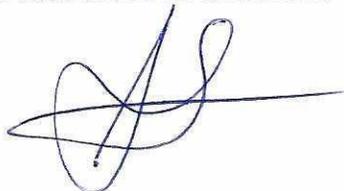
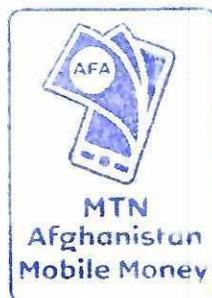


**MTNA - Mobile Money Ltd**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Note	Share capital	Accumulated losses	Total Equity
----- AFN '000 -----				
<b>Balance at January 1, 2023</b>		600,000	(398,972)	201,028
Loss for the year		-	(63,990)	(63,990)
Other comprehensive income		-	-	-
Total comprehensive loss		-	(63,990)	(63,990)
<b>Balance at December 31, 2023</b>		600,000	(462,962)	137,038
<b>Balance at January 1, 2024</b>		600,000	(462,962)	137,038
Conversion of Payable to Equity	28	20,000	-	20,000
Loss for the year		-	(58,388)	(58,388)
Other comprehensive income		-	-	-
Total comprehensive loss		-	(58,388)	(58,388)
<b>Balance at December 31, 2024</b>		620,000	(521,351)	98,650

The annexed notes 1 to 31 form an integral part of these financial statements.

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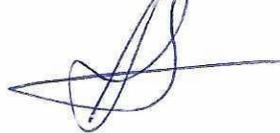


**MTNA - Mobile Money Ltd**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	December 31, 2024	December 31, 2023
	----- AFN'000 -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(72,986)	(79,988)
<i>Adjustments for non-cash items:</i>		
Depreciation of property and equipments	12      1,608	2,166
Amortization of intangible assets	13      2,103	16,807
Finance cost	35	425
	<u>(69,240)</u>	<u>(60,590)</u>
<i>Working capital changes</i>		
Increase in trade and other receivables	(48,155)	(42,724)
Decrease in trade and other payables	(53,194)	(195,610)
Decrease in payable against EMI License	-	(7,225)
Increase / (decrease) in mobile money payables	128,368	(6,480)
	27,018	(252,040)
Finance cost	(35)	(425)
<b>Net cash used in operating activities</b>	<u>(42,257)</u>	<u>(313,055)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipments	(2,798)	-
Acquisition of intangible assets	(50,091)	-
<b>Net cash used in investing activities</b>	<u>(52,889)</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Conversion of payable to equity	20,000	-
<b>Net cash generated from financing activities</b>	<u>20,000</u>	<u>-</u>
Net decrease in cash and cash equivalents	(75,146)	(313,055)
Cash and cash equivalents at beginning of the year	430,255	743,310
<b>Cash and cash equivalents at end of the year</b>	30 <u>355,109</u>	<u>430,255</u>

The annexed notes 1 to 31 form an integral part of these financial statements.

**CHIEF EXECUTIVE OFFICER**




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**MTNA - Mobile Money Ltd**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

**1. The Company and its operations**

MTNA - Mobile Money Ltd ("the Company") is a wholly-owned subsidiary of MTN Afghanistan (MTNA) ("parent company"). The Company was incorporated and domiciled in Afghanistan as a limited liability company, on November 20, 2019, under business license granted by the Ministry of Industry and Commerce. Da Afghanistan Bank (DAB) approved the license of the Company on December 3, 2019 to operate as Electronic Money Institution (EMI) in Afghanistan. The Company provides Mobile Financial Services under the brand name of MoMo. The registered office of the Company is Asmat Muslim street, Shar-e-Naw, Kabul , Afghanistan.

Subsequent to the year end, the Company has changed its name to Advanced Telecom Operations and Mobility of Afghanistan Pay (ATOMApay) at January 20, 2025.

**2. Basis of preparation**

2.1 These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRIC) applicable to companies reporting under IFRS. These financial statements have been prepared under the historical cost convention. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies.

**2.2 Functional and presentation currency**

The financial statements are presented in Afghani which is the functional and presentation currency of the Company.

**2.3 Going concern**

The Company has incurred a net loss of AFN 58 million (2023: AFN 64 million) during the year, resulting in accumulated losses of AFN 521 million (2023: AFN 463 million) for the year ended December 31, 2024. In accordance with the management's three years' business plan, the Company's operational losses would convert to profit in 2027 , additionally, growth in revenue will be achieved through increase in subscriber base. It is expected that charges from cash withdrawals would constitute major revenue streams for the Company. During this period, the Company will have ongoing support from MTNA ("the Parent") to fund the obligations as these falls due. Based on above factors, these financial statements have been prepared on a going concern basis.

**2.3.1 EMI License**

EMI license of the company was expired on December 3, 2024. The Company's management is in the process of renewing its EMI License.



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**3. Amendments to published accounting and reporting standards which became effective for the year ended December 31, 2024**

The following standards, amendments and interpretations are effective for the year ended December 31, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

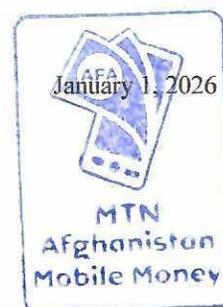
	<b>Effective from accounting period beginning on or after</b>
Amendments to IAS 1 Presentation of Financial Statements Classification of Liabilities as Current or Non-current)	January 1, 2024
Amendments to IAS 1 Presentation of Financial Statements - Non-current Liabilities with Covenant	January 1, 2024
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements	January 1, 2024
Amendments to IFRS 16 'Leases' - Lease liability in a sale and leaseback	January 1, 2024

**4. New accounting standards, amendments and interpretations that are not yet effective**

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them.

These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	<b>Effective from accounting period beginning on or after</b>
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	January 01, 2025
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	January 1, 2026



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Effective from  
accounting period  
beginning on or after

Annual Improvements to IFRS Accounting Standards (Volume 11) -  
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7

January 1, 2026

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28  
Investments in Associates and Joint Ventures - Sale or Contribution of Assets  
between an Investor and its Associate or Joint Venture

Not yet available

## 5. Measurement principles

Key assets and liabilities shown in the statement of financial position are measured as follows:

Items included in the statement of financial position	Measurement principle	Items included in the statement of financial position	Measurement principle
<b>Assets</b>		<b>Liabilities</b>	
<b>Non-current assets</b>		<b>Non-current liabilities</b>	
Property and equipments	Historical cost less accumulated depreciation and impairment losses, if any	Deferred tax liabilities	Undiscounted amount measured at the tax rates that are expected to apply to the period when the liability is settled
Intangible assets	Historical cost, less accumulated amortization and impairment losses, if any	Provisions	Present value of settlement amount
Deferred tax assets	Undiscounted amount measured at the tax rates that are expected to apply to the period when the asset is realized		
<b>Current Assets</b>		<b>Current Liabilities</b>	
Trade and other receivables	Amortized cost	Trade and other payables	Amortized cost
Cash and cash equivalents	Ammortized cost	Taxation liabilities	Amount expected to be paid to the tax authorities, using tax rates that have been enacted or substantively enacted at the reporting date.



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## 6 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the management is required to make judgements, 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.

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

### 6.1. Key sources of estimation uncertainty

#### (i) Expected credit losses on trade receivables and contract assets

The Company's assessment of whether a receivable balance has experienced a significant increase in credit risk varies by type and risk segment, requires use of quantitative criteria and experienced credit risk judgement. IFRS 9 requires multiple forward-looking economic and workout scenarios for the estimation of expected credit losses.

#### (ii) Provision for income taxes

The Company recognizes tax liability in accordance with the provisions of Afghanistan Income Tax Law 2009. However, the ultimate tax determination is dependent on final tax assessment.

#### (iii) Useful lives of property and equipments

Property and equipments represent a significant proportion of the Company's asset base. Therefore, the judgements made in determining their estimated useful lives and residual values are critical to the Company's financial position and performance. Useful lives and residual values are reviewed on an annual basis with the effects of any changes in estimates accounted for on a prospective basis.

Useful lives of property and equipments are based on management estimates and take into account historical experience with similar assets, the expected usage of the asset, physical wear and tear, technical or commercial obsolescence and legal restrictions on the use of the assets.

The estimated useful lives of property and equipments are as follows:

	2024 Years	2023 Years
Information systems equipment	3	3
Furniture and fittings	3	3
Office equipment	3	3



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There were no significant changes in the useful life of property, plant & equipment.

(iv) *Useful lives of intangible assets*

The relative size of the Company's intangible assets with finite useful lives makes the judgements surrounding the estimated useful lives and residual values critical to the Company's financial position and performance. Useful lives are reviewed on an annual basis with the effects of any changes in estimate accounted for on a prospective basis. The residual values of intangible assets are assumed to be zero.

The basis for determining the useful lives for the various categories of intangible assets is as follows:

- *EMI License*

The useful life of EMI license is determined primarily with reference to the period of license initially issued by Da Afghanistan Bank.

- *Software*

Useful lives of software are based on management's estimates and take into account historical experience as well as future events which may impact the useful lives.

The estimated useful lives of intangible assets with finite useful lives are as follows:

	2024 Years	2023 Years
License	5	5
Software	3	3

There were no significant changes in the useful lives of intangible assets during the current year.

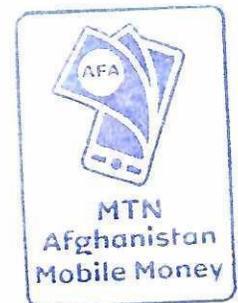
**7. Revenue**

The Company principally generates revenue from commission on transfer of funds and sale of airtime. Revenue is recognized when the performance obligations under the contract are satisfied. Revenue recognition is expected to occur at a point in time when control of the goods is transferred to the customer and services are delivered immediately, and over the period of time when the services are delivered over the contract period. Revenue is recognized to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Service segment wise analysis of the revenue are as follows:

		December 31, 2024	December 31, 2023
	Note	----- AFN'000 -----	
Commission income		32,691	24,884
Commission income - airtime sales of MTNA		31,988	19,362
		<u>64,679</u>	<u>44,246</u>
BRT expense	7.1.	(2,587)	(1,622)
		<u>62,092</u>	<u>42,625</u>

7.1. Business receipts tax (BRT) is calculated at the rate of 4% on revenue. BRT is payable to the Ministry of Finance (MoF) on a quarterly basis.



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## 8. Employees benefits expense

### *Short-term employee benefits*

Short-term employee benefits are those expected to be settled within twelve months after the end of the annual reporting period during which employee services are rendered and do not include termination benefits. These include remuneration of employees for services rendered during a reporting period.

### *Post-employment benefits*

The Company operates an employees' savings scheme (ESS) for all eligible employees, to which contributions by the Company, at the rate of 8.33% (2023: 8.33%) of the basic salary, are charged to profit or loss.

	December 31, 2024	December 31, 2023
	----- AFN'000 -----	
Salaries and other short term benefits	9,050	7,882
Training and recruitment	-	249
	<u>9,050</u>	<u>8,131</u>

## 9. Selling, distribution and marketing expenses

Sales promotion and publicity cost	3,652	4,700
Subscriber acquisition cost	32,901	19,013
Sales bonus and incentive	31,539	25,365
	<u>68,092</u>	<u>49,078</u>

## 10. Other operating expenses

	December 31, 2024	December 31, 2023
	----- AFN'000 -----	
Legal and professional charges	3,016	2,122
Outsourcing and contracting	35,531	29,845
Management fees	3,127	2,119
Travelling and conveyance	9,582	9,788
Others	2,934	2,131
	<u>54,190</u>	<u>46,005</u>

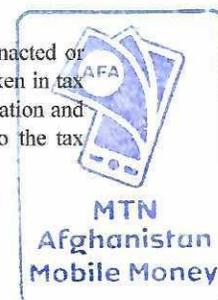
10.1 This represents 5% of net revenue charged for management fee which includes technical and management services provided by the Parent Company.

## 11. Taxation

The tax expense for the period comprises of a current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or items recognized directly in equity. For these items, the tax is also recognized in other comprehensive income or directly in equity, respectively.

### *Current tax*

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.



*Deferred tax*

Deferred tax is recognized using the liability method, providing for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the annual financial statements for financial reporting purposes. Deferred tax is not recognized if the temporary difference arises from goodwill or 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 either accounting or taxable profit or loss. Deferred tax is measured at tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply to temporary differences when they reverse.

A deferred tax asset is recognized for unused tax losses or temporary deductible differences only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Analysis of income tax for the year	Note	December 31, 2024	December 31, 2023
		AFN'000	
Income tax refund for the year			
Current		-	-
Deferred	14	14,598	15,998
		<u>14,598</u>	<u>15,998</u>

*Tax rate reconciliation*

The table below explains the differences between the expected tax expenses on continuing operations, at the Afghanistan statutory tax rate of 20%.

The statutory income tax charge for the year is reconciled to the effective rate of taxation in Afghanistan as follows:

	2024	2024	2023	2023
	AFN'000	%	AFN'000	%
Statutory income tax refund	14,597		15,998	
Statutory tax rate		20%		20%
Effective tax rate	14,597	20%	15,998	20%

**12. Property and equipments**

Property and equipments are measured at historical cost less accumulated depreciation and impairment losses, if any. Property and equipments acquired through business combinations are initially shown at fair value and are subsequently carried at the initially determined fair value less accumulated depreciation and accumulated impairment losses.

The cost of property and equipments includes expenditure that is directly attributable to the acquisition or construction of the assets, any other costs directly attributable to bringing the assets to the location and condition for their intended use and the present value of estimated decommissioning costs. Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment. Property and equipments under construction are measured at initial cost and depreciated from the date the assets are available for use in the manner intended by management over their estimated useful lives. Assets are transferred from capital work-in-progress to an appropriate category of property and equipments when commissioned and ready for their intended use.



When parts of an item of property and equipments have different useful lives, they are accounted for as separate items (major components) of property and equipments. Depreciation is calculated on a straight-line basis to write off the cost of the assets to their residual values over their estimated useful lives. For a summary of useful lives, refer to note 6.1.(iii)

Useful lives and residual values are reviewed on an annual basis, and the effect of any changes in the estimate is accounted for on a prospective basis.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. Repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the proceeds from the disposal and the carrying amount of the asset and is included in profit or loss.

#### **Impairment of assets**

An impairment loss is recognized in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets are grouped into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but limited to the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss. An impairment loss in respect of goodwill is not reversed.

#### **Property and equipments with finite useful lives**

The Company annually reviews the carrying amounts of its property and equipments with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amounts of the assets are estimated to determine the extent, if any, of the impairment loss.



The details of movement in cost and accumulated depreciation of property and equipment is as follows:

	Information systems	Office Equipment	Furniture and fittings	Total
	----- AFN '000 -----			
<b>Cost</b>				
Balance at January 1, 2023	3,590	3,409	839	7,838
Additions	-	-	-	-
Balance at December 31, 2023	3,590	3,409	839	7,838
Balance at January 1, 2024	3,590	3,409	839	7,838
Additions	-	975	1,823	2,798
Balance at December 31, 2024	3,590	4,384	2,662	10,636
<b>Accumulated Depreciation</b>				
Balance at January 1, 2023	(1,485)	(2,092)	(273)	(3,850)
Depreciation	(975)	(975)	(216)	(2,166)
Balance at December 31, 2023	(2,460)	(3,067)	(489)	(6,016)
Balance at January 1, 2024	(2,460)	(3,067)	(489)	(6,016)
Depreciation	(951)	(242)	(416)	(1,608)
Balance at December 31, 2024	(3,411)	(3,309)	(905)	(7,624)
<b>Net book value</b>				
At December 31, 2024	179	1,075	1,757	3,012
At December 31, 2023	1,130	342	350	1,822

- 12.1 Property and equipment includes assets costing AFN 7 million (2023: AFN 2.9 million ) which are fully depreciated.

### 13. Intangible assets

#### *Intangible assets with finite useful lives*

Intangible assets with finite useful lives are measured at historical cost less accumulated amortization and accumulated impairment losses. Intangible assets acquired through business combinations are initially shown at fair value and are subsequently carried at the initially determined fair value less accumulated depreciation and accumulated impairment losses.

Amortization is calculated on a straight-line basis to write off the cost of intangible assets over their estimated useful lives. For a summary of useful lives, refer to note 6.1.(iv).



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The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the proceeds from the disposal and the carrying amount of the asset and is included in profit or loss.

The Company's intangible assets with finite useful lives are as follows:

- > EMI License; and
- > Computer software

Costs associated with maintaining intangible assets are recognized as an expense as incurred.

Expenditure that enhances or extends the performance of intangible assets beyond their original specifications is recognized as a capital improvement and added to the original cost of the assets. For the accounting policy on impairment of intangible assets, refer to note 12 on property and equipments.

	EMI License	Software	Total
	----- AFN '000 -----		
<b>Cost</b>			
Balance at January 1, 2023	6,856	203,589	210,445
Additions	-	-	-
Balance at December 31, 2023	6,856	203,589	210,445
Balance at January 1, 2024	6,856	203,589	210,444
Additions	-	172	50,091
Balance at December 31, 2024	6,856	203,761	260,535
<b>Accumulated Amortization</b>			
Balance at January 1, 2023	(4,113)	(187,418)	(191,531)
Amortization for the year	(1,371)	(15,436)	(16,807)
Balance at December 31, 2023	(5,484)	(202,854)	(208,338)
Balance at January 1, 2024	(5,484)	(202,854)	(208,338)
Amortization for the year	(1,371)	(732)	(2,103)
Balance at December 31, 2024	(6,855)	(203,586)	(210,441)
<b>Net book value</b>			
At December 31, 2024	0	175	50,094
At December 31, 2023	1,372	735	2,106

13.1 Intangible assets includes assets costing AFN 210.4 million (2023: AFN 195.9 million) which are fully amortized.

13.2 Work in progress includes amount related to installation of new mobile money platform by Huawei. New mobile money platform is expected to on-air in 2025.



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#### 14. Deferred tax asset - net

Deferred tax is accounted for in accordance with the accounting policy disclosed in note 6.1. (ii) and 11.

	Deferred tax assets		Total	Deferred tax liabilities	Deferred tax assets - Net
	Provisions and other temporary differences	Tax loss carried forward		Tax allowances in excess of depreciation	
	----- AFN'000 -----				
Balance at January 1, 2023	-	102,415	102,415	(3,232)	99,182
Recognized in profit or loss	-	14,276	14,276	1,721	15,998
Balance at December 31, 2023	-	116,691	116,691	(1,511)	115,180
Recognized in profit or loss	-	14,469	14,469	129	14,598
<b>Balance at December 31, 2024</b>	<b>-</b>	<b>131,160</b>	<b>131,160</b>	<b>(1,382)</b>	<b>129,778</b>

#### 15. Trade and other receivables

Trade receivables are amounts due from customers for services rendered in the ordinary course of business. Trade receivables are accounted for as financial assets at amortized cost in accordance with the accounting policy disclosed in note 26.

Prepayments and other receivables are stated at their nominal values.

	December 31, 2024	December 31, 2023
	----- AFN'000 -----	
Trade receivables	16,437	36,038
Receivable from parent	186,762	116,316
Trade receivables - net	<u>203,199</u>	<u>152,354</u>
Advance tax	1,325	1,217
Prepayments	-	2,798
	<u>204,524</u>	<u>156,369</u>

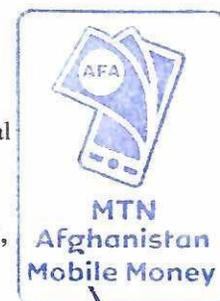
15.1 The Company's exposure to credit and currency risk relating to trade and other receivables is disclosed in note 27.

#### 16. Restricted cash

Restricted cash comprises short-term deposits that are not highly liquid and are accounted for as financial assets at amortized cost in accordance with the accounting policy disclosed in note 27.

		December 31, 2024	December 31, 2023
	Note	----- AFN'000 -----	
Cash held in escrow account against E-Money	16.1	<u>76,659</u>	<u>174,384</u>

16.1 This represents the amount for the electricity bills' amounts collected for DABS and airtime sold on behalf of MTNA.



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**17. Mobile money deposits**

	December 31, 2024	December 31, 2023
Note	----- AFN'000 -----	
17.1	<u>158,438</u>	<u>30,070</u>

17.1 This represents the cash held under trust in bank account against E-Money held by the customers and authorized agents. The related amount held in E-Money wallet account is shown in note 22.

**18. Cash at bank**

Cash and cash equivalents comprise cash on hand and deposits held on call, all of which are available for use by the Company.

For purposes of the cash flow statement, cash and cash equivalents comprise the following:

Cash at bank	<u>120,012</u>	<u>225,801</u>
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**19. Share capital**

Ordinary shares are classified as equity. Incremental external costs directly attributable to the issue of new ordinary shares or share options are recognized in equity as a deduction net of tax from the proceeds.

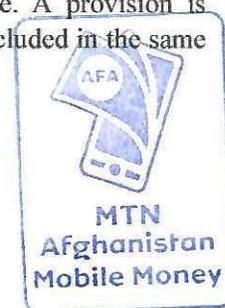
**Authorized share capital**

100,000 Ordinary shares of AFN 10,000 each	<u>1,000,000</u>	<u>1,000,000</u>
60,000 Ordinary shares of AFN 10,000 each	600,000	600,000
Conversion of payable to equity - Note 28	<u>20,000</u>	<u>-</u>
	<u>620,000</u>	<u>600,000</u>

**20. Provisions**

A provision is recognized when there is a present legal or constructive obligation as a result of a past event for which it is more likely than not that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.



Provisions are measured at the present value of the expected outflow of resources required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as a finance cost.

***Bonus provision***

The bonus provision consists of a performance-based bonus, which is determined by reference to the overall company performance with regards to a set of predetermined key performance measures. Bonuses are payable annually after the Group annual results have been approved.

**21. Trade and other payables**

Trade payables are accounted for as financial liabilities in accordance with the accounting policy disclosed in note 27. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payables are stated at their nominal values.

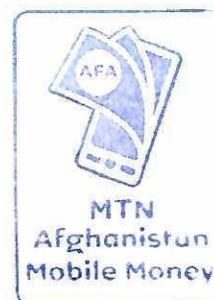
	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Trade payables	592	1,293
Accrued expenses	67,103	75,830
Taxes payable	981	1,063
Payable to Parent	21.1 416,754	460,437
	<u><b>485,430</b></u>	<u><b>538,624</b></u>

21.1 This includes payments made or expenses borne by MTNA on behalf of the Company of AFN 360 million (2023: AFN 286 million) and also includes the airtime sold on behalf of MTNA by the Company through mobile financial services platform amounting to AFN 76.6 million (2023: AFN 174 million).

**22. Mobile money payables**

	<b>December 31, 2024</b>	<b>December 31, 2023</b>
	22.1 158,438	30,070

22.1 This represents the amounts held in the E-Money wallet accounts of customers and authorized agents.



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### 23. Contingencies and commitments

Contingent liabilities represent possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Company. Contingent liabilities also represent present obligations that arise from past events but are not recognized because an outflow of resources is not probable or a reliable estimate cannot be made. The Company does not recognize contingent liabilities in the statement of financial position until future events indicate that it is probable that an outflow of resources will take place and a reliable estimate can be made, at which time a provision is raised.

Contingent assets represent possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the Company. Contingent assets are disclosed where an inflow of economic benefits is probable. The Company does not recognize contingent assets in the statement of financial position until future events indicate that an inflow of resources is virtually certain.

	December 31, 2024	December 31, 2023
Contingent liabilities	-	-

The contingent liabilities relate to bank guarantee provided to Da Afghanistan Breshna Sherkat (DABS) to provide services for the collection of electricity bills on behalf of DABS through E-Money platform. However, MTNA has issued a bank guarantee of AFN 50 million in favour of DABS on behalf of MoMo for DABS bills collection.

### 24. Related party transactions

Related party transactions constitute the transfer of resources, services or obligations between the Company and a party related to the Company, regardless of whether a price is charged. For the purposes of defining related party transactions with key management, key management has been defined as directors and the Company's executive committee and includes close members of their families and entities controlled or jointly controlled by these individuals.

The following is a summary of transactions between the Company and its related parties during the year;

	December 31, 2024	December 31, 2023
<b>Transactions with MTN Afghanistan (Parent Company)</b>		
Expenses incurred on behalf of the Company	64,229	27,384
Commission income against sale of airtime	31,988	19,362



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	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>Payables:</b>		
Payable to MTN Afghanistan	416,754	460,437
Bank guarantee issued by MTN Afghanistan for MoMo	50,000	50,000
<b>Receivables:</b>		
Receivable from MTN Afghanistan	186,762	116,316

## 25. Fair Value Measurement

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the company has access at that date. The fair value of a liability reflects its non-performance risk. A number of the company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. If an asset or a liability measured at fair value has a bid price and an ask price, then the company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.



## 26. Financial Instruments

### a) *Recognition and initial measurement*

Financial assets and liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instruments.

All financial assets and liabilities are initially measured at fair value, including transaction costs except for those classified as at fair value through profit or loss which are initially measured at fair value, excluding transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Financial assets are recognized (derecognized) on the date the company commits to purchase (sell) the instruments (trade date accounting). Trade receivables without a significant financing component are initially measured at the transaction price.

Financial assets and liabilities are classified as current if they are expected to be realized or settled within twelve (12) months; if not, they are classified as non-current.

### b) *Classification and subsequent measurement*

On initial recognition, a financial assets is classified to measured at:

- i) amortized cost
- ii) Fair value through OCI – debt instrument;
- iii) Fair value through OCI – equity investment; or
- iv) Fair value through profit or loss

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets not classified or measured at amortized cost or FVOCI as described above, are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### c) *Financial assets – Business model assessment*

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes the stated policies and objectives for the portfolio and the operation of those policies in practice.

These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.



d) *Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest*

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company’s claim to cash flows from specified assets (e.g. non-recourse features).

Prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

e) *Financial assets – Subsequent measurement and gains and losses*

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on Derecognition is recognized in profit or loss.
Debt instruments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On Derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

f) *Financial liabilities – Classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on Derecognition is also recognized in profit or loss.

The classification is dependent on the purpose for which the financial instruments were acquired. Management determines the classification of financial instruments at initial recognition. Financial instruments comprise non-current receivables, trade and other receivables, restricted cash, cash and cash equivalents, borrowings, other non-current liabilities, and trade and other payables.



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g) *Offsetting financial instruments*

Offsetting of financial assets and liabilities is applied when there is a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The net amount is reported in the statement of financial position.

h) *De-recognition*

*i. Financial Assets*

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

*ii. Financial Liabilities*

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

i) *Impairment*

The company recognizes loss allowances for Expected Credit Loss (ECL) on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets

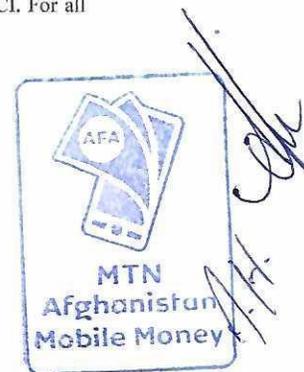
The Company measures loss allowances at an amount equal to lifetime ECLs, except for the assets falling under the stage 01 and are measured at 12-month ECLs on general or simplified impairment model, by assessing the credit risk and grading for policy option approach. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

Loss allowances for trade receivables not having a significant financing component in accordance with IFRS 15, loss allowance for such trade receivables is measured at an amount equal to life time expected credit losses. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. Hence the provision matrix should be adopted based on the historical observed default rates over the expected life of the trade receivables and is adjusted for forward looking information. At every reporting date the historical observed default rates are updated and changes in forward looking estimates are analyzed.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognized in OCI. For all other assets classified at FVTPL the impairment amount is charged to profit and loss account.



j) *Write-offs*

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 360 days past due based on historical experience of recoveries of similar assets. For corporate customers, the company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

27. **Fair value and Risk management**

a) *Introduction*

The Company has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk (foreign exchange and interest rate risk). This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

b) *Risk profile*

The Company's overall risk management Programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company.

Risk management is carried out under policies approved by the board of directors of the MTN Group and the Company. MTN Group and the Company identify, evaluate and manage financial risks and provide written principles for overall risk management, as well as for specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and investing excess liquidity.

27.1. **Accounting classes**

Financial Assets	Designated at fair value through profit or loss	Mandatorily measured at fair value through profit or loss	Amortized cost	Mandatorily measured at fair value through OCI	Designated at fair value through OCI	Total carrying amount
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----- AFN '000 -----

*Current financial assets*

**December 31, 2024**

Trade receivables - net	-	-	203,199	-	-	203,199
Restricted cash	-	-	76,659	-	-	76,659
Mobile money deposits	-	-	158,438	-	-	158,438
Cash at bank	-	-	120,012	-	-	120,012
	-	-	<b>558,308</b>	-	-	<b>558,308</b>

Financial Assets	Designated at fair value through profit or loss	Mandatorily measured at fair value through profit or loss	Amortized cost	Mandatorily measured at fair value through OCI	Designated at fair value through OCI	Total carrying amount
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----- AFN '000 -----

**December 31, 2023**

Trade receivables - net	-	-	152,354	-	-	152,354
Restricted cash	-	-	174,384	-	-	174,384
Mobile money deposits	-	-	30,070	-	-	30,070
Cash at bank	-	-	225,801	-	-	225,801
	-	-	<b>582,609</b>	-	-	<b>582,609</b>




Financial Liabilities	Amortized cost	Fair value through profit or loss - held for trading	Designated as at fair value through profit or loss	Total carrying amount
----- AFN '000 -----				
<b>December 31, 2024</b>				
<i>Non-current financial liabilities</i>	-	-	-	-
<i>Current financial liabilities</i>				
<i>Trade and other payables</i>				
Trade payables	67,694	-	-	67,694
Payable to Parent	416,754	-	-	416,754
Mobile money payables	158,438	-	-	158,438
	<b>642,886</b>	-	-	<b>642,886</b>
<b>December 31, 2023</b>				
<i>Non-current financial liabilities</i>				
<i>Current financial liabilities</i>				
<i>Trade and other payables</i>				
Trade payables	77,123	-	-	77,123
Payable to Parent	460,437	-	-	460,437
Mobile money payables	30,070	-	-	30,070
	<b>567,630</b>	-	-	<b>567,631</b>

The fair values of all financial instruments approximates their recorded amounts.

#### 27.2. Credit risk

Credit risk, or the risk of financial loss to the Company due to customers or counterparties not meeting their contractual obligations, is managed through the application of credit approvals, limits and monitoring procedures. The Company's maximum exposure to credit risk is represented by the carrying amounts of the financial assets that are exposed to credit risk, with the exception of financial guarantees granted by the Company for which the maximum exposure to credit risk is the maximum amount the Company would have to pay if the guarantees are called on.

The Company considers its maximum exposure per class, without taking into account any collateral and financial guarantees, to be as follows:

	December 31, 2024	December 31, 2023
	----- AFN'000 -----	
Trade and other receivables	203,199	152,354
Restricted cash	76,659	174,384
Cash at bank	120,012	225,801
	<b>399,870</b>	<b>552,539</b>

#### Trade and other receivables, restricted cash and balances with banks

The Company's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate values of transactions concluded are spread amongst approved financial institutions. The Company actively seeks to limit the amount of credit exposure to any one financial institution and credit exposure is controlled by counterparty limits that are reviewed and approved by the credit risk department.



### Trade and other receivables

The Company has no significant concentrations of credit risk, due to its widespread of customers. The Company derives its revenue based on cash transfer/withdrawal, bills payments facilitation and commission is recovered upfront.

Maximum exposure to credit risk trade receivables by type of counter party is as follows:

	December 31, 2024	December 31, 2023
Trade receivables	16,437	36,038
Receivable from Parent	186,762	116,316
	<u>203,199</u>	<u>152,354</u>

### 27.3. Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its obligations as they become due. The Company's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following liquid resources are available:

	December 31, 2024	December 31, 2023
Trade and other receivables	203,199	152,354
Mobile money deposits	158,438	30,070
Cash at bank	120,012	225,801
	<u>481,649</u>	<u>408,225</u>

The following are the contractual cash flows of financial liabilities:

	Carrying amount	Within 1 year	1 to 5 years	More than 5 years
<b>December 31, 2024</b>	----- AFN '000 -----			
<i>Non-current financial liabilities</i>	-	-	-	-
<b>Current financial liabilities</b>				
Trade and other payables - excluding inter-company payable	67,694	67,694	-	-
Inter-company payable	416,754	416,754	-	-
Mobile money payables	158,438	158,438	-	-
	<u>642,887</u>	<u>642,887</u>	-	-
<b>December 31, 2023</b>				
<i>Non-current financial liabilities</i>				
<b>Current financial liabilities</b>				
Trade and other payables - excluding inter-company payable	77,123	77,123	-	-
Inter-company payable	460,437	460,437	-	-
Mobile money payables	30,070	30,070	-	-
	<u>567,631</u>	<u>567,631</u>	-	-



*Handwritten signature*

#### 27.4. Market risk

Market risk is the risk that changes in the market will affect the Company's income or the value of its holding of financial instruments.

The Company's activities expose it primarily to the financial risks of changes in interest rates (see note 27.5) and foreign currency exchange rates (see note 27.6). The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

#### 27.5. Interest rate risk

The Company does not hold financial instruments which are either variable rate or their fair value is subject to changes in the interest rates.

#### 27.6. Currency risk

Currency risk is the exposure to exchange rate fluctuations that have an impact on cash flows and financing activities. Currency risk arises when future commercial transactions or recognized assets and liabilities are denominated in a currency that is not the entity's functional currency.

Items included in the annual financial statements of the Company are measured using the currency that best reflects the primary economic environment in which the Company operates (the functional currency). The Company's annual financial statements are presented in Afghani, which is the functional and presentation currency of the Company.

Currently, cash and bank balances, trade and other receivables, and trade and other payables do not include foreign currency denominated balances.

#### 27.7. Price Risk

The Company is not directly exposed to commodity price risk or material equity securities price risk.

#### 27.8. Capital risk management

Capital includes share capital and retained earnings attributable to the equity holders of the Company.

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximize shareholder value. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Where funding is not available to the operation locally or in specific circumstances where it is more efficient to do so, funding is sourced centrally and on-lent by the MTN Group. The Company's policy is to borrow using a mixture of long term and short term capital market issues and borrowing facilities from the local and international capital markets as well as multi-lateral organizations together with cash generated to meet anticipated funding requirements.

#### 28. Conversion of payable to equity

Parent company has converted AFN 20 million of trade receivables from the company into equity to comply with the minimum capital requirements of EMI regulations.

#### 29. Number of employees

	2024	2023
Total number of employees at end of the year	6	6
Average number of employees for the year	6	6



A handwritten signature in blue ink, appearing to be 'A.H. Khan', written over the bottom right corner of the MTN logo.

**30. Cash and cash equivalents**

Cash held at banks  
Restricted cash held at banks against E-Money

December 31, 2024	December 31, 2023
----- AFN'000 -----	
120,012	225,801
235,097	204,454
<u>355,109</u>	<u>430,255</u>

**31. Date of authorization**

These financial statements have been authorized for issue by the Board of Directors of the Company on **17 DEC 2025**.

**CHIEF EXECUTIVE OFFICER**



**HEAD OF FINANCE**

