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DEFINING OUR FOCUS



Mission

To effectively and efficiently develop, manage and operate airport and air navigation infrastructure to international standards, meeting our stakeholders' values in an environmentally friendly manner, while profitably contributing to national economic development.



Vision

To be a world-class and diversified airport and air navigation business.

Unlocking Potential: Our Strategic Proposition

Our strategy reflects our response plan in the short, medium and long term, by setting goals and objectives and explaining how we aim to succeed. Our focus is on achieving the following strategic goals under the 2022 – 2026 Strategic Plan:



To enhance financial sustainability and resilience.



To re-imagine customer experience.



To reinvent the Corporation



To attain aviation safety and security leadership.



To create a positive work environment.



To transform KKIA into a SADC aviation hub.



To promote environmental sustainability



OUR CORE VALUES



Integrity

We firmly adhere to moral and ethical standards in all operations and interactions with stakeholders.



Responsibility

We take full responsibility for our actions and non-actions related to our business and environmental protection.



Teamwork

We recognise that we achieve more when we work together in teams, together with clients and stakeholders.



Quality

We commit to deliver quality service in a professional manner.



Employee motivation

Our employees are our number one asset, and we commit to make the work environment conducive.



Communication

We effectively engage our staff, customers, shareholders and other stakeholders to obtain insights for improvement.



Customer Focus

We commit to meet customer expectations.

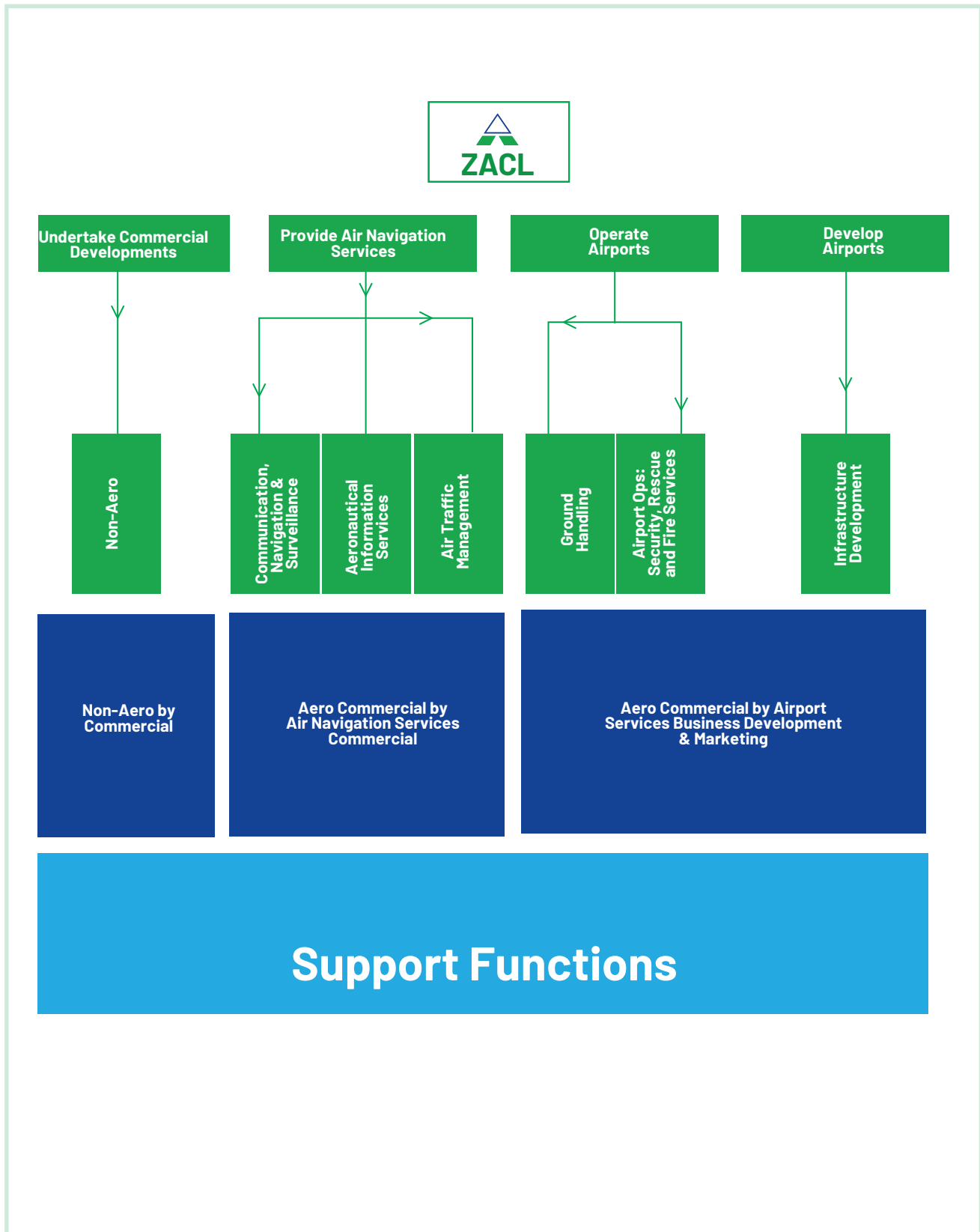


Safety & Security

We commit to serve our customers, shareholders and other stakeholders safely and securely.



OUR VALUE GENERATION MODEL



Our Regulator



International Organisations Memberships



Certifications



Airlines

Zambia Airways
Proflight Zambia
Kenya Airways
Ethiopian Airlines
Qatar Airways
Air Botswana

Airlink
South African Airways
Emirates
Air Tanzania
Turkish Airlines
RwandAir

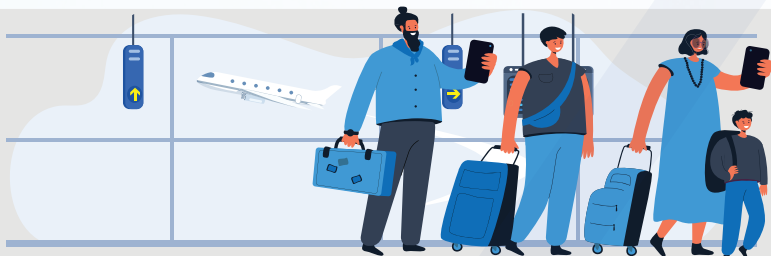
Malawian Airlines
FastJet
Uganda Airlines
Eswatini Air



2025 Highlights

2,441,100

Passengers
Safely Facilitated

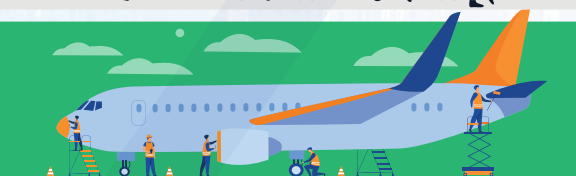


67,703

Aircraft
Movements
Safely Handled



15 Scheduled Airlines Serviced



14 Scheduled Airlines Provided
with Ground Handling Services

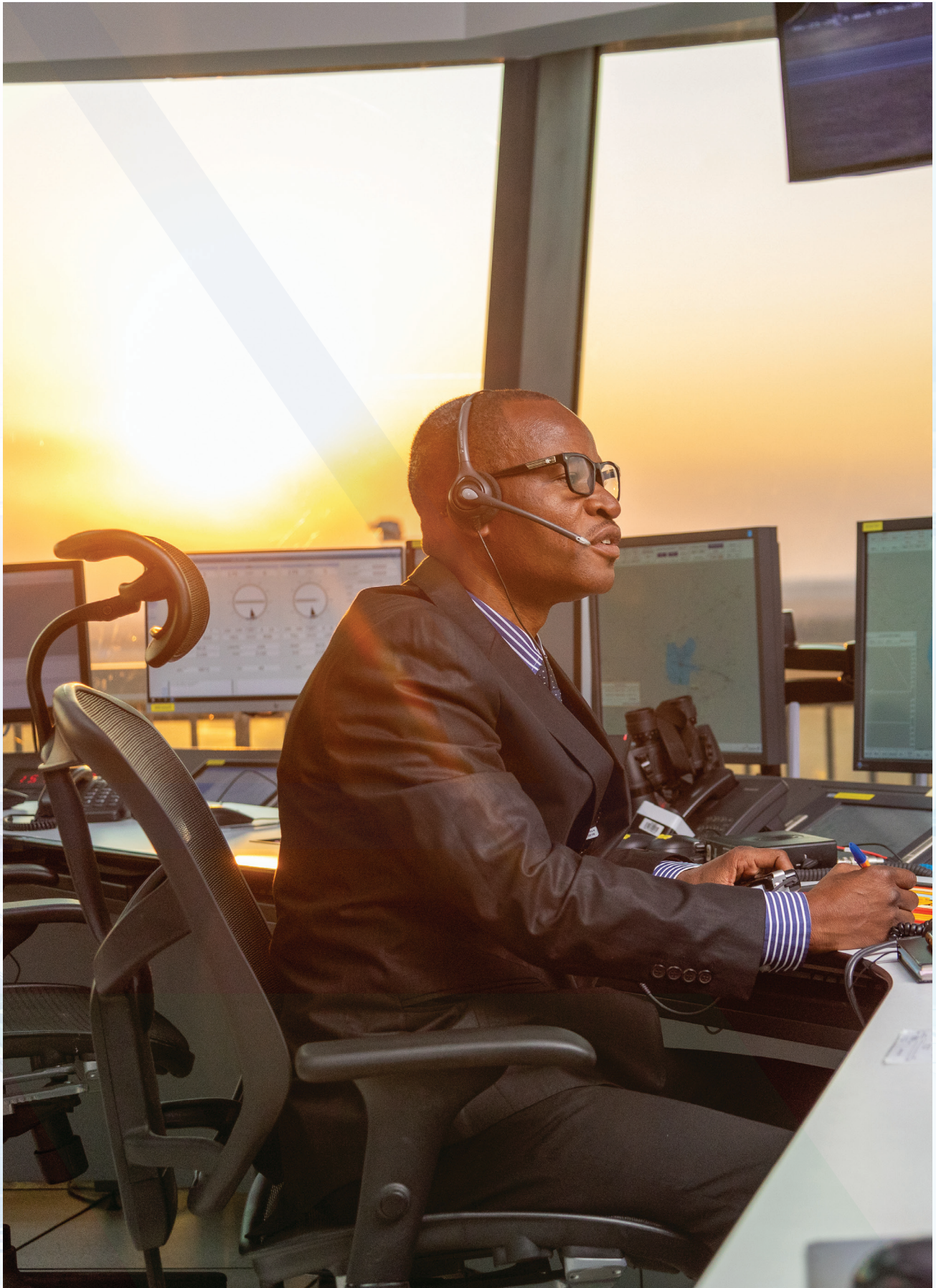


1,360 Employees



21,712,979 Kg
Cargo Handled







Board of Directors Until 2nd September 2025



Mr. Zevyanji Sinkala

Chairperson



Mrs. Irene Tembo

Member



Mr. Zephania Sholobela

Acting Managing Director (From 1st April 2025 to 31st August 2025)



Dr. Frank Munthali

Vice Chairperson



Mr. Willis Chipango

Member (Replaced Mr. Mulele Maketo Mulele on 22nd April 2025).



Mrs. Malama Siamoonondo

Acting Corporation Secretary



Mr. Mulele Maketo Mulele

Member



Mrs. Ngoza Kasunga Matakala

Managing Director (Until 31st March 2025).



Board Of Directors From 10th December 2025

A new Board of Directors was appointed on 10th December 2025 and formally inaugurated on 6th January 2026 under the chairmanship of Mr Daan Brink. The Board comprises Dr. Chimuka Leo Haamukwanza (Vice Board Chairperson), Eng. Benson Mwale, Ms. Mulemwa Moongwa, Ms. Antonina Chisanga, Mr. Willis Chipango, Mrs. Priscilla B. Lombanya, Capt. Josias Walubita and Mr. Urvesh Desai (Managing Director, ZAACL).

Appointments



Mr. Daan Brink

Chairperson



Mr. Willis Chipango

Member (Replaced Mr. Mulele Maketo Mulele on 22nd April 2025).



Ms. Antonina Chisanga

Member



Dr. Chimuka L. Haamukwanza

Vice Chairperson



Ms. Mulemwa Moongwa

Member



Capt. Josias Walubita

Member



Mrs. Priscilla B. Lombanya

Member



Mr. Eng. Benson Mwale

Member



Mr. Urvesh Desai

Managing Director (Effective 1st September 2025)



Mrs. Malama Siamondo

Acting Corporation Secretary



Management



Mr. Urvesh Desai

Managing Director (Effective 1st September 2025).



Mrs. Harriet Angetile

Director Airport Services



Mrs. Mwiche N. Himoonga

Director Human Resources



Ms. Gillian Mazimba

Director Finance



Mr. Zephania Sholobela

Director Air Navigation Services



Mr. Kephass M. Phiri

Director Commercial Services



Mrs. Malama Siamoondo

Acting Corporation Secretary



Mrs. Khetiwe L. Nyirenda

Acting Director Corporate Planning and Strategy



2025 Statistical Highlights

METRIC	2024	%Change	2025
Total Operating Revenue	K1,333 M	6% 	K1,425 M
Aeronautical Revenue	K1,233 M	4% 	K1,277 M
Non-Aeronautical Revenue	K100.14 M	87% 	K186.93 M
General Passengers	2,271,355	7% 	2,441,100
Enplaned Passengers	746,348	11% 	830,863
Scheduled Airlines	16	-6% 	15
Cargo (K)Tonnes	19,043	14% 	21,713
Aircraft Movements	63,216	7% 	67,703
Headcount	1,212	12% 	1,360



01

Corporate Overview

Zambia Airports Corporation Limited (ZACL) is a wholly state-owned enterprise established under the Companies Act No. 10 of 2017 and fully owned by the Government of Zambia. It operates as an autonomous entity under the provisions of both the Companies Act and the Civil Aviation Act No. 5 of 2016. ZACL's core mandate is to develop, manage and maintain a network of four designated international airports and one domestic airports, while providing comprehensive air navigation services across Zambia's airspace. However, **Choma, Kasaba Bay and Nakonde are still under development:**



Four (4) International Airports



Connecting People, Driving Growth and Delivering Excellence

ZACL is central to advancing both local and international connectivity, supporting Zambia's Vision 2030 and the 8th National Development Plan. By facilitating trade and tourism, the Corporation contributes to economic growth, job creation and increased government revenue in line with the Economic Diversification and Job Creation Pillar.

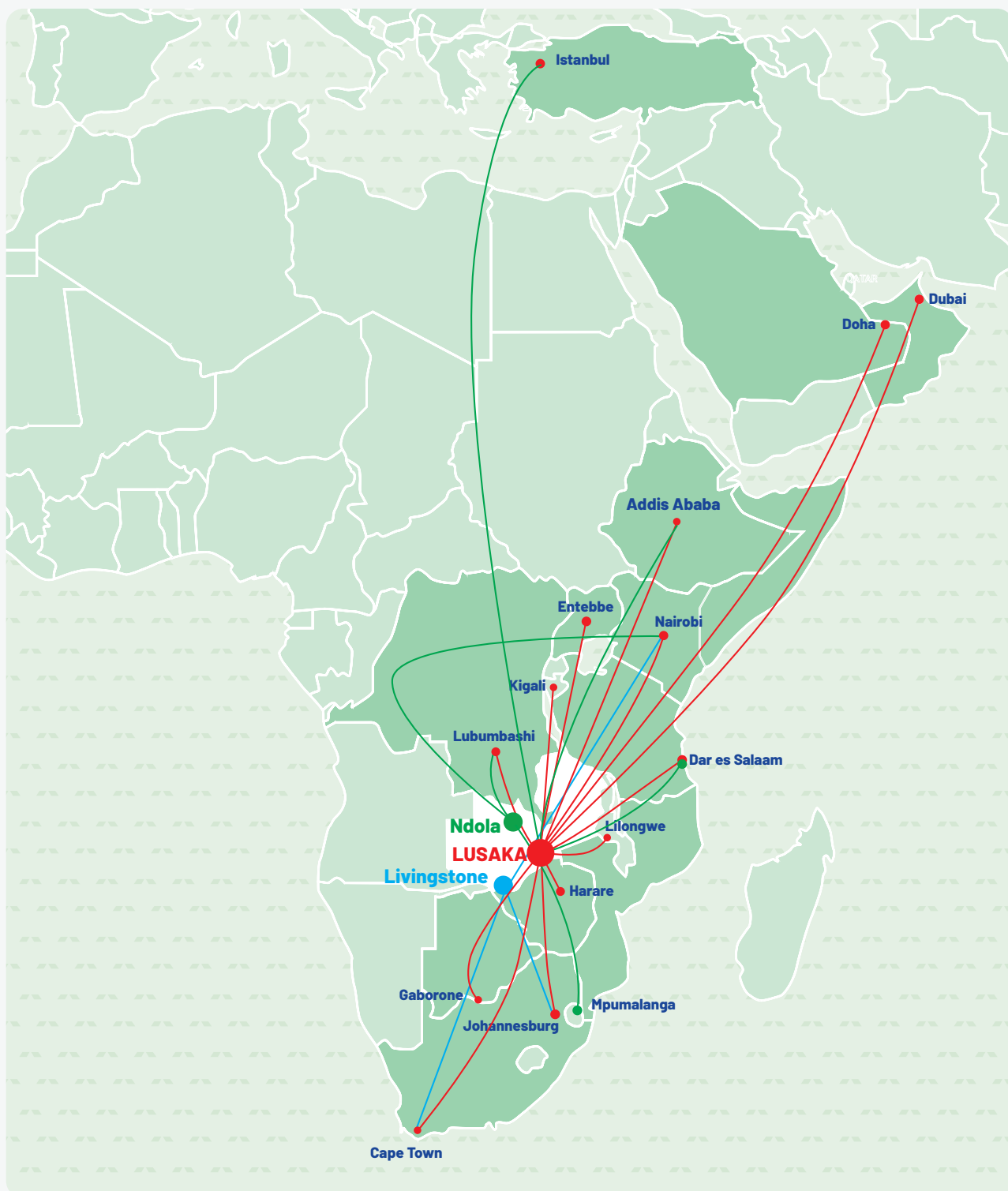
Nine (9) Domestic Airports



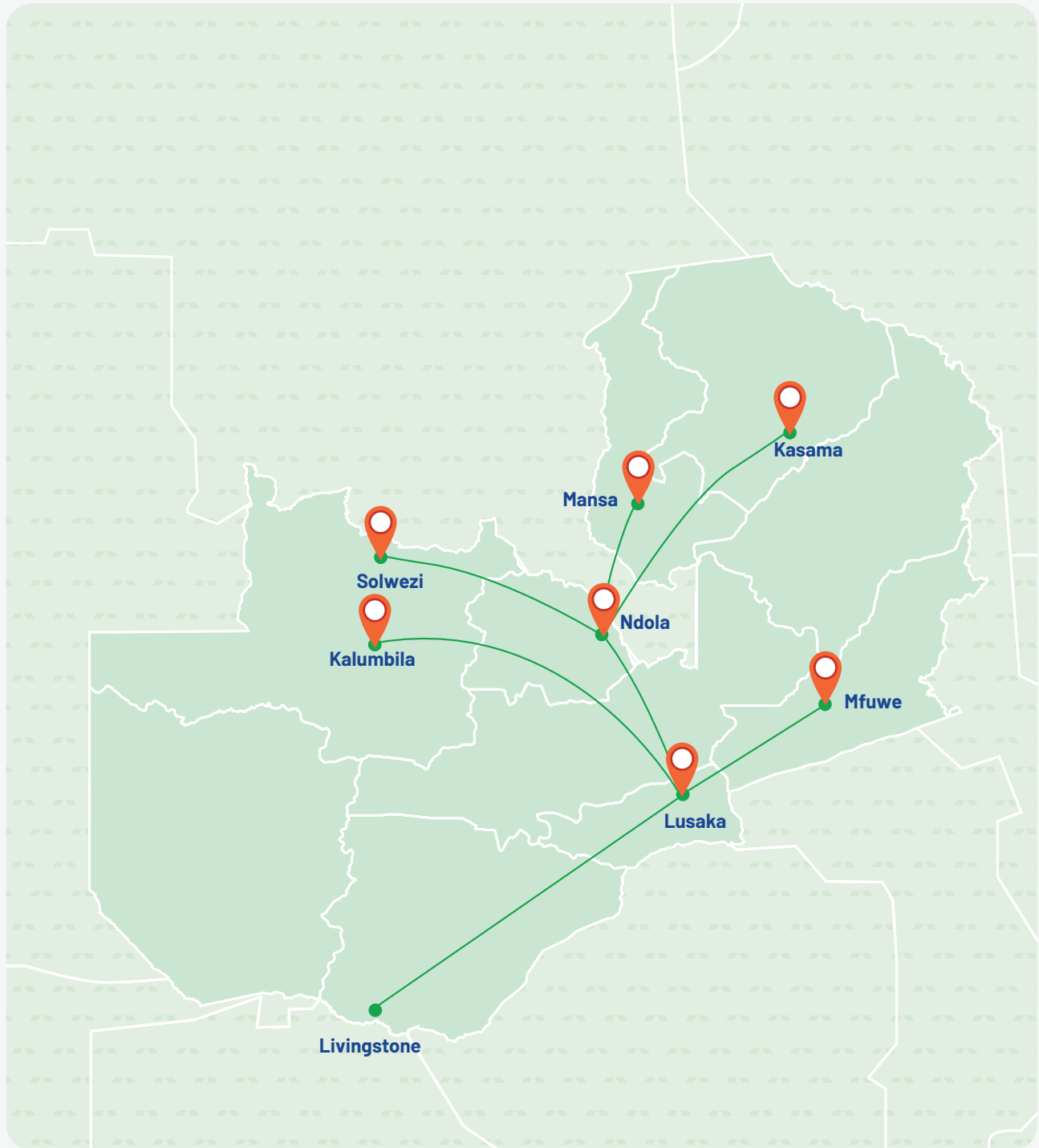
The Corporation derives revenue from a combination of aeronautical sources which include passenger service charges, landing and navigation fees, together with non-aeronautical streams such as rentals, concessions, fuel throughput, parking and advertising. This diversified model enhances financial performance, supports sustainable growth and underpins the long-term resilience of its operations.



INTERNATIONAL FLIGHTS ROUTE MAP



DOMESTIC FLIGHTS ROUTE MAP





02

OUR LEADERSHIP: Charting The Course

2.1 Board Chairperson's Overview

The year 2025 marked a period of sustained momentum for global aviation, as the industry stabilised following the strong post-pandemic rebound. Growth trends realigned with historical patterns, underpinned by resilient demand across both international and domestic markets. High passenger load factors throughout the year further reflected the strength and consistency of global travel demand.

Africa emerged as a standout performer on the global aviation stage, with strong traffic growth and capacity expansion underscoring the sector's upward trajectory. Passenger load factors reached record levels for the continent, reflecting improving efficiency and sustained demand. The year closed on a particularly strong note, reinforcing Africa's growing role as a key driver of global air transport expansion. Looking ahead, the continent is poised for robust long-term growth, presenting a significant opportunity for industry players. Zambia Airports Corporation Limited (ZACL) is well positioned to support and benefit from this trajectory as it advances its strategic objectives.

Alignment with Government Policy

Zambia Airports Corporation Limited's strategic direction remained firmly aligned with the Government's policy framework under the Eighth National Development Plan (2022-2026) and the Aviation Strategy, which position aviation as a key driver of socio-economic development. ZACL continued to facilitate improved connectivity and support route development, contributing to steady growth in passenger and cargo traffic. During the year, ZACL strengthened its role in enabling efficient air transport operations through enhanced service delivery, improved passenger facilitation and continued support to airline partners operating across its network.

A defining highlight of the year was the successful hosting of the 34th Airports Council International (ACI) Africa Annual Conference and Exhibition from 13-19 September 2025. This landmark event elevated Zambia's profile on the continental stage and provided a platform for collaboration, knowledge exchange and industry positioning. It further demonstrated ZACL's maturity, operational capability and commitment to advancing best practice in airport management.

In advancing its oversight mandate, the Board continued to prioritise governance, strategic direction and long-term sustainability. Focus was placed on strengthening governance systems, enhancing

transparency and reinforcing a culture of integrity across the organisation. The Board remains committed to ensuring that ZACL operates in accordance with sound corporate governance principles while fostering an environment grounded in fairness, accountability and professionalism.

Air Access Project

The Board will continue to prioritise the expansion of Zambia's air access as a key driver of economic growth, trade and tourism development. Through strengthened stakeholder engagement under the Team Zambia framework, the Corporation will actively work collaboratively with key industry players to position Zambia with a unified and compelling business proposition to the global market. The ongoing Air Access Project remains a strategic pillar in supporting route development, enhancing airline partnerships and unlocking previously inaccessible markets. This initiative is expected to improve connectivity, stimulate passenger and cargo traffic and reinforce aviation's role in advancing the country's broader economic transformation agenda.

Infrastructure Development Projects

The Corporation continued to implement a broad range of infrastructure development across its airport network, focused on enhancing safety, capacity and the passenger

experience. At Kenneth Kaunda International Airport, taxiway rehabilitation works progressed, while at Mfuwe International Airport runway, taxiway and apron rehabilitation works are ongoing under a design and build model. Simon Mwansa Kapwepwe International Airport saw the commissioning of passenger boarding bridges, improving operational efficiency and passenger comfort. Greenfield airport projects at Nakonde, Choma and Kasaba Bay recorded progress through various stages of planning and construction, alongside ongoing rehabilitation works at Kasama, Solwezi, Mongu and Mansa aerodromes. These developments were reinforced by upgrades to Communication, Navigation, Surveillance (CNS) and power systems, further strengthening the resilience, reliability and performance of air traffic management services across the network. Despite these upgrades, Communication, Navigation, Surveillance and Air Traffic Management systems remain largely obsolete, with rising fault rates and constrained

maintenance due to limited availability of spare parts and therefore remains a key priority area for reinvestment.

Looking Ahead

Zambia Airports Corporation Limited enters 2026 with a clear focus on route development, operational excellence and sustainable growth. The Corporation will





strengthen partnerships, enhance service delivery and continuously improve airport operations to ensure a competitive and resilient aviation sector. The outlook remains positive, supported by growth in regional connectivity, tourism and trade, which is expected to drive demand for air transport services. The Corporation is also advancing commercialisation, expanding non-aeronautical revenue streams and leveraging public-private partnerships to support financial sustainability and airport city development. At the same time, emphasis will remain on cost optimisation, infrastructure upkeep and strict regulatory compliance. Sustainability will continue to guide operations through the adoption of energy-efficient technologies and responsible management practices.

Appreciation

On behalf of the Board, I wish to convey my sincere gratitude to the Government of the Republic of Zambia, through the Ministry of Transport and Logistics and the Ministry of Finance and National Planning, for its continued support and strategic guidance. I also commend Management and staff for their dedication and commitment to excellence. Together, we are advancing a modern, dynamic aviation sector that reflects Zambia's ambitions and strengthens our position as a leading regional hub for air transport in the region.

Mr. Daan Brink
Board Chairperson

2.2 Message from the Managing Director

Operational and Financial Overview

Amid renewed momentum in global and regional aviation, Zambia Airports Corporation Limited accelerated its growth trajectory in 2025, capitalising on rising travel demand and stronger connectivity.

The Corporation continued to record growth in passenger traffic, with total volumes rising 7.5% to 2,441,100 from 2,271,355 in 2024, reinforcing its role as a key enabler of Zambia's trade and tourism-led economic transformation. Domestic traffic, which increased by 16% to 678,600, remained the main driver of this growth, reflecting the resilience of the local market. International passenger numbers grew by 4.5% to 1,762,500, supported by higher business and leisure travel, expanded regional routes and improved connectivity between key cities including Lusaka, Ndola, Livingstone and Mfuwe. Paying passenger volumes also strengthened, with international paying passengers rising 5.3% to 524,986 and domestic paying passengers increasing 16.1% to 305,877, highlighting improved traffic quality and commercial performance across the network.

The growth in passenger numbers was complemented by domestic aircraft movements, which climbed to 45,620 from 39,582 in 2024 as airlines increased frequency across key routes. Conversely,

international movements fell by 6.6% to 22,083 as carriers recalibrated schedules in response to global and regional conditions. Overflight activity also declined to 18,728, down 4%, influenced by the ongoing closure of Niger airspace and the resulting rerouting of major airlines.

Furthermore, cargo volumes handled rose by 14% to 21,712.98 metric tons, driven by a structural shift towards faster and more reliable supply chains amid maritime disruptions, expanded e-commerce activity and growing demand for perishable exports.

Passenger and cargo growth translated into strong financial performance with the Corporation recording total revenue of K1.425 billion in 2025, a 6.8% increase from K1.334 billion in 2024. This achievement is particularly significant in a year marked by substantial
K w a c h a

appreciation against the US Dollar, noting that nearly 90% of our revenue is US Dollar-denominated. Through disciplined cost management and prudent financial oversight, the Corporation preserved a robust





cash position, supporting continued airport operations and service delivery across the network.

Passenger, cargo and financial growth reinforced the Corporation's overall revenue position. Aeronautical revenue accounted for 91.9% of total revenues, with non-aeronautical income making up the remainder. This highlights why diversifying into non-aeronautical revenue streams remains a key strategic priority to strengthen financial resilience and support continued investment in operations and service delivery.

Network Modernisation

The Corporation advanced its development portfolio with notable progress across key projects. The commissioning of the aerobridges at SMKIA marked a major infrastructure milestone, enhancing passenger comfort and streamlining airport operations.

At KKIA, taxiway rehabilitation progressed to 45% completion while runway rehabilitation at MIA began with 10% site progress at year end. Upgrades at existing airports and preparatory works for greenfield airports continued at Mansa, Nakonde and Choma, with Choma advancing through land-title formalisation to enable construction. These strategic investments are central to realising the Government's vision of inclusive connectivity while supporting economic growth in historically underserved regions.

Airport Safety and Security Standards

Maintaining the highest standards of aviation safety and security remains an unwavering priority for the Corporation. ZACL marked a significant achievement, recording zero major safety or security incidents across its network of four international airports and nine domestic airports. This outstanding performance reflects the professionalism, vigilance and dedication of our frontline teams.

Looking ahead, the forthcoming ICAO Universal Security Audit Programme (USAP) represents a key regulatory milestone. ZACL approaches this audit not merely as a compliance exercise, but as an opportunity to showcase the robust safety and security measures that protect every passenger and stakeholder across its airports.

Acknowledgements and Appreciation

I sincerely thank the Board of Directors for their strategic guidance and the management team and staff of ZACL for their dedication to excellence and service. Your professionalism and teamwork drive our progress and with this strong foundation I am confident we will achieve even greater success in the years ahead.

Urvesh Desai
Managing Director





03

GOVERNANCE

The Corporation remains firmly committed to upholding the highest standards of governance and ethical leadership, underpinned by robust oversight frameworks that promote accountability and drive operational effectiveness.

The Board delegates specific functions to four (4) well-structured sub-committees, without relinquishing its overarching responsibilities. Each committee operates in accordance with clearly defined terms of reference in the Board Charter which outline their composition, duties, responsibilities and the scope of their delegated authority.

Board Meetings

The Board held two (2) scheduled meetings and seventeen (17) special meetings.
The attendance was as follows:

Table 1: Board Meetings

Name	Scheduled	Special	Total No. of Meetings Attended
Mr. Zevyanji Sinkala — Board Chairperson	2	17	19
Dr. Frank Gunn Munthali — Vice Chairperson	2	17	19
Mrs. Irene Bwalya Muloshi Tembo	2	17	19
Mr. Mulele Maketo Mulele	0	2	2
Mr. Willis Chipango	0	8	8
Mrs. Ngoza Matakala — Managing Director	0	5	5
Mr. Zephania Sholobela — Acting Managing Director	0	8	8

Note:

Mr. Willis Chipango, appointed on 22nd April 2025, replaced Mr. Mulele Maketo Mulele as a Board Member. Mr. Zephania Sholobela served as Acting Managing Director from 5th April 2025 to 31st August 2025, succeeding Mrs. Ngoza Matakala.

Board Committee Meetings

a. The Audit, Risk and Compliance Committee (ARC)

The ARC supports the Board by overseeing strategic planning, financial reporting, risk management, internal controls, performance evaluation, auditing and regulatory compliance.

The Audit, Risk and Compliance Committee had two (2) scheduled meetings and one (1) special meeting during the year.:

Table 2: The Audit, Risk and Compliance Committee (ARC) Meetings

Name	Scheduled	Special	Total No. of Meetings Attended
Mr. Willis Chipango – Chairperson	1	1	2
Mr. Eddie Mwitwa – Vice Chairperson	2	1	3
Mrs. Irene Bwalya Muloshi Tembo – Member	2	1	3
Mrs. Lucy Kabwe Mutambo – Member	2	1	3

b. Finance and Capital Projects Committee

The Committee discharges its oversight responsibilities through active participation in the budgeting process, setting clear financial objectives, guiding resource allocation, overseeing capital structure management and rigorously evaluating capital expenditure, investment and business development initiatives.

The Finance and Capital Projects Committee had two (2) scheduled Meetings and three (3) special meetings during the year.

Table 3: Finance and Capital Projects Committee Meetings

Name	Scheduled	Special	Total No. of Meetings Attended
Dr. Frank Munthali – Chairperson	2	3	5
Mr. Matete Sichizya – Vice Chairperson	1	2	3
Mr. Willis Chipango – Member	0	1	1
Mr. Francis Mundanya Member	2	3	5
Mrs. Ngoza K. Matakala – Managing Director	1	0	1
Mr. Zephania Sholobela – Acting Managing Director	1	1	2

**c. Appointments, Remuneration and Human Relations Committee**

The Committee supports the Board of Directors in providing oversight and policy guidance on appointments, remuneration, human resource matters and related administrative policies.

The Appointments, Remuneration and Human Relations Committee had two (2) scheduled Meetings and six (6) special meetings during the year.:

Table 4: Appointments, Remuneration and Human Relations Committee Meetings

Name	Scheduled	Special	Total No. of Meetings Attended
Mrs. Irene Bwalya Muloshi Tembo – Chairperson	2	6	8
Mrs. Jean Chilikwela – Committee Member	2	6	8
Mr. Brighton Mwiinga – Member	1	5	7
Dr. Frank Munthali – Member	2	6	8
Mrs. Ngoza K. Matakala – Managing Director	1	3	4
Mr. Zephania Sholobela – Acting Managing Director	1	1	2

d. Investments, Technology and Innovations Committee

The Committee supports the Board of Directors in exercising oversight and providing policy direction on investment initiatives, guiding the adoption of emerging technologies, fostering innovation-led development and rigorously evaluating related projects to ensure alignment with the Corporation's long-term strategic objectives.

The Investments, Technology and Innovations Committee had two (2) scheduled meetings and one (1) special meeting during the year:

Table 5: Investments, Technology and Innovations Committee Meetings

Name	Scheduled	Special	Total No. of Meetings Attended
Mr. Willis Chipango – Chairperson	1	1	2
Mr. Herman Kambo – Committee Member	2	1	3
Mr. Sichizya Matete – Committee Member	2	1	3
Mrs. Ngoza K. Matakala – Managing Director	1	-	1
Mr. Zephania Sholobela – Acting Managing Director	1	-	1

Board Performance Contract and Evaluation

The Board of Directors was appointed by the Minister of Transport and Logistics in September 2022. During the period under review, performance monitoring in accordance with the Board Performance Contract and Annual Scorecard was conducted through bi-annual assessments, in line with the provisions of the ZACL Board Charter.





04

AVIATION SECTOR PERFORMANCE OVERVIEW

Global Performance

According to the International Air Transport Association (IATA), global air transport performance in 2025 moderated from the strong expansion recorded in 2024 but remained firmly positive, with growth sustained across both international and domestic markets. Detailed 2025 performance is outlined below:

- **Total passenger demand (Revenue Passenger Kilometres – RPK):** Growth slowed in 2025 compared to 2024, with year-to-date traffic up 5.3% in 2025 versus 10.4% in 2024.
- **International traffic (Revenue Passenger Kilometres – RPK):** Increased by 7.1% in 2025, down from 13.6% growth in 2024.
- **International capacity (Available Seat Kilometres – ASK):** Rose by 6.8% in 2025, compared to 12.8% in 2024.
- **Domestic markets (Revenue Passenger Kilometres – RPK):** Growth softened significantly in 2025, with demand expanding modestly, compared to 5.7% growth in 2024.
- **Load factors:** Remained high in both years, with international load factors at 83.9% in December 2025, slightly below 84% recorded in December 2024.
- **December 2025: Total traffic:** +3.5% year-on-year; International Demand: +7.7%, Domestic Demand: +2.2% and Load Factor: 83.9% (international), 83.5% (domestic).

International passenger traffic growth in 2025 moderated compared to 2024 but remained broad-based across regions, with the strongest expansion recorded in Asia-Pacific (+10.9%), followed by Latin America (+8.6%) and Africa (+7.8%). In contrast, more mature markets experienced relatively slower growth, with Europe expanding by 6.0%, the Middle East by 6.7% and North America recording the most modest increase at 2.1%. Domestic markets also exhibited deceleration in 2025, with several major markets recording only marginal growth, in contrast to the more robust expansion observed in 2024. Overall, data on both international and domestic markets points to a transition from rapid growth in 2024 to more normalised growth in 2025, characterised by slower yet still positive demand growth and stabilised load.

Domestic Performance: Zambia's Aviation Highlights

Zambia's aviation sector recorded solid performance in 2025, with total passenger traffic rising 7.5% year-on-year, easing from 10.2% in 2024 as growth began to normalise in line with global trends. Domestic traffic led the expansion, increasing by 16%, underscoring a strong and resilient local market. International passenger traffic grew by 4.5% year-on-year, compared to 11.4% in 2024, supported by higher business and leisure travel, expanded regional routes and improved connectivity between key cities including Lusaka, Ndola, Livingstone and Mfuwe. The slight reduction in the year-on-year growth rate can be attributed to the cessation of operation by FlySafair in November 2024 and LAM Mozambique Airlines in February 2025. Despite the general positive trajectory observed at the other airports, Harry Mwaange Nkumbula International Airport has yet to fully recover to pre-pandemic levels.









05

DOMESTIC AVIATION SECTOR: Statistical Overview

Aeronautical Business Performance

The domestic aviation sector plays a pivotal role in driving connectivity and economic activity within the country. This section provides a statistical overview of aeronautical business performance, highlighting trends in passenger volumes, aircraft movements, cargo throughput and operational efficiency across the domestic network.

General Passengers

KKIA remained the principal hub, accounting for 73.57% of total passenger traffic, with SMKIA at 13.93% and HMNIA at 7.89%. MIA accounted for 1.36%, while the remaining 3% was served by the other domestic airports.

Table 6: Distribution of General Passengers by Airport

Airport	International	Domestic	Total	%Shara
KKIA	1,462,144	333,657	1,795,801	73.57%
SMKIA	181,831	158,134	339,965	13.93%
HMNIA	117,651	77,039	194,690	7.89%
MIA	874	32,361	33,235	1.36%
Solwezi	—	61,322	61,322	2.51%
Kasama	—	6,594	6,594	0.27%
Mansa	—	9,061	9,061	0.37%
Chipata	—	148	148	0.01%
Mongu	—	284	284	0.01%
Total	1,762,500	678,600	2,441,100	100%

Enplaned Passengers

The Corporation recorded an 11.3% rise in enplaned passengers, increasing from 746,348 in 2024 to 830,863 in 2025, reflecting robust demand across both international and domestic routes. KKIA accounted for 71% of total enplaned passengers, reaffirming its position as the principal hub for outbound travel. SMKIA, HMNIA and MIA contributed 15%, 9% and 2% respectively while domestic airports handled the remaining 4% of total enplaned passengers. The detailed distribution of enplaned passengers across all airports is provided in Table 4.2 below.

Table 7: Enplaned Passengers Per Airport

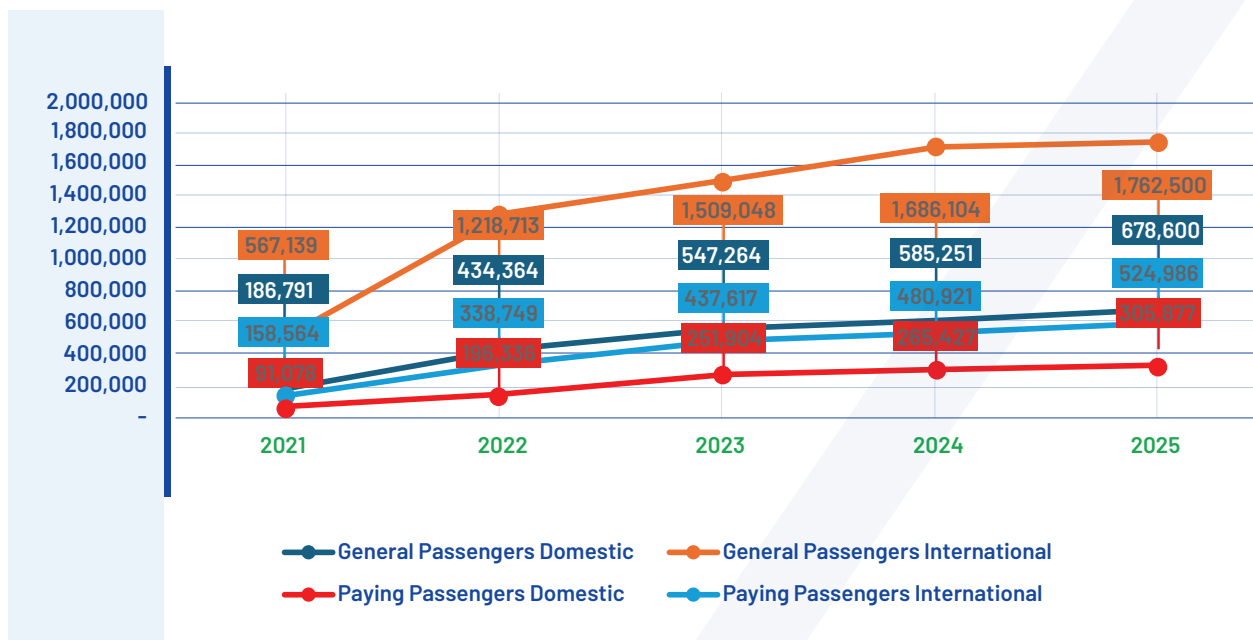
Airport	International	Domestic	Total	%Shara
KKIA	435,750	152,017	587,767	71%
SMKIA	53,143	71,225	124,368	15%
HMNIA	35,499	35,420	70,919	9%
MIA	594	15,903	16,497	2%
Solwezi	—	23,081	23,081	2.78%
Kasama	—	3,497	3,497	0.42%
Mansa	—	4,522	4,522	0.54%
Chipata	—	28	28	0.003%
Mongu	—	184	184	0.022%
Total	524,986	305,877	830,863	100%

Trends in Enplaned and General Passengers

Figure 1 below shows passenger traffic trends in Zambia's aviation sector from 2021 to the end of 2025, highlighting the performance of both domestic and international travel. Domestic air travel recorded significant growth between 2024 and 2025 with passenger numbers rising by 16% supported by competitive airfares and a surge in professional and association meetings nationwide. International traffic grew by 4.5% supported by high-profile global events hosted in Zambia including the inaugural Invest Zambia International Conference (IZIC) 2025 organised by the Zambia Development Agency in July, the Zambia Travel Expo in June and the ACI Africa/World Annual General Assembly and World Business Forum hosted by ZACL. Traffic growth was also supported by improved load factors on key routes to hubs such as Johannesburg, Addis Ababa, Nairobi and Dubai. KKIA remained the principal hub handling the majority of outbound passengers. Despite these gains, HMNIA has yet to fully recover to pre-pandemic levels.



Figure 1: Consolidated General and Enplaned Passengers

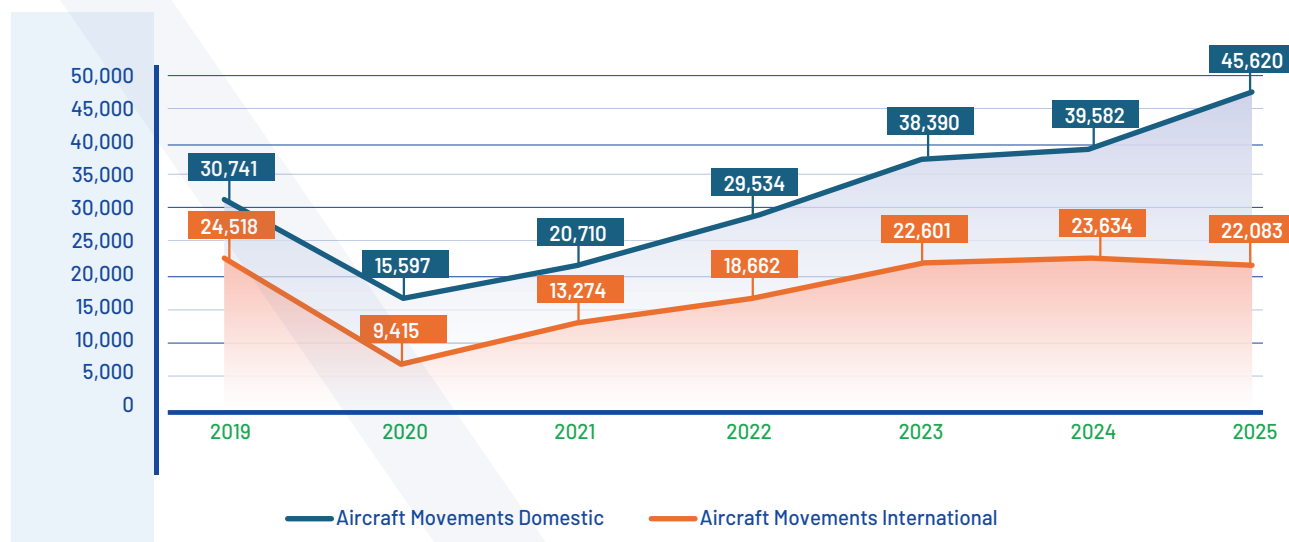


Commercial Aircraft Movements

The Corporation recorded 67,703 aircraft movements in 2025, representing a 7.1% increase over the 63,216 movements recorded in 2024. Domestic movements rose by 15.3%, from 39,582 in 2024 to 45,620 in 2025, while international movements fell by 6.6%, decreasing from 23,634 to 22,083 over the same period. KKIA remained the busiest airport, accounting for 63% of total movements, followed by SMKIA, HMNIA and Mfuwe with 13%, 11% and 4% respectively. Domestic airports collectively handled 7% of movements, up from 5% in 2024, reflecting strengthened regional connectivity. A detailed breakdown across all airports is provided in Table 8, with trends in domestic and international aircraft movements from 2019 to 2025 shown in Figure 2 below.

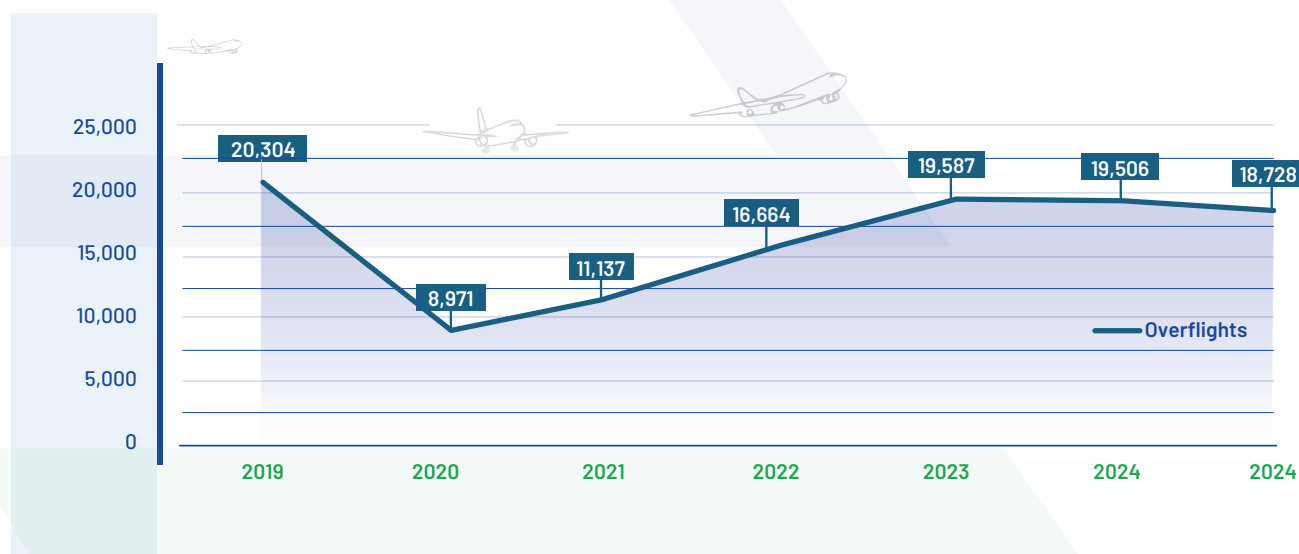
Table 8: Aircraft Movements Per Airport-2025

Airport	International	Domestic	Total	%Shara
KKIA	16,417	26,205	42,622	63%
SMKIA	2,406	6,016	8,422	13%
HMNIA	2,862	5,032	7,894	11%
MIA	398	2,478	2,876	4%
Solwezi	—	3,291	3,291	5%
Kasama	—	862	862	1%
Mansa	—	606	606	1%
Chipata	—	246	246	1%
Mongu	—	884	884	1%
Total	22,083	45,620	67,703	100%

Figure 2: Trends in Aircraft Movements (2019-2025)

Overflights

The Corporation recorded 18,728 overflights in 2025, a decline of 4% compared with 2024. The drop was largely due to the prolonged suspension of operations by some carriers serving Southern Africa and the continued closure of Niger's airspace to French-registered aircraft. Additional factors included route adjustments by airlines to improve fuel efficiency and rising operational costs. Figure 3 shows the trend in overflights from 2019 to 2025.

Figure 3: Trends in Overflights (2019-2025)

Cargo Volumes

During the review period, the Corporation handled 21,712,979 kilograms of cargo and mail, a 14% increase from 19,042,569 kilograms in 2024. The growth reflects a clear shift towards air transport, driven by maritime disruptions and the need for more reliable supply chains. It was further supported by the expansion of e-commerce and stronger demand for perishable exports. Cargo volumes are now just 2% below pre-pandemic levels. Key statistics for the period 2024 to 2025 are presented in Tables 9 and 10 below.



Table 9: Key Highlights (2019-2025)

Peak Year	2025 Volume	Lowest Year	Best YoY Growth
2019 22.0 MT	21.7 MT Near peak	2022 16.66 MT	+14% 2024-2025

NOTE:

Volume in Million Tonnes

Table 10: Annual Data with Year-On-Year Changes

Year	Volume (MT)	YoY Change (%)	Trend ▼▲
2019	22.0	Base year	— Base
2020	17.9	-18.6%	▼ Down
2021	19.5	+8.9%	▲ Up
2022	16.6	-14.9%	▼ Down
2023	18.1	+9.0%	▲ Up
2024	19.0	+5.0%	▲ Up
2025	21.7	+14.2%	▲ Up

On-Time Performance

The Corporation maintained strong on-time performance across its network, with the majority of airlines surpassing their OTP targets. Data from all international airports and operational aerodromes highlight continued gains in operational efficiency, as detailed in Table 11 below.

Table 11: Average OTP Per Airport

Airport	KKIA	HMNIA	SMKIA	MFU	KAA	MNS	SLI
Average OTP	97%	97%	98%	99%	100%	100%	99%

Ground Handling Services

The Corporation delivered ground handling services to 14 of the 15 scheduled airlines operating across its four international airports and selected provincial aerodromes, securing a commanding 93.3% share of the scheduled airline segment. The launch of Fastjet Zimbabwe's Lusaka route further expanded the number of carriers served. Beyond scheduled operations, the Corporation also provided ground handling for charter operators, showcasing its capacity to manage a diverse range of air traffic efficiently and reliably.

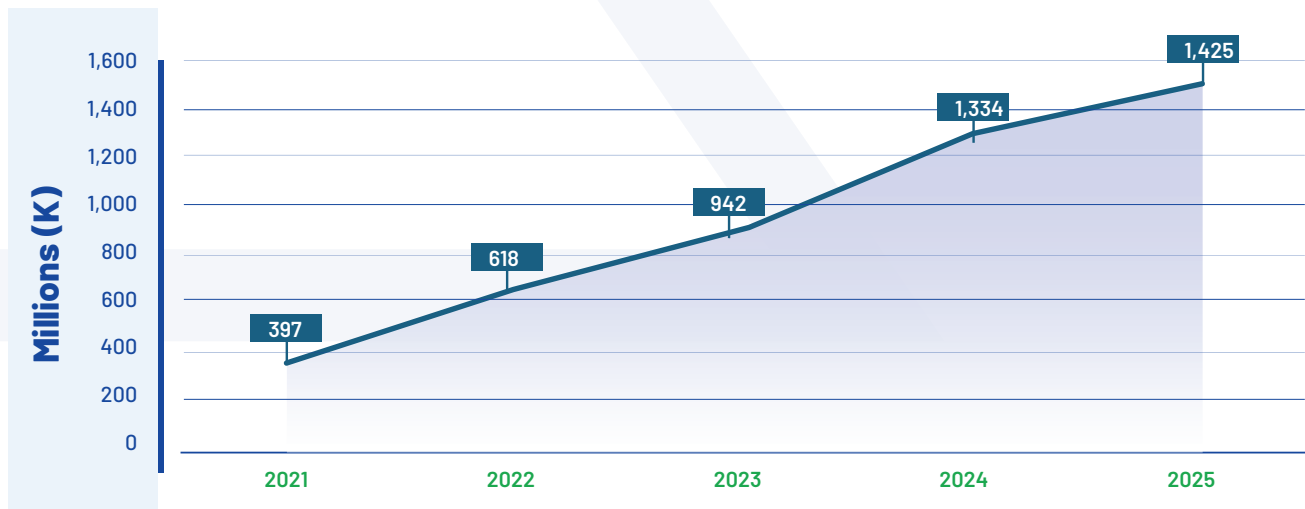
06

FINANCIAL PERFORMANCE

Operating Revenue

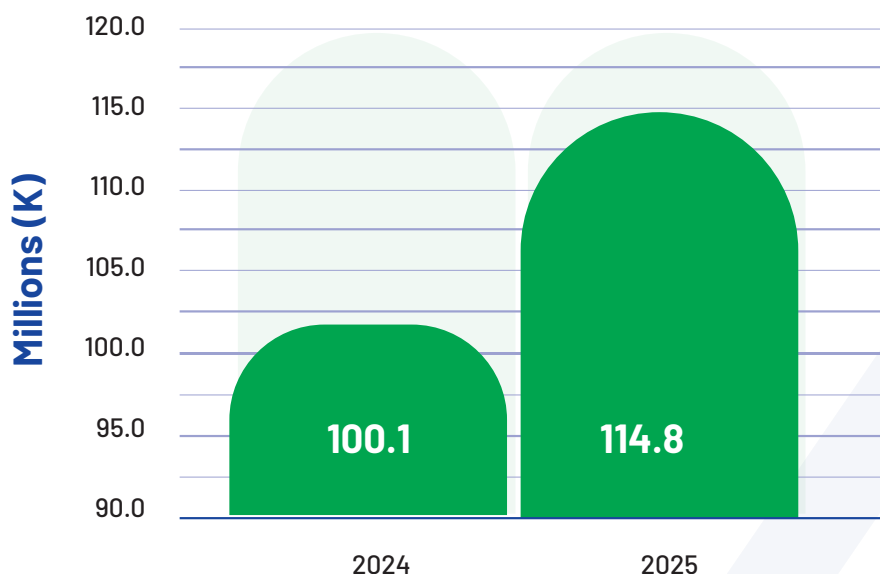
The Corporation's operating revenue increased by 6.8%, rising from K1,334 million in 2024 to K1,425 million, underpinned by higher air travel across the network. Non-aeronautical revenue grew strongly, up 14.6% to K114.8 million from K100.1 million in 2024, contributing 8.1% to total revenue and underscoring the strategic importance of diversifying income streams. The trend in operating revenue for the period 2021-2025 is presented in Figure 4, while the movement in non-aeronautical revenue between 2024 and 2025 is presented in Figure 5 on the next page.

Figure 4: Trend in Operating Revenue (2019-2025)



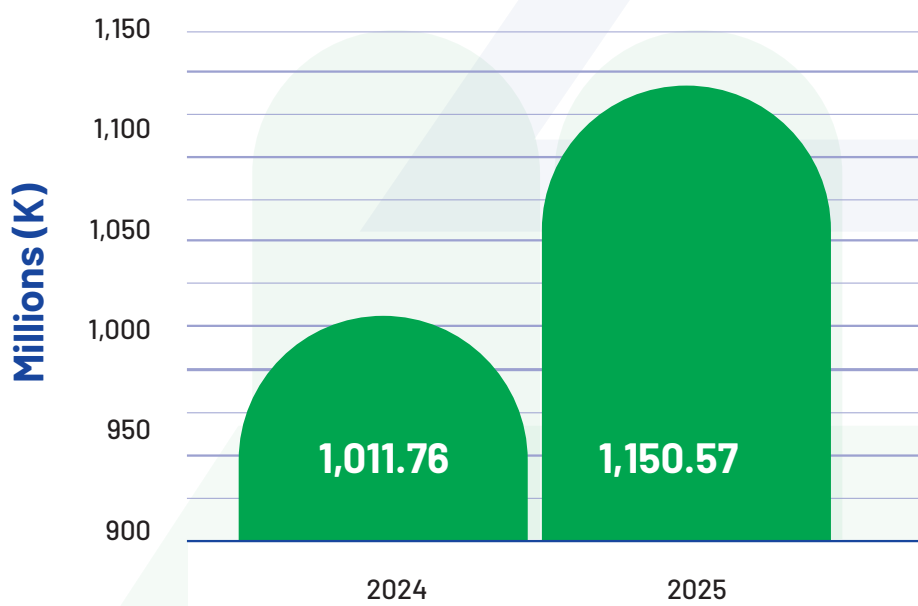
"We have to invest in the correct places and prepare ourselves for the demand that is to come. No one can imagine how big that opportunity will be"

— Daan Brink

**Figure 5: Non-Aeronautical Revenue Growth (2024 vs 2025)**

Operating Costs

Operating expenses increased by 13.72%, rising from K1,011.76 million in 2024 to K1,150.57 million in 2025, primarily due to increased staff transport costs, land rates and electricity charges. Despite these pressures, the Corporation recorded a comprehensive profit of K171 million. The Figure 6 below shows operating revenue over the two periods.

Figure 6: Operating Expenses (2024 vs 2025)

Staff Costs

Employee costs rose by 27.6%, reaching K728 million in 2025 from K571 million in 2024. This increase reflects the salary adjustments awarded to all employees during the period under review and underscores the Corporation's commitment to recognising and rewarding the contributions of its workforce. The

rise in employee costs also supported talent retention, enhanced staff motivation and strengthened operational capacity, ensuring that the Corporation continues to deliver high standards of service across its airport network





07

INFRASTRUCTURE PROJECTS HIGHLIGHTS

A. Airport Infrastructure Development

The Corporation continued to advance critical infrastructure projects across its airport network, driving improvements in operational efficiency, safety and the overall passenger experience. The following provides an update on major initiatives:

Kenneth Kaunda International Airport Taxiway Rehabilitation: Progress currently stands at 45%, with the completion date extended to 2026.

Mfuwe International Airport

Runway Rehabilitation: The airfield pavement rehabilitation which includes the runway, taxiway and apron, will be executed under a design-and-build model, with the existing runway repurposed as a taxiway. **Progress stood at 10%, with the completion scheduled for March 2027.**



Simon Mwansa Kapwepwe

International Airport: Passenger Boarding Bridges at SMKIA became **operational in October 2025**, enhancing passenger comfort and streamlining boarding.

Outstanding Works:

Airport hotel-35% complete.

Fuel farm -95.1% complete.



Greenfield Airport Development: Significant progress has been made in new airport projects.

Kasaba Bay: The project has been recommended for rescoping, which has since been undertaken. Refined Terms of Reference (TORs) and an updated scope have been submitted to Department of Public Infrastructure (DPI) to initiate the procurement of a consultant.

Choma: A new site was identified and the Government has secured the land. The Ministry of Transport and Logistics is currently in the process of engaging a consultant for the design of the airport infrastructure.

Nakonde: Construction is underway, with overall progress currently at 5%.

Aerodrome Rehabilitation

ZACL initiated rehabilitation projects at Kasama, Solwezi, Mongu and Mansa aerodromes, with significant progress achieved by the end of 2024.

Kasama Airport: Outstanding civil works were completed and Airfield Ground Lighting installed and flight check calibrations were performed in June 2024 and certified as fit-for-use in 2025.

Solwezi Airport: All planned works relating to rehabilitation of the ATC building, transmitter building and police station, construction of the car park and upgrades to the water supply system were completed. Subsequent investigations into the gully erosion identified the need for more detailed assessments and improved drainage infrastructure. The Department of Water Affairs was engaged to prepare designs and bills of quantities for the remedial works, which were subsequently submitted. Funding has since been requested from the Ministry of Transport and Logistics to address the gully erosion.

Mongu Airport: Rehabilitation was 95% complete with additional works at 85%. A new greenfield airport site has been secured.

Mansa Airport: Upgrade of critical airport infrastructure is at 27% overall progress. The project is scheduled to be completed within a 17-month timeframe after site handover.





B. Aviation Infrastructure and Navigation Systems

The Corporation undertook key upgrades to its Communication, Navigation, Surveillance and Backup Power systems, strengthening the reliability, safety and resilience of its CNS/ Air Traffic Management (ATM) infrastructure across all major airports. These initiatives enhanced operational efficiency and ensured continuity of critical air traffic services. Despite these key upgrades, a proportion of the Corporation's CNS/ ATM systems remain obsolete, with rising fault rates and constrained maintenance due to scarce spares and remains a key priority key achievements for the period under review are outlined below.

1. Communication

ZAMTEL redundancy network for the Aeronautical Telecommunication Network (ATN) was implemented to complement the Fibercom backbone, ensuring uninterrupted VHF ground-to-air communication in the Lusaka Flight Information Region (FIR).

Radio communication consoles were installed at Mongu and Chipata Air Traffic Control (ATC) blocks, designed and fabricated in-house at the CNS Workshops.

Solwezi Approach frequency VHF radios were installed to address a Civil Aviation Authority (CAA) audit finding on the absence of radios for the Approach ATC position.

2. Navigation

Flight calibration of all navigation aids was completed with a 100% pass rate, assuring airlines of reliable and safe navigation infrastructure.

Non-Directional Beacons (NDBs) at Chipata and Lima November were installed and commissioned.

Remote monitoring equipment was implemented at Peter Zuze Airport DVOR Navigation site.

3. Surveillance

A standby optical fibre link was installed from the RADAR site to the server room at KKIA Terminal 1, providing redundancy.

4. Backup Power for CNS/ATM Facilities

A 40 KVA UPS was installed in the KKIA Control Block server room to support all ATM systems, sustaining power to critical ATC equipment for over two hours during outages.

Solar power systems were installed at Kaloko RCAG, Kasama, Mangu, Mansa, Chipata, and Solwezi ATC and transmitter sites.



08

STAKEHOLDER ENGAGEMENT AND CUSTOMER EXPERIENCE

Stakeholder and Reputation Management

The Corporation strengthened engagement with key stakeholder groups, including passengers, airlines, regulators, government, employees and local communities, through a structured and targeted approach. Enhanced transparency and proactive communication improved stakeholder awareness and trust, while participation in regional and international platforms reinforced visibility and industry collaboration. Internally, structured engagement initiatives promoted alignment and emphasised employees' critical role in delivering service excellence.

Customer Experience

Customer service remained central to stakeholder perception and passenger satisfaction in 2025. Service delivery was strengthened through improved accessibility, responsiveness, and a reinforced service culture, supported by expanded customer engagement channels. Ongoing initiatives, including staff training, awareness campaigns, and service audits, ensured consistency across the airport network, while frontline staff continued to deliver positive experiences at all passenger touch points. This commitment to service was further enhanced by the commissioning of Passenger Boarding Bridges at SMKIA on 9 October 2025, which improved passenger comfort and streamlined boarding operations.





09

AVIATION SAFETY AND SECURITY

The Corporation continues to reinforce its approach to crisis prevention and emergency response, safeguarding airport infrastructure, ensuring continuity of operations and mitigating risks of unlawful interference. Through the consistent application of rigorous safety and security protocols, it has strengthened its capacity to respond to disruptions while maintaining high standards across all airports.

Maintenance of Mission-Critical Equipment and Infrastructure

The Corporation remained focused on enhancing the reliability and performance of mission-critical systems to ensure seamless air navigation, ground handling and passenger operations. These upgrades strengthen surveillance, communication and navigation, improving flight efficiency, reducing delays and elevating safety across the Zambian airspace.

Rescue and Fire Services

The Corporation strengthened aviation safety and security through its Rescue and Fire Services Section by shifting from a reactive response model to a proactive risk-based framework. Under Fire Prevention and Self-Sufficiency, the Section invested in targeted capacity building to enhance internal capability and reduce reliance on outsourced services, enabling the internalisation of inspection and maintenance for critical firefighting equipment such as fire extinguishers and hose reels. This transition improved oversight, enhanced cost efficiency and ensured the immediate readiness of safety-critical assets.

Building on this proactive approach, ZACL also strengthened Wildlife Hazard Management by deploying StrykerAV, a web-based platform for real-time monitoring and analysis of wildlife activity at Kenneth Kaunda International Airport. The system enables structured data capture and trend analysis, allowing high-risk patterns to be identified and targeted evidence-based interventions implemented to reduce wildlife incursions and bird strike risk.

Universal Security Audit Programme (USAP) Assessment – 2026

Zambia is scheduled to undergo the International Civil Aviation Organization Universal Security Audit Programme audit in 2026, which will assess the effectiveness of the State's aviation security oversight system against international standards. Coordinated by the Zambia Civil Aviation Authority, the audit will review regulatory compliance and the implementation of security measures across airports.

The Corporation continues to work closely with the regulator and key stakeholders to ensure full preparedness, with a focus on strengthening security systems, enhancing compliance and sustaining high standards in safeguarding passengers, infrastructure and operations.

Aviation Security

Zambia Airports Corporation Limited continues to prioritise aviation security as a critical enabler of safe and seamless air transport. In response to evolving threats, the Corporation continues to deploy advanced technologies supported by robust protocols and skilled personnel. These measures strengthen oversight, safeguard restricted areas and mitigate the risk of security breaches.

Our Safety Management System

The Corporation achieved full implementation of the Safety Management System in 2025, marking a notable advancement from the previous year. ZACL further strengthened SMS practices across all airports, with a continued focus on hazard identification and robust risk assessment processes.

Quality Management System (QMS)

Zambia Airports Corporation Limited remains firmly committed to the effective implementation, maintenance and continual improvement of its Quality Management System (QMS) in line with the requirements of ISO 9001:2015. The Corporation recognises quality as a key driver of operational excellence, customer satisfaction and sustainable growth across its airport operations.

As of December 2025, ZACL successfully underwent a recertification audit for Kenneth Kaunda International Airport, Headquarters and Harry Mwaanga Nkumbula International Airport. In addition, Simon Mwansa Kapwepwe International Airport was newly certified. This achievement has significantly expanded the scope of certification, bringing more operational areas under the ISO 9001:2015 framework. This milestone reflects ZACL's continued commitment to strengthening quality systems, standardising processes and embedding a culture of continuous improvement across all stations.





10

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

The Corporation is committed to embedding Environmental, Social and Governance (ESG) principles across all operations to promote sustainable growth. By adhering to international best practice, ZACL strives to reduce environmental impact, support inclusive social development, uphold robust governance standards and deliver enduring value to stakeholders, while contributing to the achievement of key Sustainable Development Goals (SDGs).

A. ENVIRONMENTAL (E)

ZACL has prioritised practical, results-driven solutions to reduce environmental impacts across its operations. The Corporation launched targeted initiatives to reduce its environmental footprint, enhance operational efficiency and align with international sustainability standards. Highlights of this ongoing green transformation journey are presented below:

■ Environmental Management System Implementation

ZACL continues to implement the Environmental Management System (EMS) based on ISO 14001:2015 across its international airports. It focuses on minimising resource consumption and improving waste management practices, including waste segregation and hazardous waste handling. The Corporation also monitors and optimises energy use across airport facilities.

■ Climate Change and Biodiversity Protection

ZACL has strengthened wildlife hazard management at KKIA and HMNIA to promote wildlife and biodiversity management. Its commitment to preventing wildlife crime is demonstrated through the ongoing “Worth More Alive” campaign at international airports, reinforcing the Corporation’s role in protecting biodiversity. The Corporation also conducted environmental awareness programmes to encourage sustainable practices among airport stakeholders.

■ Airport Carbon Accreditation

The Corporation continued to undertake carbon footprint assessments and successfully maintained Airport Carbon Accreditation (ACA) Level 1 status for 2025. It aims to achieve ACA Level 2 accreditation by the end of 2026. As part of its carbon management initiatives, a tree-planting programme saw 144 trees planted across the airports, aiding greenhouse gas absorption and reinforcing the Corporation’s commitment to environmental stewardship.

■ Transition to Solar-Powered Backup Systems

ZACL has expanded solar power installations at navigation aid sites in Kaloko, Chipata, Kasama and Mongu, replacing diesel generators with clean renewable backup energy. This measure advances the Corporation's transition to more sustainable and environmentally friendly energy sources.

B. SOCIAL (S)

Our People -Our Assets

Zambia Airports Corporation Limited is committed to an inclusive and empowering workplace, recognising that staff professionalism underpins service excellence. In 2025, employees showed resilience and purpose, delivering key achievements while progress was made in workforce planning, talent development and employee engagement, as reflected in the following highlights:

■ Staff Complement

The Corporation steadily increased its headcount in 2025 to meet operational demands while maintaining sustainable vacancy levels. By 31 December, total staff complement was 1,360, representing 91% of the approved establishment of 1,493, with the vacancy rate falling from 19.6% in March to 9% in December, reflecting strengthened workforce capacity. Operational functions accounted for approximately 90% of the total workforce, while gender distribution remained at 70.7% male and 29.3% female.

During the year the Corporation facilitated 202 recruitments, confirmed 226 employees and appointed or promoted 117 staff. Additionally 111 staff transfers were conducted to optimise station coverage. The annual turnover rate remained low at 1.87%, reflecting a stable workforce.

■ Employee Development

The Corporation made a robust investment in human capital development, spending K30,046,436.96 on critical aspects of the business. A total of 1,207 out of the 1,360 employees participated in training programmes focusing on technical and operational skills, ICT and digital competencies, leadership and management development, compliance, governance and risk, customer service and health, safety and wellness. These initiatives strengthened employee capability, operational efficiency and compliance across the Corporation.

■ Industrial Relations

The industrial climate remained stable and constructive throughout 2025 with high compliance and active engagement with unions. Fifty-nine disciplinary cases were closed, the annual turnover rate was 1.87% and all planned wellness initiatives were fully implemented, fostering a positive work environment and promoting employee well-being.

■ Staff Satisfaction and 2026 Implementation Focus

The 2025 staff survey highlighted gaps in career development, performance management and employee support. In 2026 the Corporation will hold sensitisation sessions, strengthen the Performance Management System, train supervisors in coaching and feedback, and introduce formal mentorship for supervisors and high-potential staff to boost engagement and professional growth.



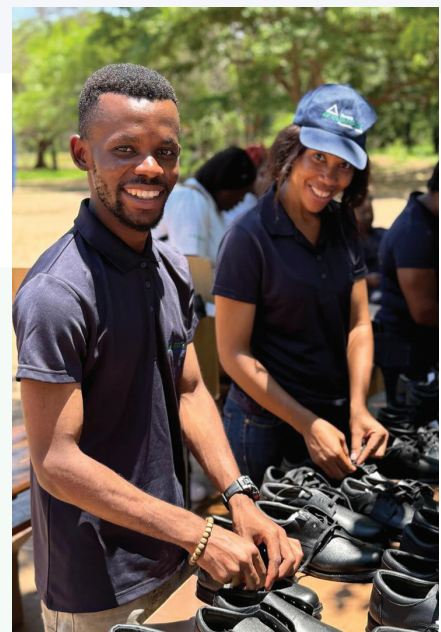
Corporate Social Responsibility (CSR)

The Corporation advanced its Corporate Social Responsibility (CSR) agenda through targeted, impact-driven interventions aligned to national development priorities and its social licence to operate. Strategic investments in water infrastructure, including boreholes in Kapijimpanga, Dola Hill Primary School and Dag Hammarskjöld Clinic, as well as a water kiosk in Mansa implemented in partnership with Habitat for Humanity, have enhanced access to clean water, improved health outcomes and supported local livelihoods. Six (600) pairs of school shoes was donated to seven schools across the Eastern and Copperbelt Provinces, in partnership with Zambeef Products PLC, contributing to improved school attendance and learner dignity. With an estimated investment of K2 million, these initiatives demonstrate a deliberate shift towards measurable social impact, reinforcing ZACL's role as a responsible corporate citizen.

C. GOVERNANCE (G)

The Corporation remains dedicated to robust governance, operational excellence and ethical business practices. It maintains high standards through structured oversight, internationally recognised certifications and proactive risk management. Key highlights include:

- Governed by a Board of Directors supported by well-structured sub-committees
- Maintains ISO 9001:2015 Quality Management System certification
- Aligned with the ISO 31000 Risk Management Framework
- Operates a robust Business Continuity Management System (BCMS)
- Dedicated to transparent stakeholder engagement and ethical conduct



11

ZACL HOSTS 34TH ACI AFRICA CONFERENCE

Zambia Airports Corporation Limited successfully hosted 34th Airports Council International (ACI) Africa Annual Conference and Exhibition from 13–19 September 2025, a landmark event that positioned Zambia at the centre of strategic discourse in the global aviation sector. The conference convened airport operators, civil aviation authorities, regulators, industry experts and key stakeholders from across Africa and beyond to share insights, shape policy dialogue and explore collaborative solutions to contemporary challenges facing the airport ecosystem.

Themes at the conference emphasised operational resilience, safety and security excellence, digital transformation, sustainable aviation practices and enhanced connectivity. Through structured sessions, panel discussions and technical workshops, participants exchanged best practices, evaluated innovation pathways and reinforced commitments to driving growth and efficiency in the aviation value chain.

ZACL's role as host underscored its growing prominence within the regional aviation landscape and its commitment to advancing industry development. The event strengthened bilateral and multilateral relationships, facilitated commercial opportunities and reinforced Zambia's appeal as a strategic aviation hub. Hosting the ACI conference also enabled knowledge transfer to local aviation professionals and supported institutional capacity building, contributing to the long-term development of Zambia's aviation sector.

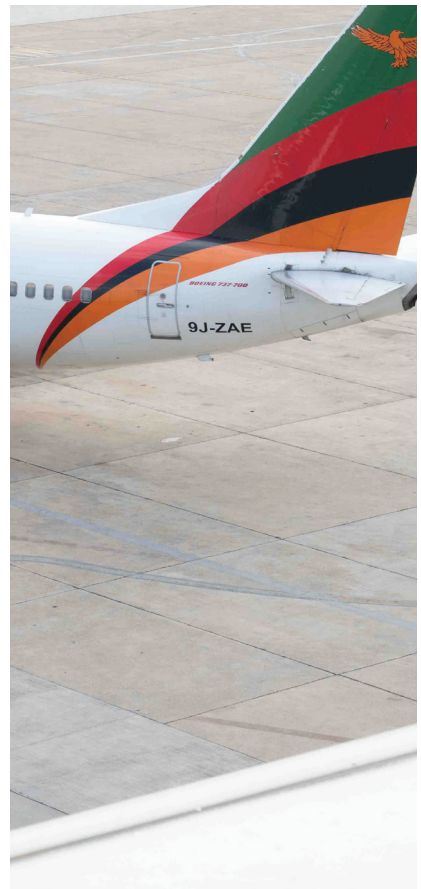
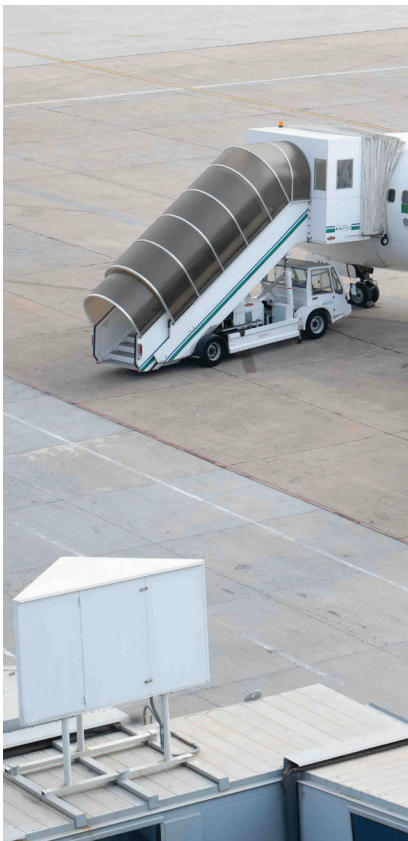


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REPORT OF THE DIRECTORS



Grant Thornton

The Directors submit their report and audited financial statements for the year ended 31 December 2025.

1. Status of the Corporation

The Corporation commenced its operations on 11 September 1989 and operates under the supervision of the Ministry of Finance and National Planning and functionally under the Ministry of Transport and Logistics.

2. Principal activities

The Corporation's principal activity is the provision of airport facilities and services at designated international airports, namely Kenneth Kaunda International Airport (KKIA), Simon Mwansa Kapwepwe International Airport (SMKIA), Harry Mwaanga Nkumbula International Airport (HMNIA) and Mfuwe as well as provision of air navigation services throughout Zambia. The Corporation is also in charge of seven provincial and three strategic aerodromes.

3. Share capital

The Corporation's authorised, issued and fully paid-up share capital comprises 16,458,500 ordinary shares of K1 each. There was no change in share capital during the year.

4. Results

The Corporation's results are as follows:

REVENUE	2025	2024
	K	K
Operating revenue	1,424,589,127	1,333,776,356
Profit before tax	197,221,279	329,621,588
Income tax expense	(21,693,655)	(56,028,456)
Other Comprehensive Income	(4,238,647)	—
Total comprehensive profit/(loss)	171,288,977	273,593,132

The Corporation achieved operating revenue of K1,425 million during the twelve months to 31 December 2025 compared to K1,334 million for the previous 12 months resulting in a total comprehensive profit for the year of K171 million (2024: K274 million).

5. Dividends

The Corporation made a total comprehensive profit for the year of K171 million for the year ended 31 December 2025 (2024: K274 million). The Directors do not recommend a dividend for the year ended 31 December 2025.



6. Directors and Secretary

The Directors and the Secretary who served during the year and at the time of signing these financial statements were as follows:

Mr. Zevyanji Sinkala	Chairperson (Board dissolved 1 September 2025)
Dr. Frank Munthali	Vice Chairperson (Board dissolved 1 September 2025)
Mrs. Irene Bwalya Muloshi Tembo	Member (Board dissolved 1 September 2025)
Mr. Mulele Maketo Mulele	Member (retired March 2025)
Mr. Willis Chipango	Member
Mrs. Ngoza K Matakala	Managing Director (retired March 2025)
Mr. Daan Brink	Chairperson (appointed 10 December 2025)
Eng. Benson Mwala	Member (appointed 10 December 2025)
Mrs. Priscilla B Lombanya	Member (appointed 10 December 2025)
Mr. Leo Chimuka Haamukwanza	Member (appointed 10 December 2025)
Ms. Antonia Chisanga	Member (appointed 10 December 2025)
Mr. Willis Chipango	Member (re-appointed 10 December 2025)
Mr. Mulemwa Moongwa	Member (appointed 10 December 2025)
Mr. Urversh Desai	Managing Director (appointed 10 December 2025)

The Secretary is:

Mrs. Malama Mushingi Siamoondo – Acting Corporation Secretary
Zambia Airports Corporation Limited
Farm 4169, Off Airport Road
PO Box 30175
LUSAKA

The following were the meetings held and attendance during the year

Name	Meetings held		Total No. of Meetings Attended
	Scheduled	Special	
Mr. Zevyanji Sinkala - Board Chairperson	2	17	19
Dr. Frank Munthali - Vice Chairperson	2	17	19
Mrs. Irene Bwalya Muloshi Tembo	2	17	19
Mr. Mulele Maketo Mulele	—	2	2
Mr. Willis Chipango	—	8	8
Mrs. Ngoza K. Matakala - Managing Director	—	5	5
Mr. Zephania Sholobela - Acting Managing Director	—	8	8

7. Industrial relations

The Corporation enjoyed industrial harmony throughout the year.

8. Employees

The Corporation had 1,360 full time employees at 31 December 2025 (2024: 1,212) and total salaries and wages paid were K728 million for the year ended 31 December 2025 (2024: K571 million). The increase in the number was mainly due to the additional staff recruited in the year such as ones recruited for Solwezi and other provincial airports which still required additional staff as required by the Civil Aviation Authority (CAA) as well as recruitments of Aviation Security staff at all the airports to meet the minimum required levels.

The average number of employees in each month for the year was:



MONTH	MANPOWER
January, 2025	1214
February, 2025	1212
March, 2025	1203
April, 2025	1222
May, 2025	1221
June, 2025	1218
July, 2025	1235
August, 2025	1304
September, 2025	1317
October, 2025	1338
November, 2025	1340
December, 2025	1360

9. Directors' fees

Directors' fees and expenses paid during the year were K4.006 million (2024: K3.216 million).

10. Gifts and donations

The Corporation made donations of K80,583 during the year (2024: K77,140). No donations were made towards political activities, this is in line with the Corporation's policy on donations.

11. Property, plant and equipment

Additions to property, plant and equipment totaling K135 million were made during the year (2024: K258 million).

REPORT OF THE DIRECTORS

12. Other material facts, circumstances and events

The Corporation's performance has improved when compared to the previous year. The passenger numbers have improved from 2,271,355 in 2024 to 2,441,100 in 2025, attributed to Zambia's emergence as a preferred regional MICE destination, competitive pricing by dominant local domiciled carriers i.e., Zambia Airways and Proflight, stabilization of major carriers and fleet expansion, notably South African Airways, Rwandair, and Proflight, introduction of new scheduled flyer (Fastjet Zimbabwe) and increased demand and high copper prices, supporting economic activity. On the downside LAM Mozambique Airlines suspended operations at Kenneth Kaunda International Airport in February 2025.

Geopolitical tensions in the Middle East have led to elevated aviation fuel prices and increased uncertainty in global air travel. These conditions may result in higher operating costs for airlines and potential adjustments to flight schedules and capacity. In addition, there is continued uncertainty among certain East African carriers, which may affect regional connectivity and passenger traffic flows.

Notably, Qatar Airways has suspended its operations, while Emirates has reduced the frequency of its flights. These developments may lead to a decline in passenger throughput, aircraft movements, and associated aeronautical and non-aeronautical revenues.

13. Financial statements

The financial statements set out on pages 10 to 41 have been approved by the Directors.

14. Climate change

ZACL is implementing a Business Continuity Management System which will address Climate change events likely to cause business disruptions whilst other risks are addressed through the Enterprise Risk Management system.

15. Auditors

The Corporation auditors, Grant Thornton, were re-appointed after a tender process and will continue in office for the next 1 year.

By order of the Board

Mr Daan Brink
Board Chairperson

Lusaka

Date:



STATEMENT OF DIRECTORS' RESPONSIBILITIES

Section 265 of the Companies Act of Zambia, 2017 requires the directors to prepare financial statements for each financial year which give a true and fair view of the financial position of Zambia Airports Corporation Limited and of its financial performance and its cash flows for the year then ended. In preparing such financial statements, the directors are responsible for

- Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error;
- Selecting appropriate accounting policies and applying them consistently;
- Making judgements and accounting estimates that are reasonable in the circumstances; and
- Preparing the financial statements in accordance with the applicable financial reporting framework, and on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act of Zambia, 2017. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors confirm that in their opinion

- (a) the financial statements give a true and fair view of the financial position of Zambia Airports Corporation Limited as of 31 December 2025, and of its financial performance and its cash flows for the year then ended;
- (b) at the date of this statement there are reasonable grounds to believe that the Corporation will be able to pay its debts as and when these fall due; and
- (c) the financial statements are drawn up in accordance with the provisions of the Companies Act of Zambia, 2017 and IFRS Accounting Standards.

This statement is made in accordance with a resolution of the directors.

Signed at Lusaka on

Mr. Daan Brink
Board Chairperson



Mr. Urvesh Desai
Managing Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZAMBIA AIRPORTS CORPORATION LIMITED

Report on the financial statements

Opinion

We have audited the financial statements of Zambia Airports Corporation Limited ("the Corporation"), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the Corporation's financial statements give a true and fair view of the financial position of the Corporation as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards..

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 Corporation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA), and we have fulfilled our other ethical responsibilities in accordance with IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matter

Key audit matter is a matter that, in our professional judgement, was of significance in our audit of the financial statements for the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be a key audit matter to be communicated in our report.

Description of Matter	How the matter was addressed in our audit
Classification measurement and impairment of financial assets Due to the complex and subjective nature of judgements made in the assumptions by the Directors over the measurement of financial assets this was considered a key audit matter. • The Directors are required to apply the forward-looking approach to recognize expected credit losses based on IFRS 9's impairment requirements. • Further, in assessing the fair value of financial assets, the Directors use a variety of valuation methods based on the classification of assets and make assumptions that are based on market conditions and other relevant valuation data existing at each reporting date.	Our procedures included but were not limited to the following: • Assessing the design and implementation of the impairment model adopted with focus on compliance with the requirements of IFRS 9: "Financial Instruments". • Reviewing management's evaluation of possible outcomes and the probability of occurrence. • Checking the reasonableness of the information and ensuring the information was supported with reference to past events, current conditions as well as forecast of the future. • We obtained the analysis prepared by management in calculating the fair value of the assets. • We evaluated management's valuation assumptions and changes in assumptions to ensure they were reasonable and consistent with market information and other relevant valuation data. • Performed audit procedures over the valuation and accounting of investments in financial assets, to ensure that the valuation inputs applied to various valuation techniques were reasonable.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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 Corporation'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 entity or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation'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 based on these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement 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 Corporation'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 entity'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 organisation 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.

We also provide those charged with governance 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so

would reasonably be expected to outweigh the public interest benefits of such communication.

Other Information

The directors are responsible for the other information. The other information comprises the Report of the directors as required by the Companies Act of Zambia 2017, the statement of Directors' responsibilities in respect of the preparation of financial statements and the detailed income statement schedules. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance 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.

Report on Other Legal and Regulatory Requirements

The Companies Act of Zambia, 2017 requires that in carrying out our audit of the Zambia Airports Corporation Limited,

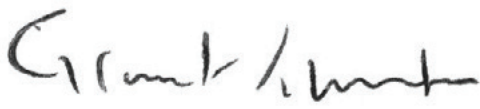
we report on whether;

- i. There is a relationship, interest or debt which us, as the Corporation's auditor, have in the Corporation; and

- ii. There are serious breaches by the Corporation's directors, of corporate governance principles or practices.

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

Chartered Accountants



Christopher Mulenga (AUD/F000178)

Name of Partner signing on behalf of the Firm

Lusaka

Date:



STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 K	2024 K
Revenue	7	1,424,589,127	1,333,776,356
Expenditure			
Depreciation	10 (c)	(58,962,434)	(67,313,375)
Employee costs	Appendix 1	(728,486,400)	(571,001,188)
Other operating expenses	Appendix 2	(422,082,415)	(440,756,183)
		215,057,878	254,705,610
Other income	Appendix 1	96,704,879	48,697,086
Profit from operations		311,762,757	303,402,696
Net finance income and costs	8	(103,782,085)	26,218,892
Profit/(Loss) on disposals		(10,759,393)	—
Profit before tax		197,221,279	329,621,588
Income tax expense	9 (a)	(21,693,655)	(56,028,456)
Profit after tax		175,527,624	273,593,132
Other comprehensive income	11	(4,238,647)	—
Total comprehensive profit for the year		171,288,977	273,593,132

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 K	2024 K
Non-Current Assets			
Property, plant and equipment	10	1,095,523,994	1,030,730,160
Financial assets at fair value through profit or loss	11	298,628	4,537,275
		1,095,822,622	1,035,267,435
Current Assets			
Inventories	12	4,988,810	9,784,389
Trade and other receivables	13	216,312,812	246,011,811
Financial assets at amortised cost	14 (a)	16,858,291	14,759,286
Financial assets at fair value through profit or loss	14 (b)	2,746,835	2,746,835
Cash and cash equivalents	15 (a)	197,926,507	113,857,478
Increase tax recoverable	9 (c)	—	2,942,820
		438,833,255	390,102,619
Total Assets		1,534,655,877	1,425,370,054
Equity			
Share capital	16	16,458,500	16,458,500
Amounts received awaiting allotment of shares	17	13,928,678	13,928,678
Accumulated profit/(loss)		630,641,895	459,352,918
		661,029,073	489,740,096
Non-Current Liabilities			
Capital grants	18	562,437,058	520,454,894
Long-term loans	19	6,778,676	14,024,042
Deferred liability	20	64,570,165	69,926,603
		633,785,899	604,405,539
Current Liabilities			
Short term portion of long-term loans	19	16,973,245	103,945,576
Trade and other payables	21	167,511,643	172,112,955



STATEMENT OF FINANCIAL POSITION CONTINUED

Income tax payable	9 (c)	24,612,114	-
Deferred tax liability	9 (f)	22,884,818	44,275,203
Deferred liability	20	7,859,085	10,890,685
		239,840,905	331,224,419
Total Equity and Liabilities		1,534,655,877	1,425,370,054

The financial statements set out on pages 10 to 41, which have been prepared on a going-concern basis, were approved by the Board of Directors on and were signed on its behalf by:

Mr. Daan Brink
Chairperson

Mr. Urvesh Desai
Managing Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital	Amount received awaiting allotment of shares	Accumulated profit/ (loss)	Total
	K	K	K	K
At 1 January 2024	16,458,500	13,928,678	185,759,786	216,146,964
Profit for the year	—	—	273,593,132	273,593,132
At 31 December 2024	16,458,500	13,928,678	459,352,918	489,740,096
Profit for the year	—	—	171,288,977	171,288,977
At 31 December 2025	16,458,500	13,928,678	630,641,895	661,029,073

Accumulated profit/(loss)

The accumulated profit/ (loss) represents accumulated retained earnings from the operations of the Corporation.

Amount received allotment of shares

The amount received awaiting allotment of shares represents funds received from the shareholders pending allotment of shares.



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

		2025	2024
	Note	K	K
Cash Flows from operating activities			
Profit before tax		197,221,279	329,621,588
Interest paid	8	7,438,659	19,717,634
Interest received	8	(2,114,542)	(1,800,608)
Unrealised exchange (gain)/losses on foreign transactions	19	(10,756,096)	8,497,764
Depreciation	10	58,962,434	67,313,375
Amortisation of capital grants	18	(17,696,603)	(17,819,090)
Change in inventories	12	4,795,579	(4,668,613)
Change in trade and other receivables	13	29,698,999	(12,455,143)
Change in trade and other payables	21	4,601,312	(57,213,079)
Change in financial assets at amortised cost	14(a)	(2,099,005)	(1,641,187)
Change in deferred liability	20	(8,388,038)	(6,789,615)
Revenue Grants received - GRZ	Appendix I	(12,914,865)	(10,088,432)
Income tax paid	9	(15,529,106)	(37,862,525)
Loss on disposal of property, plant and equipment		10,759,393	-
Net cash inflows from operating activities		234,776,776	274,812,069
Returns on investments and servicing of finance			
Interest received	8	2,114,542	1,800,608
Interest paid	8	(7,438,659)	(19,717,634)
Net cash flows on returns on investments and servicing of finance		(5,324,117)	(17,917,026)
Investing activities			
Purchase of property, plant and equipment	10	(134,681,275)	(258,075,192)
Proceeds from disposal of property, plant and equipment		165,614	-
Net cash outflows used on investing activities		(134,515,661)	(258,075,192)
Financing activities			
Revenue Grants received	Appendix I	12,914,865	10,088,432

Capital Grant received		59,678,767	-
Repayment of loans	19	(83,461,601)	(98,113,822)
Net cash (outflows)/inflows (on)/from financing activities		(10,867,968)	(88,025,390)
Movement in cash and cash equivalents			
Net cash (outflow)/inflow		84,069,029	(89,205,539)
Cash and cash equivalents at the beginning of the year		113,857,478	203,063,017
Cash and cash equivalents at the end of the year	15	197,926,507	113,857,478
Represented by:			
Bank and cash		197,926,507	113,857,478
		197,926,507	113,857,478



NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2025

1. Status of the Corporation

The Corporation commenced its operations on 11 September 1989 and operates under the supervision of The Ministry of Finance and functionally under the Ministry of Transport and Communications.

2. Principal activities

The Corporation's principal activity is the provision of airport facilities and services at designated international airports, namely Kenneth Kaunda International Airport, Simon Mwansa Kapwepwe International Airport, Harry Mwaanga Nkumbula International Airport and Mfuwe International Airport as well as provision of air navigation services throughout Zambia. The Corporation is also in charge of seven provincial and three strategic aerodromes.

3. Basis of preparation and accounting policies

The financial statements are prepared in accordance with IFRS Accounting Standards (IFRSs). The financial statements have been prepared on a historical cost basis, except for the following items (refer to individual accounting policies for details):

- Financial instruments – fair value through profit or loss
- Financial instruments – fair value through other comprehensive income

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and certain financial assets and liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Corporation's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 5.

4. Significant accounting policies

a) New standards adopted at 1 January 2025

Some accounting pronouncements which have become effective from 1 January 2025 and have therefore been adopted do not have a significant impact on the Corporation's financial results or position.

b) **New accounting standards adopted by the Corporation**

Some Standards and amendments that are effective for the first time in 2025 and could be applicable to the Corporation are:

- Lack of Exchangeability (Amendments to IAS 21)

These amendments do not have a significant impact on these financial statements and therefore the disclosures have not been made.

c) **Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Corporation**

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB or IFRIC. None of these Standards or amendments to existing Standards have been adopted early by the Corporation.

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and 7)
- IFRS 18 'Presentation and Disclosure in Financial Statements'
- IFRS 19 'Subsidiaries without Public Accountability: Disclosures'
- IFRS 19 Amendments to IFRS 19 'Subsidiaries without Public Accountability: Disclosures'
- Annual improvements to IFRS Accounting Standards – volume 11 (IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7)
- Contracts referencing nature – dependent electricity (Amendments to IFRS 9 and IFRS 7)

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Corporation's financial statements.

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



4. Significant accounting policies (continued)

(d) Revenue recognition

- (i) Sales of services are recognised in the period in which the services are rendered, by reference to completion of the specific transaction and closure of the related file.

Revenue represents the fair value of the consideration receivable for sales of goods and services. To determine whether to recognise revenue, the Corporation follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from rendering of services is currently recognised as the related services are performed. Revenue is recognised either at a point in time or over time, when (or as) the Corporation satisfies performance obligations by transferring the services to its customers. The Corporation recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in its statement of financial position. Similarly, if the Corporation satisfies a performance obligation before it receives the consideration, the Corporation recognises either a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

(ii) Interest income and expense

Interest income and expense are recognised in the income statement for all interest bearing instruments measured at amortised cost using the effective yield method based on the actual purchase price. Interest income includes coupons earned on fixed income investments.

(iii) Fees and commissions

Fees and commissions are generally recognised on an accruals basis when the service has been provided.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Corporation and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they are incurred.

- (e) Depreciation is calculated to write off the cost of property and equipment on a straight-line basis over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

Item	Rate
Airport terminals, runways, taxiways and aprons	2.5%
Other leasehold buildings	2.5%
Motor vehicles, furniture and equipment	20%
Specialised plant and equipment	6.67 -15%

Assets are depreciated in full in the year of purchase and nil in year of disposal.

Capital work in progress is not depreciated until the capital project has been completed and the assets brought into use.

Expenditure on assets under construction is initially shown as capital work in progress and transferred to the relevant class of assets when commissioned.

Borrowing costs, being interest payable on loans are added to the carrying amounts of the related capital works in progress.

The assets' residual values and useful lives are reviewed at each reporting date and adjusted if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These are included in the statement of comprehensive income in the other operating income.

When revalued assets are sold, the amounts included in the revaluation surplus relating to these assets are transferred to the retained earnings.

**(f) Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Corporation did not have any running leases during the year to December 2024.

4. Significant accounting policies (continued)**(g) Financial instruments****Recognition and derecognition**

Financial assets and financial liabilities are recognised when the Corporation becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the entity does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset.
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

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

After initial recognition, these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The Corporation's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held-to-maturity under IAS 39.

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

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

The category also contains equity investments. The Corporation accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in listed equity securities at fair value through other comprehensive income (FVOCI). In the current financial year, the fair value was determined in line with the requirements of IFRS 9, which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets are designated as being at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective is to "hold to collect" the associated cash flows and sell; and
- The contractual terms of the financial assets give rise to cashflows that are solely payments of principal and interest on the principal amount outstanding.



Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Corporation considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

The Corporation considers evidence of impairment for trade and other receivables as well as investments.

Impairment losses on assets measured at amortised cost are calculated as the difference between the carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

Interest on the impaired assets continues to be recognised through the unwinding of the discount. When an event occurring after the impairment was recognised causes the impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Classification and measurement of financial liabilities

The Corporation's financial liabilities include borrowings and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Corporation designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Financial liability at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.

(h) Inventories

Inventory is stated at the lower of cost and net realizable value. In general, cost is determined on a weighted average basis and includes transport and handling costs. Net realizable value is the price at which the stock can be realized in the normal course of the business allowing for costs of realization. Provision is made for obsolete, slow-moving and defective stock.

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments and balances held with banks.

(j) Borrowing costs

Borrowing costs, being interest payable on loans, are accounted for on an accruals basis. Transaction costs arising on arranging a new financial liability are debited to the liability and amortized over the life of that liability. Borrowing costs are charged to the statement of comprehensive income for the year in which they are incurred.

(k) Grants

Grant income represents funds received from the Government of the Republic of Zambia during the year. Income from the Government is recognised in the statement of income and expenditure when there is reasonable assurance that it will be received and the Company will comply with the conditions associated with the grant.

Grants that compensate the Company for expenses incurred are recognised in comprehensive income on a systematic basis in the same periods in which the expenses are recognised.

Grants that compensate the Company for the cost of an asset are recognised in comprehensive income on a systematic basis over the useful life of the asset.

**(l) Short term and long term loans**

Short term loans include all amounts expected to be repayable within twelve months from the reporting date, including installments due on loans of longer duration. Long term loans represent all amounts repayable more than twelve months from the reporting date.

(m) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Tax currently payable is based on the results for the year as adjusted for items which are non-assessable or disallowed for tax purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Temporary differences can arise from the recognition for tax purposes of items of income or expense in a different accounting period from that in which they are recognized for financial accounting purposes. The tax effect of these temporary timing differences is computed by applying enacted statutory tax rates to any differences between carrying values per financial statements and their tax base, and accounted for as deferred tax. Deferred taxation assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

(n) Foreign currencies**(i) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Corporation operates (the 'functional currency'). The financial statements are presented in Zambian Kwacha, which is the Corporation's presentation and functional currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the rates of exchange prevailing at the date of transactions. Foreign exchange gains and losses resulting from such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

Translation differences on monetary items, such as equity at fair value through income, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as assets at fair value through other comprehensive income, are included in fair value reserve in equity.

(o) **Employee benefits**

(i) *Pension obligations*

The Corporation has a plan with National Pension Scheme Authority (NAPSA) where the Corporation pays an amount equal to the employee's contributions. Employees contribute 5% of their gross earnings up to the statutory limit.

(ii) *Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Corporation recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

(iii) *Gratuity*

For fixed term contract employees, a gratuity is payable at the end of the contract. Contract periods range from 2-3 years. Gratuity is expensed to profit or loss account in the period the service is rendered.

(p) **Provisions**

Restructuring costs and legal claims

Provisions for restructuring costs and legal claims are recognised when: the Corporation has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. 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 recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(q) **Dividend distribution**

Dividend distribution to the Corporation's shareholders is recognised as a liability in the financial statements in the period in which the dividends are approved by the Corporation's shareholders.



NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2025

5. **Critical accounting estimates and judgement in applying accounting policies**

The Corporation makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

Business model assessment

Classification and measurement of financial assets depends on the results of the Solely Payment of Principal and Interest (SPPI) and the business model test. The Corporation determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed. The Corporation monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Corporation's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

Impairment losses on receivables

When measuring expected credit loss the Corporation uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Impairment of assets other than receivables

The carrying amounts of the Corporation's assets other than receivables are reviewed at each reporting date to determine whether there is an indication of impairment. If any such exists, the asset's recoverable amount is estimated. This estimation requires significant judgement.

An impairment loss is recognized in the income statement whenever the carrying amount exceeds the recoverable amount.

Fair value measurement

The carrying amounts of financial assets and liabilities are representative of the Corporation's position at 31 December 2024 and are in the opinion of the Directors not significantly different from their respective fair values due to generally short periods to maturity dates. The significant classes of financial assets and liabilities are as disclosed in the statement of financial position. As far as possible market prices are applied in determining fair values.

Fair value hierarchy

The Corporation uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- **Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities;
- **Level 2:** other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;
- **Level 3:** techniques which use inputs which have a significant effect on the recorded amounts and fair values that are not based on observable market data.

Financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions are assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes, investments in private equity funds with fair values obtained via fund managers and assets that are valued using the Corporation's own models whereby the majority of assumptions are market observable.

Non market observable inputs means that fair values are determined, in whole or in part, using a valuation technique (model) based on assumptions that are neither supported by prices from observable current market transactions in the same instrument, nor are they based on available market data. The main asset classes in this category are unlisted equity investments and debt instruments. Valuation techniques are used to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

There were no financial assets and liabilities transferred between levels.

6. Management of financial risk

6.1 Financial risk

The Corporation is exposed to a range of financial risks through its financial assets and financial liabilities (borrowings). The most important components of this financial risk are interest rate risk and credit risk. These risks arise from open positions in interest rate and business environments, all of which are exposed to general and specific market movements. The Corporation manages these positions with a framework that has been developed to monitor its customers and return on its investments.



6.2 Credit risk

The Corporation has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The key area where the Corporation is exposed to credit risk is amounts due from customers.

6.3 Capital management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company sets the amount of capital in proportion to its overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of the economic conditions and the risk characteristic of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of the dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

7. Revenue

	2025	2024
	K	K
Over flight fees	115,421,427	121,714,880
Air Navigation fees	57,453,680	56,806,127
Passenger service charges	390,196,880	362,632,687
Security charges	89,017,554	82,430,065
Cute and Cuss	47,251,538	28,532,196
Landing fees	170,230,893	165,221,709
Parking fees	15,673,755	11,179,040
Fuel throughput fees	15,901,757	15,107,153
Car park	10,147,634	7,928,842
Ground handling	254,374,930	247,008,883
Aviation infrastructure fees	170,172,602	158,107,079
Rentals	88,746,477	77,107,695
	1,424,589,127	1,333,776,356

	2025 K	2024 K
8. Net finance income and costs		
Interest on loans	(7,438,659)	(19,717,634)
Interest on short term investments	2,114,542	1,800,608
Net exchange gain/(Loss)	(98,457,968)	44,135,918
	(103,782,085)	26,218,892

**ZAMBIA AIRPORTS CORPORATION LIMITED****NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025****9. Income tax expense**

	2025	2024
	K	K
(a) Recognized in the statement of Comprehensive Income		
Charge for the year		
Income tax on normal income	20,854,809	-
Income tax on taxable other income	22,229,231	11,753,253
Deferred tax	(21,390,385)	44,275,203
	21,693,655	56,028,456

Current tax and losses are subject to agreement with the Zambia Revenue Authority.

	2025	2024
	K	K
(b) Reconciliation of the tax charge		
Profit before taxation	197,221,279	329,621,588
Taxation at current rate on accounting profit – 30%	59,166,384	98,886,476
Interest	634,363	540,182
Rent	3,654,378	—
Other income	17,940,491	11,213,071
Permanent differences:		
Disallowable expenses	64,851,899	43,821,070

Timing differences:			
Capital allowances and depreciation		(2,816,428)	(6,802,495)
Allowable expenses		(24,599,260)	(44,745,340)
Other income		(54,892,978)	(13,687,850)
Loss b/f		(50,756,666)	(128,228,527)
Loss c/f		29,901,857	50,756,666
Deferred tax		(21,390,385)	—
Tax expense		—	44,275,203
		21,693,655	56,028,456
(c) Movement in taxation payable account			
At the beginning of the period		(2,942,820)	23,166,452
Charge for the period		43,084,040	11,753,253
Payments during the period		(15,529,106)	(37,862,525)
At the end of the period		24,612,114	(2,942,820)
(d) Deferred taxation			
This represents:			
Analysis of movement:			
At 1 January 2024		44,275,203	(15,711,428)
Elimination of asset not recognized		—	15,711,428
Provision/(credit) made during the year		(21,390,385)	44,275,203
At 31 December 2025		22,884,818	44,275,203

**ZAMBIA AIRPORTS CORPORATION LIMITED****NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2025****9. Income tax expense (continued)**

- (e) Income tax returns have been filed with the Zambia Revenue Authority for all the years up to 31 December 2024. Quarterly tax returns for the period ended 31 December 2025 were made on the due dates during the year.

(f) Deferred income tax**Analysis:**

2025	1 January K	Charged to profit & loss K	31 December K
Deferred income tax liability			
Property plant and equipment – cost	218,999,879	531,025	219,530,904
Property plant and equipment – revaluation	—	—	—
Property Plant and equipment	(137,208,785)	1,946	(137,206,839)
Exchange(losses)/gains	13,240,775	(42,778,165)	(29,537,390)
Loss	(50,756,666)	20,854,809	(29,901,857)
	44,275,203	(21,390,385)	22,884,818

10. (a) Property, plant and equipment

- (i) The Corporation acquired certain property, plant and equipment from the Government of the Republic of Zambia, which were the assets of the Department of Civil Aviation. These financial statements include only the value of the assets transferred from the Department of Civil Aviation, which were with the Government based on a valuation carried out by the Government Valuation Department and a letter from the Ministry of Transport and Communications. Title to Harry Mwaanga Nkumbula International Airport and Simon Mwansa Kapwepwe International Airport is in the name of Zambia Airports Corporation Limited whilst title for Mfuwe airport has not been issued. Title for Kenneth Kaunda International Airport is in the name of the Department of Civil Aviation. However, title to Kenneth Kaunda International Airport will revert to Zambia Airports Corporation Limited. This process to change ownership of title to the airports is in progress.

- (ii) The Corporation acquired certain property, plant and equipment from the Government of the Republic of Zambia, which were the assets of the Department of Civil Aviation. These financial statements include only the value of the assets transferred from the Department of Civil Aviation, which were with the Government based on a valuation carried out by the Government Valuation Department and a letter from the Ministry of Transport and Communications. Title to Harry Mwaanga Nkumbula International Airport and Simon Mwansa Kapwepwe International Airport is in the name of Zambia Airports Corporation Limited whilst title for Mfuwe airport has not been issued. Title for Kenneth Kaunda International Airport is in the name of the Department of Civil Aviation. However, title to Kenneth Kaunda International Airport will revert to Zambia Airports Corporation Limited. This process to change ownership of title to the airports is in progress.

	Airport				
	Terminal,				
	Runways,		Equipment	Capital	
	Taxiways and	Motor	and	Work in	
	Aprons	Vehicles	Furniture	Progress	Total
	K	K	K	K	K
Cost					
At 1 January 2024	539,517,022	27,889,153	631,976,422	182,305,832	1,381,688,429
Additions	—	43,091,950	68,819,081	146,164,161	258,075,192
Transfers	27,739,426	—	—	(27,739,426)	—
At 31 December 2024	567,256,448	70,981,103	700,795,503	300,730,567	1,639,763,621
Additions	24,565,135	—	23,724,175	86,391,964	134,681,274
Transfers	—	—	23,368,215	(23,368,215)	—
Disposal	(33,134,844)	(275,560)	(8,769,863)	—	(42,180,267)
At 31 December 2025	558,686,739	70,705,543	739,118,030	363,754,316	1,732,264,628
Depreciation					
At 1 January 2024	139,132,870	25,025,753	377,561,463	—	541,720,086
Charge for the year	25,705,695	7,218,787	34,388,893	—	67,313,375
At 31 December 2024	164,838,565	32,244,540	411,950,355	—	609,033,460



Charge for the year	14,163,558	9,811,646	34,987,230	—	58,962,434
Disposal	(22,209,837)	(275,560)	(8,769,863)	—	(31,255,260)
At 31 December 2025	156,792,286	41,780,626	438,167,722	—	636,740,634
Net book value					
At 31 December 2025	401,894,453	28,924,917	300,950,308	363,754,316	1,095,523,994
At 31 December 2024	402,417,883	38,736,563	288,845,147	300,730,567	1,030,730,160

11. **Financial assets at fair value through profit or loss**

	2025 K	2024 K
Balance at 1 January	4,537,275	4,537,275
Decrease in Fair Value	(4,238,647)	—
Balance at 31 December	298,628	4,537,275

The movement in the fair value of the investment is attributable to a rights issue undertaken by ZEGA Limited in 2024, which was finalized in 2025. The Board elected not to participate in the rights offer, as it would have required additional capital injection into an entity that has not delivered shareholder returns for an extended period. Notably, ZEGA Limited has not declared any dividends since 2012, reflecting a prolonged absence of income generation from the investment.

12.	Inventories		
	Consumable stores	5,932,485	10,728,064
	Less provision for obsolete stock	(943,675)	(943,675)
		4,988,810	9,784,389
13.	Trade and other receivables		
	Trade debtors	355,389,792	430,697,488
	Less: provision for impairment losses	(152,964,175)	(201,825,615)
		202,425,617	228,871,873
	Sundry creditors in debit	12,453,444	11,624,824
	Staff loans and advances	1,317,059	1,715,444
	Deposits and prepayments	116,692	3,799,670
		216,312,812	246,011,811
	Movement in provision for impairment		
	Balance at 1 January	201,825,615	170,449,579
	Charged/(recovered) for the year	(48,861,440)	31,376,036
	Balance at 31 December	152,964,175	201,825,615
14 (a)	Financial assets at amortised cost		
	Zambia Industrial Commercial Bank	16,702,930	14,610,323
	Finance Building Society	155,361	148,963
		16,858,291	14,759,286
	91 days fixed term deposits	155,361	148,963



180 days fixed term deposits	16,702,930	14,610,323
	16,858,291	14,759,286
14 (b) Financial assets at fair value through profit or loss		
Madison Unit Trust	2,746,835	2,746,835
	2,746,835	2,746,835

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025

	2025	2024
	K	K
15. Cash and cash equivalents		
Cash in hand and at bank (note (a))	197,926,507	113,857,478
	197,926,507	113,857,478
(a) Cash in hand and at bank		
Bank balances	197,920,637	113,816,483
Cash in hand	5,870	40,995
	197,926,507	113,857,478
16. Share capital		
Authorised, issued and fully paid		
16,458,500 ordinary shares at K1 each	16,458,500	16,458,500

17. Amounts received awaiting allotment of shares

The Government of the Republic of Zambia has agreed to convert the Belgian State to State loan of K28.9 million (EURO 5.2 million) due from the Corporation into share capital. As at statement of financial position date K14,988,322 had been allotted and the balance of K13,928,678 is held awaiting allotment of shares.

18. Capital grants	2025	2024
	K	K
At beginning of the year	520,454,894	538,273,984
Addition during the year	59,678,767	-
Amortisation during the year	(17,696,603)	(17,819,090)
	562,437,058	520,454,894



Capital grants represent the balance of funds received from Government of the Republic of Zambia (GRZ) for the improvement of airport facilities that has not been amortised. These grants have no conditions attached to them.

19.	Long-term loans	2025	2024
		K	K
	Zambia National Commercial Bank Plc		
	At the beginning of the year	117,969,618	207,585,676
	Additions during the year	-	-
	Repayments during the year	(83,461,601)	(98,113,822)
	Unrealised exchange gain/loss)	(10,756,096)	8,497,764
	Balance at the end of the year	23,751,921	117,969,618
	Portion repayable within next 12 months	16,973,245	103,945,576
	Portion repayable after 12 months	6,778,676	14,024,042
		23,751,921	117,969,618

The ZANACO facilities represent;

- (i) US\$8,859,507.55 loan bearing interest at 9%. The facility which was to be repayable by June 2022, was restructured in September 2021, was repaid in the year 2025.
- (ii) USD10,000,000 at 9% and
- (iii) K120 million Covid relief loan at 20%, was fully repaid in September 2025

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2025

19. Long-term loans (continued)

- (iv) The loans are secured by the assignment of foreign currency receivables from IATA. Detailed analysis of the loans are in the table below.

Project name	Details	Initial amount	Monthly principal payout	Interest	Maturity date	Running balance
HMNIA - Terminal building	Construction of HMNIA	U\$D8,859,508	USD73,373.57	8.50%	30/06/2025	Nil
Electrical Ring Cable	Airfield Lighting	U\$D3,300,000	USD44,470.61	9%	31/12/2025	Nil
Instrument Landing System	NAV Aids	U\$D1,500,000	USD13,590.57	9%	30/04/2026	U\$D72,963
RADAR	RADAR Maintenance	U\$D1,400,000	USD11,566.33	9%	31/03/2026	U\$D530,627
RADAR Training	Training of controllers	U\$D600,000	USD9,261.84	9%	30/09/2026	U\$D101,045
ORAT	KKIA Operationalizing	U\$D1,200,000	USD7,608.45	9%	31/03/2026	U\$D20,257
New KKIA -hotel	Equipment for hotel	U\$D2,000,000	USD27,966.57	9%	30/09/2026	U\$D349,005
Stimulus loan	Working capital	K120,000,000	K1,863,817.24	20%	30/09/2025	Nil



20.

Deferred liability

Deferred liability relates to provision for terminal benefits amounting to K72.4 million (2024: K80.8 million) inclusive of 12% interest. The deferred liability relates to accrued terminal benefits due to staff at 1 April 2008 arising from long service gratuity. The liability was frozen at that date and is payable to eligible staff upon separation from the Corporation.

	2025	2024
	K	K
At the beginning of the year	80,817,288	87,606,903
Interest	8,150,219	9,254,915
Payments	(16,538,257)	(16,044,530)
At the end of the year	72,429,250	80,817,288
Payable within next 12 months	7,859,085	10,890,685
Payable after 12 months	64,570,165	69,926,603
	72,429,250	80,817,288

On 1 April 2008, the Corporation converted the unfunded long service gratuity benefit scheme to a defined contribution scheme. The liability is expected to be completely transferred to pension managers over the next 7 years and attracts interest at 12% per annum.

For the new defined contribution scheme, the Corporation contributes 10% of basic salary whilst employees contribute 5%.

The total charge to income is as follows:

	2025	2024
	K	K
Current contribution on defined contribution scheme	35,954,452	13,235,855
Interest on discontinued long service gratuity.	8,150,219	9,254,915
	44,104,671	22,490,770
21.		
Trade and other payables		
Trade creditors	27,841,073	42,729,938
Leave pay	57,509,134	42,861,135
Gratuity	7,148,791	6,366,107
Accruals	26,549,703	34,946,249
Other payables and provisions	41,494,193	39,603,192
Sundry debtors in credit	6,053,406	4,288,862
Staff debtors in credit	915,343	1,317,472
	167,511,643	172,112,955

22. Financial instruments-risk management

Capital management

The Board manages the Corporation's capital to ensure that the Corporation will be able to continue as a going concern while optimizing the return to the stakeholders through the optimisation of returns on investments made.

Gearing ratio

The Corporation reviews the capital structure on an ongoing basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Corporation has a 5.8% gearing ratio (2024: 13.3%).



Categories of financial instruments

Financial assets

		2025	2024
		K	K
	Note		
Cash and bank balances	15 (a)	197,926,507	113,857,478
Staff loans and advances	13	1,317,059	1,715,444
Deposits and prepayments	13	116,692	3,799,670
Trade receivables	13	202,425,617	228,871,873
Financial assets at amortised cost	14(a)	16,858,291	14,759,286
Financial assets at fair value through profit and loss	14(b)	2,746,835	2,746,835
Sundry creditors in debit	13	12,453,444	11,624,824
		433,844,445	377,375,410
Financial liabilities held at amortised cost or fair value			
Trade creditors	21	27,841,073	42,729,938
Leave pay	21	57,509,134	42,861,135
Gratuity	21	7,148,791	6,366,107
Accruals	21	26,549,703	34,946,249
Other payables and provisions	21	41,494,193	39,603,192
Sundry debtors on credit	21	6,053,406	4,288,862
Zambia National Commercial Bank Plc-long-term loans	19	23,751,921	117,969,618
Employee terminal benefits	20	72,429,250	80,817,288
		262,777,471	369,582,389

The Corporation undertakes certain transactions denominated in foreign currencies. Hence, exposure to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters as approved by the Board.

The carrying amount of the Corporation's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

		2025	2024
		K	K
Currency	Asset		
US Dollars	Bank balances	6,285,718	3,039,538
US Dollars	Receivables	13,112,174	13,673,092
		19,397,892	16,712,630
		=	
	Liabilities		
US Dollars	Trade creditors	156,964	182,523
US Dollars	ZANACO loans	1,073,897	3,235,665
		1,230,861	3,418,188

The Corporation is exposed to foreign exchange risk arising primarily from loans contracted, importation of goods, services and receivables denominated in foreign currency.

	Mid-market exchange rate as at 31 Dec 2025	Mid-market exchange rate as at 31 Dec 2024	Average currency appreciation during the year
US Dollars	22.1175	K27.9525	21%

As at 31 December 2025, Kwacha appreciated by 21% when compared to December 2024.

Interest rate risk management

The exposure to interest rate risk is reviewed regularly by management to align with interest rate reviews and defined risk appetite, by either positioning the statement of financial position or protecting interest



expense through different interest rate cycles.

Credit management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Corporation. The Corporation has adopted a policy of only dealing with creditworthy counterparties and obtaining an advance payment, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Exposure

The Corporation's maximum exposure to credit risk is analysed below

		2025	2024
		K	K
	Note		
Cash and bank balances	15(a)	197,926,507	113,857,478
Staff loans and advances	13	1,317,059	1,715,444
Deposits and prepayments	13	116,692	3,799,670
Trade receivables	13	202,425,617	228,871,873
Financial assets at amortised cost	14(a)	16,858,291	14,759,286
Financial assets at fair value through profit and loss	14(b)	2,746,835	2,746,835
Sundry creditors in debit	13	12,453,444	11,624,824
		433,844,445	377,375,410

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Corporation's short, medium and long-term funding and liquidity management requirements. The Corporation manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following table details the Corporation's remaining period for contractual maturity of its non-derivate financial assets and liabilities. The table below has been drawn up based on the undiscounted contractual maturities of the financial assets and liabilities.

	Note	1 to 3 months	3 months to 1 year	More than 1 year	Total	2024
		K	K	K	2025	K
Liabilities						
Trade payables	21	27,841,073	—	—	27,841,073	42,729,938
Leave pay	21	14,647,994	42,861,140	—	57,509,134	42,861,135
Gratuity	21	2,238,959	4,909,832	—	7,148,791	6,366,107
Accruals	21	2,539,789	24,009,914	—	26,549,703	34,946,249
Other payables and provisions	21	41,494,193	—	—	41,494,193	39,603,192
Sundry debtors in credit		6,053,406	—	—	6,053,406	4,288,862
Zambia National Commercial Bank PLC loans	19	6,362,297	10,610,947	6,778,677	23,751,921	117,969,618
Employee terminal benefits	21	2,429,250	5,429,835	64,570,165	72,429,250	80,817,288
		103,606,961	87,821,668	71,348,842	262,777,471	369,582,389

Fair value measurements

The information set out below provides information about how the Corporation determines fair values of various financial assets and financial liabilities.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges (for example, Lusaka Securities Exchange).
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – Inputs for assets or liabilities that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.



This hierarchy requires the use of observable market data when available. The Corporation considers relevant and observable market prices in its valuations where possible.

The Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

	Note	2025		2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets		K	K	K	K
Cash and Bank balances	15(a)	197,926,507	197,926,507	113,857,478	113,857,478
Financial assets at amortised cost	14(a)	16,858,291	16,858,291	14,759,286	14,759,286
Deposits and payments	13	116,692	116,692	3,799,670	3,799,670
Receivables from employees	13	1,317,059	1,317,059	1,715,444	1,715,444
Trade receivables	13	202,425,617	202,425,617	228,871,873	228,871,873
Sundry creditors in debit	13	12,453,444	12,453,444	11,624,824	11,624,824
Financial assets at fair value through profit or loss	13	2,746,835	2,746,835	2,746,835	2,746,835
		433,844,445	433,844,445	377,375,410	377,375,410
Trade payables	21	27,841,073	27,841,073	42,729,938	42,729,938
Leave pay	21	57,509,134	57,509,134	42,861,135	42,861,135
Gratuity	21	7,148,791	7,148,791	39,603,192	39,603,192
Accruals	21	26,549,703	26,549,703	34,946,249	34,946,249
Other payables and provisions	21	41,494,193	41,494,193	6,366,107	6,366,107

Sundry debtors on credit	20	6,053,406	6,053,406	4,288,862	4,288,862
Zambia National Commercial Bank PLC	19	23,751,921	23,751,921	117,969,618	117,969,618
Employee terminal benefits	21	72,429,250	72,429,250	80,817,288	80,817,288
		262,777,471	262,777,471	369,582,389	369,582,389

Credit risk-trade debtors analysis

	2025			2024		
	Gross	Impairment	Net	Gross	Impairment	Net
	K	K	K	K	K	K
Current						
Past due 0 -30 days	140,750,181	27,724,063	113,026,118	140,529,455	7,560,917	132,968,538
Past due 31-90 days	85,215,648	5,161,385	80,054,263	109,005,755	25,740,142	83,265,613
Past due 91-120 days	9,851,213	6,266,688	3,584,525	18,082,416	6,582,899	11,499,517
Past due 121-180 days	119,572,750	113,812,039	5,760,711	163,079,862	161,941,657	1,138,205
	355,389,792	152,964,175	202,425,617	430,697,488	201,825,615	228,871,873

Impairment losses

	2025	2024
	K	K
Movement in impairment provision		
At the beginning of the year	201,825,615	170,449,579
Charge/ (recovery) during the year	(48,861,440)	31,376,036
At the year end of the year	152,964,175	201,825,615



23. Related party transactions

(a) Identification of related parties

The Corporation undertakes to disclose the nature of related party relationships, and types of related party transactions necessary for the understanding of the annual financial statements.

In the context of the Corporation related party transactions include any transactions carried out with any of the following:

- Government Ministries and Parastatals;
- Board members; and
- Key management personnel

The transactions to be reported are those that affect the Corporation in making financial and operating decisions.

(b) Transactions with related parties

	2025	2024
	K	K
(i) Key management compensation		
Salaries and other short term employee benefits	80,474,995	10,650,592
Termination benefits	10,676,726	9,254,915
(ii) Directors fees and expenses	4,006,690	3,216,173
(iii) Revenue grant-GRZ	12,914,865	10,088,432

(c) Balances due from related parties

Executive Directors and key management

(i) Loans and advances

—

—

The Directors are of the opinion that all these related party transactions were conducted on arm's length basis and commercial terms.

24. Dividend

	2025	2024
	K	K
The proposed dividend	—	—
The Directors do not recommend a dividend for the year ended 31 December 2025.		

25. Contingent liabilities

Court cases

Certain legal cases are pending against the Corporation in the courts of law. In the opinion of the Directors and the Corporation's lawyers, none of these cases will result in any material loss to the Corporation for which provision is required.

2025	2024
K	K
—	—

26. Capital

Approved by the Board but not contracted

	commitments
2025	2024
K	K

27. Environmental Sustainability

The Corporation recognizes its environmental responsibilities and remains steadfast in integrating sustainable practices into airport operations. It is committed to operating in a manner that safeguards the environment, aligning with national sustainability objectives and international aviation standards.

ZACL continues to implement the Environmental Management System (EMS) based on ISO 14001:2015 across its international airports, with a focus on minimizing resource consumption, enhancing waste management practices, including improved waste segregation and hazardous waste handling and monitoring and optimizing energy use across airport facilities.

Ongoing carbon footprint assessments are being conducted, with the Corporation aspiring to achieve Level 2 Airport Carbon Accreditation (ACA) by end 2026. A tree planting initiative resulted in 144 trees being planted across airports, contributing to greenhouse gas capture and carbon management. Further solar installations have been deployed at navigation aids in Kaloko, Chipata, Kasama, and Mongu to serve as backup power supplies replacing diesel powered generator, further supporting energy efficiency and green energy use.



ZACL has enhanced wildlife hazard management measures at KKIA and HMNIA to promote wildlife and biodiversity management. Continued commitment to wildlife crime prevention is demonstrated through the maintenance of the “Worth More Alive” campaign at international airports, reinforcing the organization’s role in protecting biodiversity. In addition, the Corporation has conducted environmental awareness programs to promote sustainable practices among airport stakeholders.

Through structured management systems, responsible resource utilization, and proactive identification of environmental aspects and impacts, the Corporation continues to demonstrate leadership in environmental sustainability. By strengthening environmental programs and aligning with global standards, it contributes to a cleaner, safer, and more sustainable aviation environment.

28. Events after the reporting date

Effects of the War in the middle east.

The ongoing Middle East conflict particularly the 2026 Iran war is having significant spillover effects on the aviation sector globally, with direct implications for Zambia Airports Corporation Limited (ZACL).

Firstly, uncertainty among international carriers, including Middle Eastern airlines such as Qatar Airways, has led to flight suspensions and route disruptions. Many airlines have halted or reduced operations due to airspace closures and safety concerns, with thousands of flights cancelled globally. This reduces traffic into Zambia, directly and the neighboring countries affecting aeronautical revenues (landing fees, passenger charges and Navigation charges).

Secondly, aviation revenue is under pressure as airlines worldwide cut capacity. Rising fuel prices have forced airlines to ground aircraft, reduce frequencies, and delay expansion plans. For the Corporation, this translates into fewer aircraft movements and lower passenger throughput, weakening both aeronautical and non-aeronautical income streams.

A critical issue is the sharp increase and volatility in jet fuel prices. Jet fuel costs have nearly doubled in some markets due to supply disruptions linked to the closure of key oil routes like the Strait of Hormuz. There is also a real risk of fuel shortages and rationing, with some regions reporting limited weeks of supply remaining. For Zambia, which relies on imported fuel, this raises the possibility that fuel suppliers could restrict availability, leading to reduced flight operations. Consequently, the Corporation would experience lower fuel throughput charges, a key revenue component.

Additionally, internal operational costs for the Corporation are likely to rise. Increased fuel prices affect ground handling operations, including ramp equipment, backup generators, and any Corporation-owned fleet. This raises daily operating expenses while revenues are declining, creating a cost-revenue squeeze.

Other relevant impacts include:

- Rerouting of flights to avoid conflict zones, increasing airline operating costs and potentially making certain African routes less viable.
- Reduced passenger demand, as global uncertainty leads to delayed bookings and weaker travel demand.
- Macroeconomic pressure, including inflation and slower global growth, which disproportionately affects emerging markets and aviation demand.

APPENDIX 1

DETAILED STATEMENT OF COMPREHENSIVE INCOME

	2025	2024
	K	K
Revenue	1,424,589,127	1,333,776,356
Other income		
Capital grants amortised	17,696,603	17,819,090
Revenue grant received-GRZ	12,914,865	10,088,432
Sundry income	66,093,411	20,789,564
Total other income	96,704,879	48,697,086
Finance costs		
Interest on loans	(7,438,659)	(19,717,634)
Interest income on short term investments	2,114,542	1,800,608
Net exchange gains/(Loss)	(98,457,968)	44,135,918
Net finance costs	(103,782,085)	26,218,892
Less:		
Expenditure		
Depreciation	(58,962,434)	(67,313,375)
Employee costs		
Salaries and wages	(611,295,562)	486,785,249
Other staff costs	(117,190,838)	(84,215,939)
	(728,486,400)	(571,001,188)
Other operating expenses (Appendix 2)	(422,082,415)	(440,756,183)
Profit (loss) on disposal	(10,759,393)	-
Profit/(loss) before tax		329,621,588
	197,221,297	
Income tax charge	(21,693,655)	(56,028,456)
Other comprehensive income	(4,238,647)	-
Profit after tax	171,288,977	273,593,132



APPENDIX 1

	2025	2024
	K	K
Revenue	1,424,589,127	1,333,776,356
Other income		
Capital grants amortised	17,696,603	17,819,090
Revenue grant received-GRZ	12,914,865	10,088,432
Sundry income	66,093,411	20,789,564
Total other income	96,704,879	48,697,086
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Net exchange gains/(Loss)	(98,457,968)	44,135,918
Net finance costs	(103,782,085)	26,218,892
Less:		
Expenditure		
Depreciation	(58,962,434)	(67,313,375)
Employee costs		
Salaries and wages	(611,295,562)	486,785,249
Other staff costs	(117,190,838)	(84,215,939)
	(728,486,400)	(571,001,188)
Other operating expenses (Appendix 2)	(410,049,225)	(440,756,183)
Profit (loss) on disposal	(10,759,393)	-
Profit/(loss) before tax		329,621,588
	209,254,469	
Income tax charge	(21,693,655)	(56,028,456)
Other comprehensive income	(4,238,647)	-

APPENDIX 2

OTHER OPERATING EXPENSES

	2025	2024
	K	K
Aviation security	46,226,508	62,146,872
Books and periodicals	897,408	1,830,701
Cargo and mail	5,528,414	4,874,169
Cleaning Services	24,256,041	13,805,644
Cleaning expenses	3,287,117	3,347,617
Consultancy	1,088,123	2,935,373
Directors Expenses	2,591,540	1,306,113
Directors Fees	1,415,350	1,910,060
Electricity	56,472,630	25,291,266
External audit	2,254,816	1,320,093
Firefighting foam	2,522,016	4,222,213
Hire of transport	36,373,349	29,080,967
Insurance	13,425,021	7,569,111
Land rates	36,617,420	19,117,331
Legal fees	12,004,980	102,904
Motor vehicle expenses	8,458,943	9,142,240
Office expenses	2,794,679	1,038,813
Postage	1,807,986	1,030,996
Printing and stationary	11,332,488	12,488,782
Protective clothing	494,011	9,852,219
Repairs and maintenance	52,162,278	77,487,859
Security expenses	508,504	744,527
SITA charges	13,298,930	13,091,937
Staff uniforms	304,427	13,214,442
Subscriptions-Corporation	1,161,345	347,200
Telephone and internet	6,599,636	4,935,202
Travel expenses – local	13,882,451	10,829,567
Travel expenses-foreign	10,585,018	6,187,697
Water	1,211,633	958,032
Aerodrome's support	9,246,141	8,412,715



Balance carried forward	378,809,203\$	348,622,662
Balance Brought forward	378,809,203	348,622,662
Bad debts provision	(48,238,340)	31,376,036
Bank charges	1,751,285	1,789,965
Beverages	2,003,805	1,651,500
Corporate Promotion & Advertising	8,170,198	9,456,574
Donations	80,583	77,140
Entertainment	190,520	219,140
IATA charges	20,621,124	19,693,352
IT Expenses	1,995,510	917,218
Licensing	4,301,506	4,647,156
Marketing	797	44,475
Regulatory expenses	3,117,418	2,184,163
Sundry expenses	92,077	10,780
Tender Evaluation Expenses	1,128,770	888,221
VAT expenses	(1,397,454)	-1,213,498
CANSO & ACI Expenses	6,853,027	-14,106
Rental Tax	10,261,219	6,475,448
KKIA Protea Hotel Expenses	32,341,167	6,448,655
Proflight Travel Expense	-	7,481,302
Total operating expenses	422,082,415	440,756,183

