AVENTUS TECHNOLOGY LIMITED

ANNUAL FINANCIAL STATEMENTS AND REPORTS

FOR THE PERIOD ENDED 31 DECEMBER 2025

Contents

Board of directors	**Name:**	
	Serhii Trambovkin	Retired on 15th April 2026
	Robert Adrian Andrei	Appointed on 15th April 2026

Company Secretary

Elfas Oniang'o Etemesi
Wu Yi Plaza, Block E,
5th Floor, Suite E14,
Galana Road, Kilimani,
P.O. Box 30834-00100
Nairobi, Kenya

Registered office

Aventus Technology Limited
Rhapta Heights
Rhapta Road
P.O. Box 30834-00100
Nairobi, Kenya

Independent auditor

MGK Associates LLP
Certified Public Accountants of Kenya
2nd floor, Mayfair Business Centre
Off Parklands Road
P. O. Box 6358 - 00100
Nairobi, Kenya

Principal banker

Eco Bank Kenya Limited
Shelter Afrique House
Upper Hill Branch
P.O. Box 49584-0100
Nairobi, Kenya

I & M Bank Limited
1 Park avenue
First Parklands Avenue
P. O Box 30238-00100
Nairobi, Kenya

The directors submit their report together with the audited financial statements for the year ended 31st December 2025.

Directorate
The directors who held office during the year and to the date of this report are listed on page 1.

Principal activities
The principal activities of the Company are advancing short term loans to customers on a digital platform.

Recommended dividend
The director do not recommend the declaration of a dividend for the year.

Business review
The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Kenya Companies Act of 2015.
The accounting policies have been applied consistently compared to the prior year.

The Company's revenue for the period ended 31 December 2025 decreased by 26% to Ksh 1,632,373,821 from Ksh 2,195,790,619 in the prior year. The decrease is primarily attributable to the difference in the reporting period, as the current financial period covers nine months compared to twelve months in the prior year. Accordingly, the results for the current period are not directly comparable with those of the prior year.

The Company recorded a loss after tax of Ksh 3,929,083 for the period ended 31 December 2025 compared to a profit after tax of Ksh 239,491,084 in the prior year.

Statement as to disclosure to the company's auditor

With respect to each director at the time this report was approved-:

(a) there is, so far as the person is aware, no relevant audit information of which the company's auditor is unaware; and

(b) the director has taken all the steps that the director ought to have taken as a director so as to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Terms of appointment of auditors
MGK Associates LLP continues in office in accordance with the company's Articles of Association and Section 719 of the Companies Act, 2015. The directors monitor the effectiveness, objectivity and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees. The agreed auditor's remuneration of Ksh 539,400 has been charged to profit or loss in the year.

By order of the board

ADRIAN ANDREI
Secretary/Director

Nairobi...13.05...........................**2026.**

The Kenyan Companies Act requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the Company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the Company keeps proper accounting records that: (a) show and explain the transactions of the Company; (b) disclose, with reasonable accuracy, the financial position of the Company; and (c) enable the directors to ensure that every financial statement required to be prepared complies with the requirements of the Companies Act.

The directors accept responsibility for the preparation and presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and in the manner required by the Kenyan Companies Act, 2015. They also accept responsibility for:

i) designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
ii) selecting suitable accounting policies and applying them consistently; and
iii) making accounting estimates and judgements that are reasonable in the circumstances.

Having made an assessment of the company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the company's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on 13.05 2026 and signed on its behalf by:

Director: Robert Adrian Andrei

MGK Associates LLP
Mayfair Business Centre, 2nd Floor
Off Parklands Road

P. O. Box 6358-00100 Nairobi, Kenya
t +254 715 248882 | +254 733 533449
e info@mgkconsult.co.ke
w www.mgkconsult.co.ke

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF AVENTUS TECHNOLOGY LIMITED FOR THE YEAR ENDED 31ST DECEMBER 2025.

Opinion

We have audited the accompanying financial statements of Aventus Technology Limited (the company), set out on pages 8 to 21, which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income and statements of changes in equity and cash flows for the year then ended, and notes, including a summary of significant accounting policies and other explanatory 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 the International Financial Reporting Standards for Small and medium-sized entities and the requirements of the Kenyan Companies Act, 2015.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the company's financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How does our audit address the key audit matter?
Expected credit losses on loans and advances at amortised cost Loans and advances to customers comprise a significant portion of the Company's total assets. The estimation of expected credit losses (ECL) on loans and advances requires management judgment in the assumptions that are applied in the models used to calculate ECL. The policies for estimating ECL are explained under note 2 of the financial statements.	We reviewed the company's methodology for calculating Expected Credit Losses (ECL), including improvements made during the year, and assessed its compliance with IFRS for SMEs. We analyzed the approach used to determine default probabilities, tested the accuracy and completeness of the historical data used to calculate Probability of Default (PD) and Loss Given Default (LGD), and performed sample-based recalculations.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF AVENTUS TECHNOLOGY LIMITED FOR THE YEAR ENDED 31ST DECEMBER 2025 (CONTINUED).

The key areas where significant judgement has been exercised and, therefore, an increased level of audit focus applied include: ▪ the relevance of forward-looking information used in the models; ▪ the judgments made to determine the staging of facilities in line with IFRS for SMEs. Specific assumptions have been applied by management in determining the staging, probability of default (PD), and loss given default (LGD) for certain segments of the loan book; ▪ for certain individually assessed loans, judgement is exercised in the consideration of quantitative and qualitative factors, and the mapping of these loans to external ratings;	We evaluated the adequacy of the disclosures in the financial statements regarding key judgments and assumptions.
Reliance on Information & Communication Technology (ICT) systems for financial control and transactions The Company's financial control and accounting processes are heavily reliant on the ICT system. Specifically, the calculation and recording of income is significantly dependent on an automated process. Weaknesses in the design and operating effectiveness of the automated process and related IT dependence on manual controls could result in material errors in the financial information, making this an area of focus. Our audit on ICT systems and controls over financial control and transactions included the following areas: ▪ controls over changes to programs and system development; ▪ automated application controls relating to processing and calculation of income; ▪ Controls over changes of programs and system development.	We evaluated and tested the design and operational effectiveness of controls related to the integrity of ICT systems and applications relevant to financial transactions. We examined specific aspects of IT system security, including logical access controls and segregation of duties. We tested controls over system changes, program and data access, and IT operations. We reviewed and validated any manual adjustments made to information generated by ICT systems, assessing the appropriateness of these adjustments. We re-performed automated controls and calculations to verify that the applications, including those related to service fees, penalties, and excise duty fees, are functioning accurately and as intended.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF AVENTUS TECHNOLOGY LIMITED FOR THE YEAR ENDED 31ST DECEMBER 2025 (CONTINUED).

Other information

The directors are responsible for the other information. Other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

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

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with the International Financial Reporting Standards for Small and medium sized entities and the requirements of the Kenyan Companies Act, 2015, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it 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 management.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF AVENTUS TECHNOLOGY LIMITED FOR THE YEAR ENDED 31ST DECEMBER 2025 (CONTINUED).

Auditor's responsibilities for the audit of the financial statements (continued)

- 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.

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

Report on other matters prescribed by the Kenyan Companies Act, 2015

In our opinion the information given in the report of the directors on page 2 is consistent with the financial statements.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA James Gichuru of Practising Certificate No. 2640.

For and on behalf of
MGK Associates LLP
Certified Public Accountants
Nairobi, Kenya

14th May 2026

UNIQUE CODE: 80360260514

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31ST DECEMBER 2025

	Notes	2025 December 9 Months Ksh.	2025 March 12 Months Ksh.
Interest income	5	1,633,838,295	2,195,790,619
Interest expense	6	(238,977,618)	(243,222,714)
Net interest income		**1,394,860,677**	**1,952,567,905**
Net fee income	7	3,548,791	5,451,860
Other operating income	8	-	18,055,469
Total net income		**1,398,409,468**	**1,976,075,234**
Credit impairment losses	9	(801,997,390)	(1,065,086,473)
Operating expenses	10	(588,474,534)	(613,841,116)
Profit before tax		**7,937,544**	**297,147,645**
Tax charge	13	(11,866,627)	(57,656,561)
(Loss)/ profit after tax		**(3,929,083)**	**239,491,085**

The notes on pages 12 to 21 form an integral part of these financial statements

STATEMENT OF FINANCIAL POSITION AT 31ST DECEMBER 2025

	Notes	2025 December Ksh.	2025 March Ksh.
EQUITY			
Share capital	14	4,990,000	4,990,000
Retained earnings		(51,265,876)	(47,336,794)
		(46,275,876)	(42,346,794)
Non-current liabilities			
Due to related parties	15	356,786,183	441,855,200
Borrowings	16	361,907,184	327,304,963
		718,693,367	769,160,163
		672,417,491	**726,813,369**
REPRESENTED BY			
Non current assets			
Property and equipment	17	19,652,880	17,074,066
Deferred income tax	18	13,441,127	20,141,779
		33,094,007	37,215,845
Current assets			
Loans and advances to customers	19	582,946,808	565,783,629
Other receivables	20	12,853,409	12,729,310
Cash and cash equivalents	21	79,008,520	153,952,157
		674,808,737	732,465,096
Current liabilities			
Trade and other payables	22	30,866,976	42,747,175
Current tax payable	23	4,618,277	120,397
		35,485,253	42,867,572
Net current assets		639,323,484	689,597,524
		672,417,491	**726,813,369**

The notes on pages 12 to 21 form an integral part of these financial statements

The financial statements on pages 8 to 21 were approved for issue by the board of directors on 13.05 2026 and were signed on their behalf by:

Director: Robert Adrian Andrei

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST DECEMBER 2025

	Share capital Ksh.	Retained earnings Ksh.	Total Ksh.
Year ended 31 December 2025			
At 1 April 2025	4,990,000	(47,336,794)	(42,346,794)
Loss for the year	-	(3,929,083)	(3,929,083)
At 31 December 2025	4,990,000	(51,265,876)	(46,275,876)
Year ended 31 March 2025			
At 1 April 2024	4,990,000	(286,827,878)	(281,837,878)
Profit for the year	-	239,491,085	239,491,085
At 31 March 2025	4,990,000	(47,336,794)	(42,346,794)

The notes on pages 12 to 21 form an integral part of these financial statements

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST DECEMBER 2025

	Notes	2025 December Ksh.	2025 March Ksh.
Cash flows from operating activities			
Profit for the year		7,937,544	297,147,645
Adjustments for:			
Loss on sale of equipment		370,908	-
Interest expenses		174,966,087	122,386,649
Depreciation of equipment	17	2,831,018	3,494,596
Changes in operating assets and liabilities:			
Increase in loans and advances to customers		(17,163,179)	(326,426,510)
Decrease in other assets		(124,099)	4,250,000
Decrease in other payables		(11,880,199)	(43,397,754)
Cash used in operations		**156,938,080**	**57,454,626**
Income taxes paid	23	(668,095)	(120,402)
Interest expenses paid		(174,966,087)	(122,386,649)
Net cash flows used in operating activities		**(18,696,102)**	**(65,052,425)**
Cash flows from investing activities			
Proceeds from sale of equipments		33,250	-
Purchases of property, plant and equipment	17	(5,813,989)	(4,886,263)
Net cash used in investing activities		**(5,780,739)**	**(4,886,263)**
Cash flows from financing activities			
Repayment of loan from related party	15	(85,069,017)	(135,658,552)
Additions of borrowings	16	34,602,221	327,304,963
Net cash (used in)/generated from financing activities		**(50,466,796)**	**191,646,411**
Net (decrease)/increase in cash and cash equivalents		**(74,943,637)**	**121,707,723**
Cash and cash equivalents at start of the year		153,952,157	32,244,434
Cash and cash equivalents at the end of the year	21	**79,008,520**	**153,952,157**

The notes on pages 12 to 21 form an integral part of these financial statements

1 General information

Aventus Technology Limited (the Company) is domiciled in Kenya where it is incorporated under the Kenyan Companies Act as a private company limited by shares. The address of its registered office and principal place of business is Rhapta Heights in Rhapta Road. The principal activities of the Company are advancing short term loans to customers on a digital platform.

For Kenyan Companies Act purposes, the balance sheet is represented by the statement of financial position and the profit and loss account by the statement of profit or loss.

2 Basis of preparation and summary of significant accounting policies

These financial statements have been prepared on a going concern basis and in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board. The financial statements are presented in Kenyan Shillings(Ksh), rounded to the nearest thousand. The measurement basis used is the historical cost basis except where otherwise stated in the accounting policies below.

Revenue recognition

Turnover represents the fair value of consideration receivable for the interest earned and is recognized in the period in which the loans were disbursed to the client, the client has accepted the products and collectability of the related receivable is reasonably assured.

Interest income is recognized on accrual basis.

Income tax

Tax expense represents the aggregate amount included in statement of comprehensive income for the period in respect of current tax and deferred tax.

Current tax is the amount of income tax payable or refundable in respect of the taxable profit or loss for the current and prior periods, determined in accordance with the Kenyan Income Tax Act.

Deferred tax is determined on differences arising between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences), using tax rates and laws enacted or substantively enacted at the balance sheet date and expected to apply when the asset is recovered or the liability is settled.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from how the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets or liabilities.

Deferred tax liabilities are recognised for all taxable temporary differences except those arising on the initial recognition of an asset or liability, other than through a business combination, that at the time of the transaction affects neither the accounting nor taxable profit or loss.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Recognised and unrecognized deferred tax assets are reassessed at the end of each reporting period and, if appropriate, the recognised amount is adjusted to reflect the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

2 Basis of preparation and summary of significant accounting policies (continued)

Income tax (continued)

At each reporting date, deferred tax assets are reviewed and adjusted, if necessary, by a valuation allowance, so that the net carrying amount equals the highest amount that is more likely than not to be recovered, based on current or estimated future taxable profit. Any changes to the valuation allowance are recognized in 'tax expense'.

Share capital, share premium, and dividend

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of the par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the year in which they are declared. Proposed dividends are accounted for as a separate component of equity until they have been declared at the annual general meeting.

Financial assets

Except for trade receivables that do not have a significant financing component, at initial recognition, the company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability. Trade receivables that do not have a significant financing component are measured at their transaction price.

(i) Classification and subsequent measurement.

The company classifies its financial assets using the measured at amortised cost principal classification based on the cash flow characteristics of the asset.

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss(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 (SPPI) on the principal amount outstanding.

The carrying amount of these assets is measured at amortised cost using the effective interest rate method and is adjusted by any expected credit loss allowance. Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate method.

To determine whether a financial asset should be classified as measured at amortised cost or fair value through other comprehensive income (FVOCL), an entity assesses whether the cash flows from the financial asset represent, on specified dates, solely payments of principal and interest on the principal amount outstanding - i.e. the SPPI criterion. A financial asset that does not meet the SPPI criterion is always measured at FVTPL, unless it is an equity instrument for which an entity may apply the OCI election.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. The definition of principal reflects the economics of the financial asset from the perspective of the current holder. This means that an entity assesses the asset's contractual cash flow characteristics by comparing the contractual cash flows to the amount that it actually invested.

'Interest' is defined as consideration for the time value of money, 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.

2 Basis of preparation and summary of significant accounting policies (continued)

Financial assets (continued)
(i) Classification and subsequent measurement (continued)

Amortised cost (continued)

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considered the contractual terms of its financial assets. The Company, through the Credit, Finance and Treasury departments will from time to time review the contractual terms of existing instruments and also review contractual terms of new products the Company develops or invests in going forward. This includes assessing whether the financial asset contained a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making the assessment, the Company shall consider:
• contingent events that would change the amount and timing of cash flows;
• leverage features;
• prepayment and extension terms;
• terms that limit the company's claim to cash flows from specified assets – e.g. non-recourse asset arrangements; and
• features that modify consideration for the time value of money – e.g. periodic reset of interest rates.

BUSINESS MODEL	KEY FEATURES	CATEGORY
Held to collect	The objective of the business model is to hold assets to collect contractual cash flows. Sales are incidental to the objective of the model.This model typically involves the lowest level of sales in comparison with other business models (in frequency and volume).	Amortised cost (1)

Property and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

For all other assets, depreciation is charged so as to allocate the cost of the assets less their residual values over their estimated useful lives, using the reducing method.

If there is an indication that there has been a significant change in the useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in profit or loss.

Leases

Rentals payable under operating leases are charged to statement of comprehensive income on a straight-line basis over the term of the relevant lease.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, term and call deposits with banking institutions and other short-term highly liquid investments in money market instruments with maturities of three months or less from the date of acquisition net of bank overdrafts.

2 Basis of preparation and summary of significant accounting policies (continued)

Translation of foreign currencies

All transactions in foreign currencies are initially recorded in Kenyan Shillings, using the spot rate at the date of the transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognised in profit or loss.

Impairment of non-financial assets

At each reporting date, property, plant and equipments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount (selling price less costs to complete and sell, in the case of inventories), but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Financial liabilities

Financial liabilities are initially recognised at the transaction price (less transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

Comparatives

Where necessary, comparative amounts have been amended as per the new financial reporting framework.

Employee benefits

The Company and the employees also contribute to the National Social Security Fund (NSSF), a national defined contribution scheme. Contributions are determined by local statute and the Company's contributions are charged to profit or loss in the year to which they relate.

3 Financial risk management objectives and policies

The business's activities expose it to a variety of financial risks including credit liquidity and interest rates risks and changes in market prices of the business's products. The entity's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimize the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The business does not hedge any risks and has in place policies to ensure that credit is extended to customers with an established

4 Judgements and key sources of estimation uncertainty

No significant judgements have had to be made by the directors in preparing these financial statements.

The directors have, however, had to make key assumptions regarding the recoverable amount of impaired trade receivables. The recoverable amount of such receivables at the end of the reporting period has been estimated at KSh 1,490,708,332

Notes to the financial statements

		December 2025 Ksh	March 2025 Ksh
5	**Interest income**		
	Loans and advances to customer	1,629,989,330	2,194,720,587
	Interest on fixed deposits	3,838,801	1,070,032
	Loan placements	10,164	-
		1,633,838,295	2,195,790,619
6	**Interest expense**		
	Borrowed funds	64,011,531	120,836,065
	Interest rebates	174,966,087	122,386,649
		238,977,618	243,222,714
7	**Net fee income**		
	Collection fee	3,548,791	5,451,860
8	**Other income**		
	Foreign exchange gain	-	18,055,469
9	**Credit impairment losses**		
	Loans and advances written off during the year	951,241,562	1,249,521,915
	Loan recoveries	(7,023,874)	(73,469,122)
	Loan loss allowance	(142,220,298)	(110,966,320)
		801,997,390	1,065,086,473
10	**Operating expenses**		
	Advertisement	133,373,244	210,983,086
	Audit fees	539,400	539,400
	Bank and Mpesa charges	4,358,254	6,683,797
	Collection costs	36,883,962	20,519,726
	Consultancy fees	59,219,803	4,361,214
	Credit and ID verification	25,432,314	40,052,546
	Depreciation expenses	2,831,018	3,494,596
	Donations	100,000	-
	Dues and subscriptions	2,308,365	985,066
	Foreign exchange loss	61,099,964	-
	Insurance	3,499,130	2,864,905
	Internet	26,976,647	27,511,220
	Legal and professional fees	2,476,664	3,902,322
	Licenses	1,228,300	1,299,850
	Loss on disposal of assets	370,908	-
	Office expense	1,539,013	3,357,729
	Printing and stationery	245,195	211,535
	Rent and service charge	11,699,048	14,100,692
	Repairs and maintenance	348,830	1,690,549
	Salaries and wages	163,655,517	185,677,440
	SMS charges	2,304,989	27,122,298
	Software licencing and other IT related costs	26,152,479	32,417,634
	Staff welfare	11,184,499	13,978,590
	Telephone expense	6,897,750	3,857,038
	Travel and accommodation	2,582,832	6,629,943
	Utilities	1,166,409	1,599,940
		588,474,534	613,841,116

Notes to the financial statements(continued)

11 Profit before tax

The following items have been recognised as expenses in determining profit before tax:

	December 2025 Ksh	March 2025 Ksh
Tax expenses	11,866,627	57,656,561
Loss on sale of equipment	370,908	-
Interest expenses	174,966,087	122,386,649
Depreciation of equipment	2,831,018	3,494,596

12 Employee benefits expense

Retirement benefit costs:		
- National Social Security Fund	13,103,337	10,708,339
The average number of persons employed during the year were:	244	226

13 Taxation

a) Tax expenses

Current tax	5,165,975	240,799
Deferred tax expense relating to the origination and reversal of temporary differences (Note 18)	6,700,652	57,415,762
	11,866,627	57,656,561

b) Tax reconciliation

The tax expense for the year differs from the theoretical amount that would result from applying the statutory tax rate of 30% (March 2025: 30%) to profit/(loss) before tax as follows:.

	December 2025 Ksh	March 2025 Ksh
Profit before tax	7,937,544	297,147,645
Tax at applicable rate of 30%	2,381,263	89,144,293
Tax effect of expenses not deductible for tax	9,485,364	(31,487,732)
Tax charge	11,866,627	57,656,561

14 Share capital

	No. of ordinary shares issued	Issued and fully paid up capital
Authorised, issued and fully paid:		
At 1st April 2025 and 31st December 2025	499	4,990,000

The total number of authorised ordinary shares is 449 (March 2025: 449) with a par value of KSh10,000

15 Due to related parties

Shareholders loan	234,776,366	405,695,955
Interest and other fees due related party	122,009,817	36,159,245
Total balances due to related parties	356,786,183	441,855,200

In 2021, the Company entered into a loan agreement with a related party, UAB "DN Invest", the parent company. The loan was obtained to support the Company's working capital and commercial activities.The loan facility bears a fixed interest rate of 18.5% per annum. Interest is calculated on the outstanding balance and is payable monthly. The loan is unsecured and is repayable in accordance with the terms set out in the loan agreement.

Notes to the financial statements(continued)

	December 2025 Ksh	March 2025 Ksh
16 Borrowings		
Avego FZCO	361,907,184	327,304,963

Borrowings comprise a loan of EUR 4,500,000 assigned to Avego FZCO under an assignment agreement. The outstanding balance at year end was EUR 2,390,000. The loan is unsecured and measured at amortised cost.

17 Property and equipment

	Computers and accessories Ksh	Mobile phones Ksh	Furniture and fittings Ksh	Office equipment Ksh	Total Ksh
Year ended December 2025					
Cost					
At 1st April 2025	13,281,536	436,803	7,900,764	3,377,999	24,997,102
Additions	2,986,692	78,576	2,022,735	725,986	5,813,989
	-	-	(616,000)	-	(616,000)
At 31st December 2025	16,268,228	515,379	9,307,499	4,103,985	30,195,091
Depreciation					
At 1st April 2025	6,092,892	110,702	1,219,549	499,893	7,923,036
Charge for the year	1,907,875	30,351	622,484	270,307	2,831,017
	-	-	(211,842)	-	(211,842)
At 31st December 2025	8,000,767	141,053	1,630,191	770,200	10,542,211
Netbook value					
At 31st December 2025	8,267,461	374,326	7,677,308	3,333,785	19,652,880
Year ended March 2025					
Cost					
At 1st April 2024	10,117,000	412,254	7,313,164	2,268,421	20,110,839
Additions	3,164,536	24,549	587,600	1,109,578	4,886,263
At 31st March 2025	13,281,536	436,803	7,900,764	3,377,999	24,997,102
Depreciation					
At 1st April 2024	3,696,677	74,469	477,192	180,102	4,428,440
Charge for the year	2,396,215	36,233	742,357	319,791	3,494,596
At 31st March 2025	6,092,892	110,702	1,219,549	499,893	7,923,036
Netbook value					
At 31st March 2025	7,188,644	326,101	6,681,215	2,878,106	17,074,066

The following annual rates are used for the depreciation of property, plant and equipment:

Computers and accessories	25%
Mobile phones	10%
Furniture and fittings	10%
Office equipments	10%

18 Deferred tax

Deferred tax is calculated using the enacted rate of 30% (March 2025: 30%). The following are the deferred tax assets (liabilities) recognised by the Company:

Year ended 31st December 2025	At start of period Ksh	Charge to profit and loss Ksh	At end of period Ksh
Deferred tax			
Temporary differences	(721,487)	1,249,265	527,778
Tax losses carried forward	26,279,907	(26,279,907)	-
Unrealised exchange	(5,416,641)	18,329,990	12,913,349
Deferred tax asset	20,141,779	(6,700,652)	13,441,127

Notes to the financial statements(continued)

18 Deferred tax(continued)

Year ended 31st March 2025	**At start of period**	**Charge to profit and loss**	**At end of period**
Deferred tax asset	**Ksh**	**Ksh**	**Ksh**
Temporary differences	(302,955)	(418,532)	(721,487)
Tax losses carried forward	77,045,698	(50,765,791)	26,279,907
Unrealised exchange	814,798	(6,231,439)	(5,416,641)
Deferred tax asset	77,557,541	(57,415,762)	20,141,779

The deferred tax assets and liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position.

	December 2025 Ksh	**March 2025 Ksh**
19 Loans and advances to customers		
Loans and advances	762,663,613	887,720,732
Loss allowance	(179,716,805)	(321,937,103)
Net loans and advances	582,946,808	565,783,629
20 Other receivables		
Sundry debtors	4,871,475	7,200,490
Refundable deposits	5,013,950	4,343,950
Other receivables	711,469	444,870
Due from related parties	2,256,515	740,000
	12,853,409	12,729,310
21 Cash and cash equivalents		
Cash at bank and in hand	79,008,520	153,952,157
	79,008,520	153,952,157
22 Trade and other payables		
Accounts payable and sundry creditors	11,510,428	23,238,889
Other payables	19,356,548	19,508,286
	30,866,976	42,747,175
23 Tax payable		
At start of year	120,397	-
Charge for the year	5,165,975	240,799
Tax paid during the year	(668,095)	(120,402)
	4,618,277	120,397

24 Related party transactions

The Company's parent, which is also its ultimate controlling party, is UAB "DN Invest". UAB "DN Invest" does not produce financial statements available for public use. The Company buys services from, its associate and other companies that are related to it through common shareholding or common directorships, as follows:

Notes to the financial statements(continued)

24 Related party transactions(continued)

	December 2025 Ksh	March 2025 Ksh
i) Purchase of services		
- Parent	58,317,621	-
	58,317,621	-

ii) Loan from parent company

The company has an existing loan from its parent company that was advanced in prior years to support the company's operations. The loan bears interest at 18.5% per annum, is unsecured, and is repayable on demand. There are no fixed repayment terms. During the year, a portion of the outstanding loan balance was assigned by the parent company to Avego FZCO under an assignment agreement. No cash repayments were made during the year. The reduction in the loan balance reflects this assignment. The outstanding balance due to the parent company at 31 December 2025 was Kes 298,771,563 (March 2025: Kes 441,855,200). Interest expense recognised in profit or loss during the year amounted to Kes 46,790,047 (March 2025: 112,155,409). The loan is measured at amortised cost in accordance with Section 11 of IFRS for SMEs.

Movement in loan from parent company	December 2025 Ksh	March 2025 Ksh
Balance at the start of the period	441,855,200	634,950,485
Additonal loan	-	131,194,337
Interest accrued	46,790,047	112,155,409
Loan assigned to Avego FZCO	(203,068,809)	(436,018,596)
Currency revaluation	13,195,125	(426,435)
Balance at end of the period	**298,771,563**	**441,855,200**

iii) Amount due from related party (note 20)

The company has a related party relationship with LendPlus Technology (Pty) Ltd through common shareholding. During the year, the company advanced a loan to LendPlus Technology (Pty) Ltd under a loan agreement. The loan has a facility limit of EUR 1,000,000, of which EUR 10,000 had been advanced as at 31 December 2025. The loan bears interest at 10.5% per annum, is unsecured, and is repayable on 12 September 2027. The loan receivable is measured at amortised cost in accordance with Section 11 of IFRS for SMEs. Management has assessed the recoverability of the loan and considers no impairment is required.

	December 2025 Ksh	March 2025 Ksh
Loan advanced	1,506,351	-
Interest accrued	10,164	-
Balance at end of the period	1,516,515	-

Included in receivables is an amount of Kes 740,000 (2025:740,000) due from shareholders in respect of unpaid share capital.

	December 2025 Ksh	March 2025 Ksh
Shareholders receivable	740,000	740,000
	2,256,515	740,000

Notes to the financial statements(continued)

25 *Legal contingencies*

The company is currently involved in various legal disputes and has, in consultation with its legal advisors, assessed the possible outcomes in these cases and has determined that no provision is required in respect of the cases as the management is optimistic that the company will win the cases.

Due to the nature and uncertainty of the outcomes of the various litigation cases, management exercises judgment to determine the quantum and adequacy of the provision carried. The settlement only happens when a case is closed either through court rulings or out of court between the parties involved.

26 Capital commitments.

The Company has no capital commitments, whether authorised and contracted or authorised and not contracted.