SWISSPORT TANZANIA PLC

REPORT OF THE DIRECTORS AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

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GENERAL INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2025

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS
1st Floor – Swissport Freight Terminal
Julius Nyerere International Airport
P. O. Box 18043
Dar es Salaam

COMPANY SECRETARY
KW KAPINGA & PARTNERS
Kamanga Wilbert Kapinga
Plot 1, Jitegemee Road
Msasani
P. O. Box 75886
Dar es Salaam

INDEPENDENT AUDITORS
Ernst & Young
Certified Public Accountants
EY House
Plot 162/1 Mzinga Way
14111 Oysterbay
P.O. Box 2475
Dar es Salaam, Tanzania

INTERNAL AUDITORS
Deloitte Consulting Limited
3rd Floor, Aris House, Plot 152,
Haile Selassie Road, Oyster Bay
P. O. Box 1559
Dar es Salaam

TAX ADVISORS
PricewaterhouseCoopers
Pemba House
369 Toure Drive, Oyster Bay
P. O. Box 45
Dar es Salaam

LAWYERS
KW KAPINGA & PARTNERS
Kamanga Wilbert Kapinga
Plot 1, Jitegemee Road
Msasani
P. O. Box 75886
Dar es Salaam

SWISSPORT TANZANIA PLC

GENERAL INFORMATION (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

LAWYERS (CONTINUED)

PETMOS ATTONERY
Ground Floor, Amverton Tower, Chole Road, Masaki
P.O Box 11239
Dar es Salaam

MAIN BANKERS

NMB Bank Plc.
Airport Branch
P. O. Box 40951
Dar es Salaam

CRDB Bank Plc
P. O. Box 96
Hai – Moshi

NCBA Bank Tanzania Limited
P. O. Box 20268
Ohio Street, Amani Place
Dar es Salaam

INSURERS
Phoenix of Tanzania Assurance Co. Limited
8th Floor, IPS Building
Samora Avenue
P. O. Box 5961
Dar es Salaam

Alliance Life Assurance Ltd
5th Floor, Exim Tower
Ghana Avenue
P. O. Box 11522
Dar es Salaam

Heritage Insurance Co. Tanzania Ltd
Oyster bay Office Complex, 368 Msasani Road – Oyster Bay
P. O. Box 7390
Dar es Salaam

Strategies Insurance Tanzania Limited
Plot 1520, 1st Floor, Masaki Ikon Building
P. O. Box 7893
Dar es Salaam

SWISSPORT TANZANIA PLC

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2025

The directors submit their report together with the audited financial statements for the year ended 31 December 2025, which discloses the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows, and notes to the financial statements of Swissport Tanzania Plc (the "Company").

1 DIRECTORS

The directors of the Company at the date of this report, who served since 1 January 2025, except where otherwise stated, are:

	Name	Nationality	Position	Age	Appointment
1	Mr. Dirk Goovaerts (1)	Belgium	Chairman	63	Sept, 2021
2	Mr. Eric Muriithi (1)	Kenyan	Director	41	Mar, 2020
3	Mr. Raymond P Mbilinyi (2)	Tanzanian	Director	61	Apr, 2016
4	Dr. Charles S Kimei (2)	Tanzanian	Director	71	Apr, 2019
5	Mr. Christian Zweifel (1)	Swiss	Director	56	Mar, 2025

(1) Representing Swissport International Ltd (SPI), (2) Representing minority shareholders

In accordance with the Company's Articles of Association, the Board of Directors will consist of five directors, three representing majority shareholder and two representing minority shareholders. At the Annual General Meeting, the minority shareholders shall have the right to appoint and remove the two independent directors in a competitive manner. These directors are re-elected after every three years.

The Board comprises of five non-executive directors. Three directors represent SPI who are senior executives at SPI.

Directors' interest in the shares of the Company

Directors representing minority shareholders have interest in the issued and fully paid-up shares of the Company as shown below:

	Name	Shares 2025	Shares 2024
1	Mr. Raymond P Mbilinyi	140	140
2	Dr. Charles S Kimei	1,655	1,655

Directors' remuneration

As stipulated in the Company's Memorandum and Articles of Association, the directors are entitled to the directors' fees paid annually as follows:

	US$
Annual director fees	8,000

The directors are also entitled to a sitting allowance for every meeting of the Board, or its committees as follows:

	US$
Sitting allowance per Director	800

1 DIRECTORS (CONTINUED)

The Company Secretary, as of the date of this report who has served throughout the period was KW Kapinga and Partners and is paid an annual retainer fee which is reviewed from time to time.

2 COMPANY SHAREHOLDINGS

As of 31 December 2025, the Company had 11,516 shareholders (31 December 2024: 10,758 shareholders). The Pension Funds owns 9.5% of the Company's shares (2024: 9%). The ten major shareholders of the Company are listed below:

	Name	Nationality	%
1	Swissport International Limited	Swiss	51
2	SCB(T) RE: SSB: Change Global Frontier Markets, LP Fund	Tanzanian	6
3	Umoja Fund Unit Trust Scheme	Tanzanian	6
4	National Social Security Fund	Tanzanian	5
5	Public Service Social Security Fund	Tanzanian	4
6	Gak Patel & Co. Ltd	Tanzanian	1
7	Sayed H. Kadri &/Or Basharat Kadri &/Or Mehboob Kadri &/Or Khalid &/Or Muzammil Kadri	Tanzanian	1
8	Regular Income Unit Trust Scheme	Tanzanian	1
9	Mohsin G. F. Meghji/Sukaina Mohsin Meghji	Tanzanian	1
10	Veeraj Kalpesh Mehta	Tanzanian	1

As of 31 December 2024, the Company had 10,758 shareholders (31 December 2023: 10,726 shareholders). The Pension Funds owns 9% of the Company's shares (2023: 9%). The ten major shareholders of the Company are listed below:

	Name	Nationality	%
1	Swissport International Limited	Swiss	51
2	SCB(T) RE: SSB: Change Global Frontier Markets, LP Fund	Tanzanian	6
3	Umoja Fund Unit Trust Scheme	Tanzanian	6
4	National Social Security Fund	Tanzanian	5
5	Public Service Social Security Fund	Tanzanian	4
6	Gak Patel & Co. Ltd	Tanzanian	1
7	Sayed H. Kadri &/Or Basharat Kadri &/Or Mehboob Kadri &/Or Khalid &/Or Muzammil Kadri	Tanzanian	1
8	Kalpesh Rajesh Mehta &/or Kavita Kalpesh Mehta	Tanzanian	1
9	Regular Income Unit Trust Scheme	Tanzanian	1
10	Mohsin Gulamabbas Fazel	Tanzanian	1

3 ACCOUNTING PERIOD

The Company's accounting cycle is from January to December. The financial information presented in these financial statements is for the year ended 31 December 2025, together with the comparative information for the year ended 31 December 2024.

4 PRINCIPAL ACTIVITIES

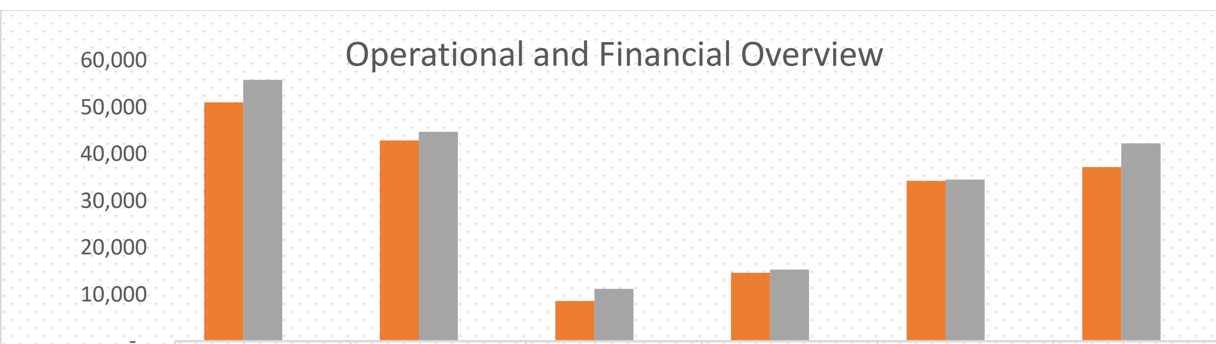
The Company's principal activities are the provision of airport ground and cargo handling services and airport lounge services. During the year, the Company operated at Julius Nyerere International Airport (JNIA) and Kilimanjaro International Airport (KIA).

5 OPERATING AND FINANCIAL REVIEW

In 2025 our business demonstrated the strength of our mission, the boldness of our strategic approach, and continuous improvement across key areas of operation. While the total number of flights handled saw a modest 5% growth reflecting broader market fluctuations, our performance in other core segments showcased steady upward momentum.

Tonnage handled rose slightly by 1%, highlighting the resilience and adaptability of our cargo operations. This growth is a clear reflection of our continued focus on operational efficiency, client relationships, and capacity management.

Equally notable was a 14% increase in lounge visitors, underscoring the growing trust in and preference for our premium service offerings at our Lounge at KIA. This uptick not only reinforces our commitment to enhancing customer experience but also reflects the effectiveness of our service upgrades and hospitality investments. Despite industry-wide cost pressures and economic headwinds, we continued to implement effective cost-control strategies and maintain a disciplined approach to financial management. Our ability to grow key revenue streams even in a constrained environment is a testament to the strength of our team, the bold decisions taken, and our commitment to getting better, year after year.



	Revenue (TZS,Millions)	Cost (TZS, Millions)	EBIT (TZS, Millions)	Flights (Numbers)	Cargo (Tons)	Lounge (Visitors)
FY 2024	51,009	42,888	8,585	14,631	34,280	37,214
FY 2025	55,824	44,737	11,157	15,293	34,537	42,285
% Variance	9%	4%	30%	5%	1%	14%

5 OPERATING AND FINANCIAL REVIEW (CONTINUED)

With revenue increasing by an impressive 9%, 2025 stands out as a year of exceptional top-line growth. This was driven by the sustained increase in flights, cargo volumes particularly in high-demand perishable exports such as meat, fish, avocados, and flowers as well as a continued rise in lounge patronage. Operating costs rose by 4%, largely in line with the expanded scale of operations and rising input costs. However, through proactive cost management and productivity gains, we delivered a strong 30% increase in EBIT an outcome that clearly reflects our improved operational leverage and financial discipline.

Ground handling services

Revenue from ground handling services recorded a 2% increase, rising from TShs 22,447 million in 2024 to TShs 22,988 million in 2025. This growth was underpinned by two key drivers: the operational stability of our airline partners with some scaling up through increased flight frequencies, new route introductions, the deployment of larger aircraft and the successful implementation of a strategic price review in the ground handling segment.

Together, these factors led to a 3% increase in yield from the ground handling business, highlighting our ability to optimize value even in a competitive environment. Notably, this performance was achieved despite offering targeted trade discounts to select customers during contract renewals, reflecting our balanced approach to revenue growth and customer retention.

Cargo handling services

Cargo handling services delivered an outstanding performance in 2025, with revenue increasing by 15% from TShs 26,568 million in 2024 to TShs 30,445 million. This growth was primarily driven by a significant rise in import cargo volumes handled during the year, underscoring the strength and capacity of our cargo operations.

The total volume of cargo handled rose by 1%, from 34,280 tons in 2024 to 34,537 tons in 2025. Export cargo declined by 5%, to 18,320 tons, from 19,373 tons in the previous year. The decline in export cargo was primarily driven by reduced volumes in certain export streams during the year, partially offset by sustained demand for perishable exports. On the import side, volumes rose by an impressive 9%, from 14,906 tons to 16,217 tons, reflecting improved trade flows and our ability to efficiently manage higher throughput. This growth across both export and import segments illustrates not only our operational resilience but also the bold steps we have taken to strengthen infrastructure, streamline processes, and respond proactively to client needs in a dynamic cargo environment.

Lounge business

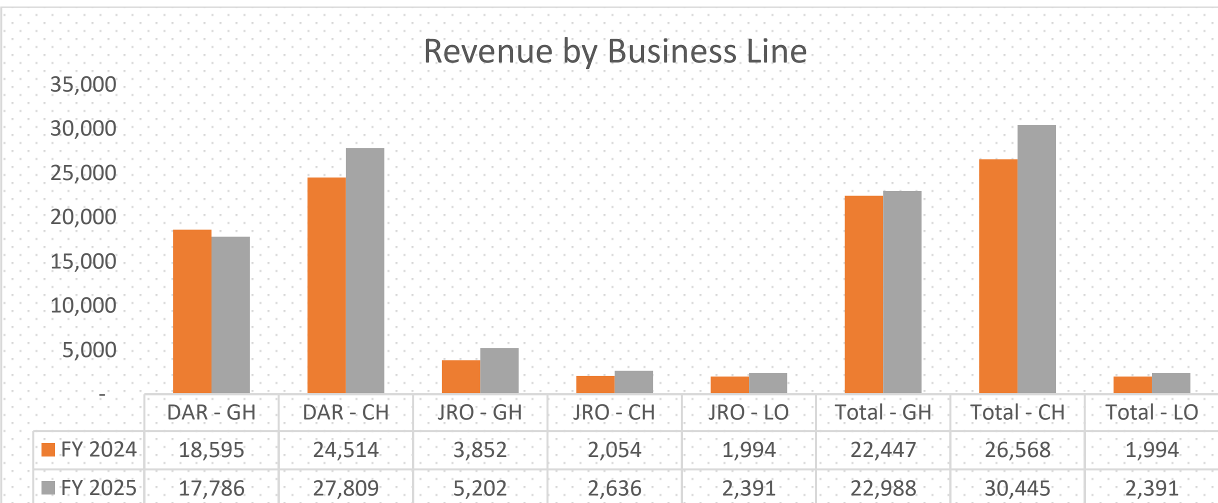
The lounge business continued its positive trajectory in 2025, serving 42,285 passengers an increase of 14% from 37,214 passengers in 2024. This growth translated into a revenue increase of 20%, rising from TShs 1,994 million in 2024 to TShs 2,391 million in 2025. The increase reflects both rising passenger traffic at KIA and the enhanced quality of services offered within the lounge.

5 OPERATING AND FINANCIAL REVIEW (CONTINUED)

Lounge business (Continued)

Operating profit before tax from the lounge business rose to TShs 298 million, up from TShs 80 million in the prior year, marking a 275% improvement. Management continues to focus on optimizing the lounge's cost structure with the goal of further improving profitability margins, ensuring that growth is matched by operational efficiency and sustained financial returns.

The Company generated its revenue from JNIA and KIA operations. The revenue realized from ground handling (GH), cargo handling services (CH), and lounge business (LO) operations at JNIA and KIA are as follows:



Profitability

In 2025, the Company delivered a strong financial performance, recording an operating profit before tax (PBT) of TShs 10,786 million—an increase of TShs 2,584 million or approximately 32% compared to the PBT of TShs 8,202 million in 2024. This remarkable growth in profitability reflects the stability achieved in the ground handling business, coupled with robust performance across the cargo and lounge segments.

The strategic pricing reviews, volume growth in key service lines, and continued discipline in cost management collectively drove this bottom-line improvement. This result not only reinforces the Company's ability to withstand market pressures but also demonstrates the strength of its diversified revenue base and operational resilience.

5 OPERATING AND FINANCIAL REVIEW (CONTINUED)

Cash flows

The Company maintained a strong cash flow position throughout the year, generating TShs 18,864 million from operating activities a 81% increase from TShs 10,422 million in 2024. This growth in cash generation was primarily attributable to the significant rise in profit before tax, coupled with efficient working capital management.

The positive free cash flow position reflects the Company's solid fundamentals and ensures sufficient liquidity to fund ongoing operations, strategic investments, and shareholder value creation. This performance highlights the Company's ability to convert earnings into cash, a key indicator of operational strength and financial stability.

Investments

In 2025, the Company continued to invest strategically in critical infrastructure and capacity-building initiatives, with a total capital expenditure of TShs 11,322 million (2024 – TShs 5,640 million). Key investments included the acquisition of Ground Support Equipment (both motorized and non-motorized), warehouse equipment, ICT upgrades, and the construction of a dedicated cold room facility at KIA to support perishable cargo handling.

These investments are part of the Company's long-term strategy to enhance delivery service, improve operational efficiency, and strengthen safety and compliance standards. Continued focus was also placed on workforce development and training, ensuring that our people remain equipped to meet the demands of a growing and evolving aviation services sector.

The Company remains committed to investing in areas that position it not only to meet current operational needs but to boldly embrace future growth opportunities, delivering value to stakeholders and maintaining our trajectory of becoming stronger, bolder, and better.

Airline performance and retention

In 2025, our airline partners remained at the core of our operational success. With few exceptions, most of our airline customers performed in line with expectations, and we successfully retained all of them through our unwavering focus on delivering superior quality service. This reflects our commitment to meeting and consistently exceeding our clients' evolving requirements.

In a highly competitive environment, we also made notable gains, securing new additional business from Ethiopian Airlines, Kenya Airways, and Air Tanzania - a strong testament to our growing reputation for reliability, responsiveness, and operational excellence.

Customer satisfaction and performance tracking remained central to our service delivery model. Our airline clients closely monitored our performance through a structured set of Key Performance Indicators (KPIs), embedded within formal Service Level Agreements (SLAs). These KPIs, which reflect operational timeliness, accuracy, and safety, were achieved primarily during the year, underscoring our operational maturity and consistency.

5 OPERATING AND FINANCIAL REVIEW (CONTINUED)

Airline performance and retention (Continued)

Building on the successful implementation of the Net Promoter Score (NPS) system introduced in 2023, we continued to leverage this tool in 2025 to capture real-time customer feedback. Through weekly NPS submissions, clients shared their experiences and highlighted areas of excellence or concern. All feedback was reviewed, and actionable insights were escalated through appropriate channels including regular reviews at the Group CEO's office ensuring that service gaps were addressed promptly and effectively.

These efforts reflect our strategic focus on strengthening relationships with our airline partners, responding boldly to service challenges, and continuously getting better both in performance delivery and in customer engagement.

Overall performance

The Company delivered a strong and well-rounded performance in 2025, with improvements across all major business lines. Building on the momentum from the previous year, both revenue and profitability recorded significant growth driven by increased cargo volumes, higher lounge patronage, and the continued operational stability of our airline clients.

Operational performance remained solid, with most airline KPIs being met or exceeded, and ground support equipment (GSE) availability continued to support seamless service delivery. Our commitment to service excellence and proactive customer engagement helped us not only retain existing clients but also win new ones during the year.

We maintained our sharp focus on Quality, Health, Safety, Security, and Environment (QHSSE) throughout the year. Key safety milestones were achieved, with no aircraft damage or lost time injury recorded reinforcing our commitment to high operational standards and compliance with industry best practices. Several QHSSE initiatives were successfully implemented, and ongoing staff training and internal audits ensured continued adherence to regulatory and operational protocols. These efforts not only strengthened internal performance but also enhanced our relationships with customers and partners.

While the Company continues to navigate various operational and commercial challenges, our response has been bold and strategic. We continued to engage closely with key stakeholders to address emerging issues and drive collaborative solutions. Internal initiatives such as business re-organization, continuous training, investment in GSE, and the construction of a cold room facility at KIA were instrumental in maintaining efficiency and service quality.

The business was largely self-financed through strong operating cash flows, with access to additional funding, when necessary, through approved financial channels. Overall, the Company has emerged from the year stronger in its operations, bolder in its strategies, and better positioned for sustainable growth.

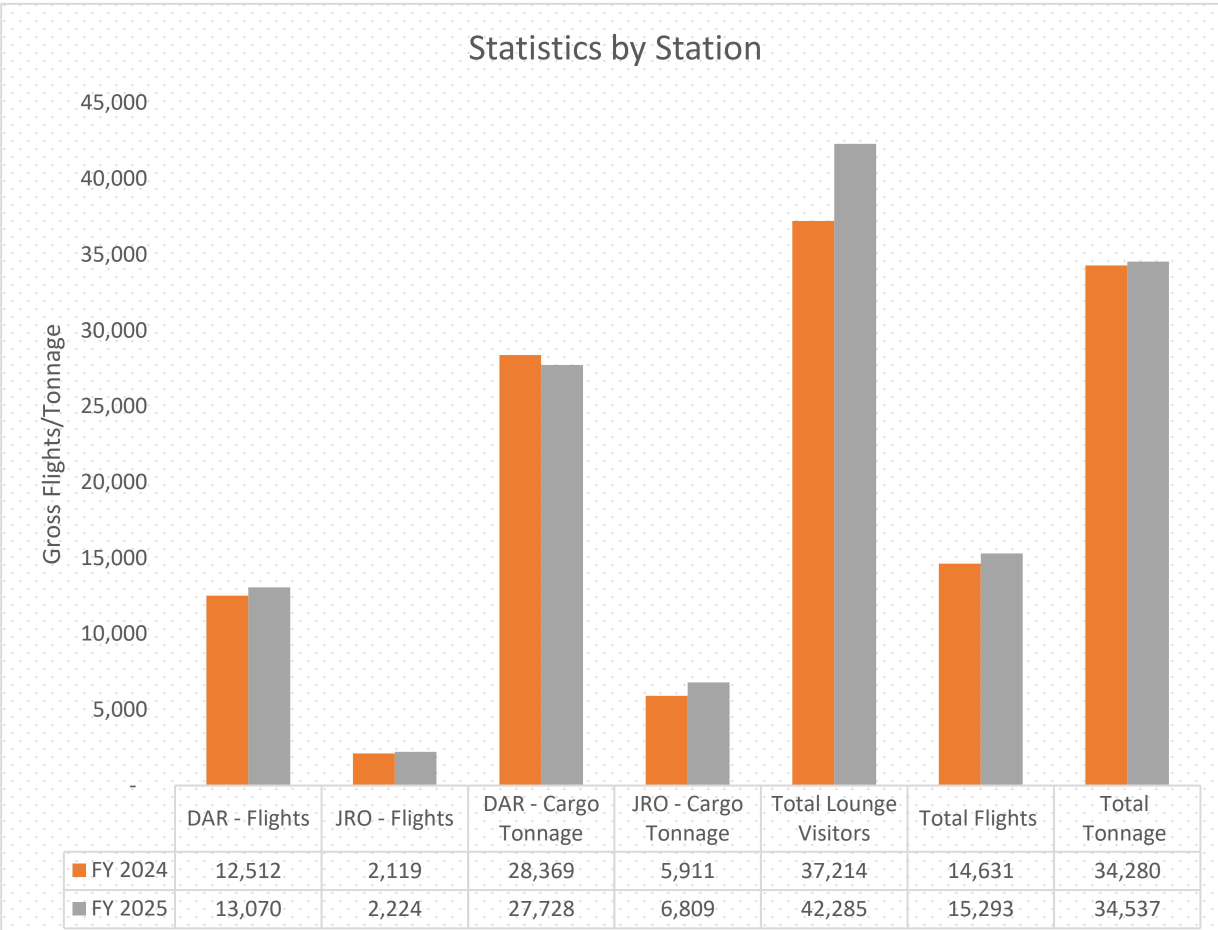
SWISSPORT TANZANIA PLC

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

5 OPERATING AND FINANCIAL REVIEW (CONTINUED)

Overall performance (Continued)

The following are key operational indicators for the performance of the Company

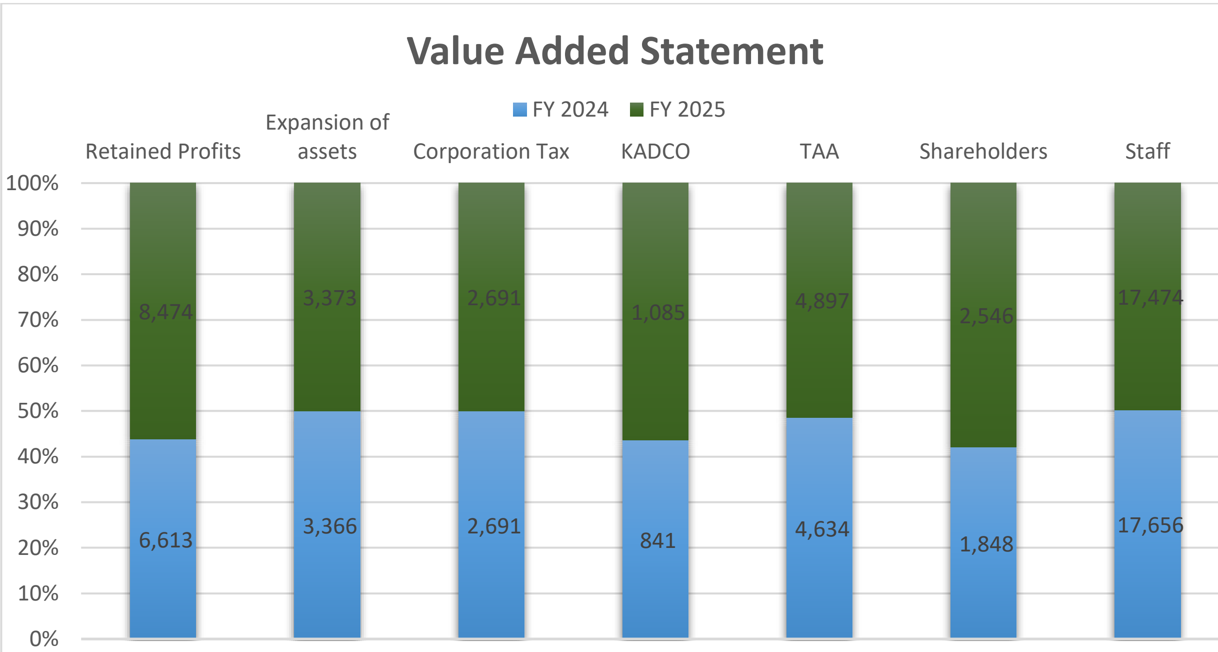


6 VALUE ADDED STATEMENT

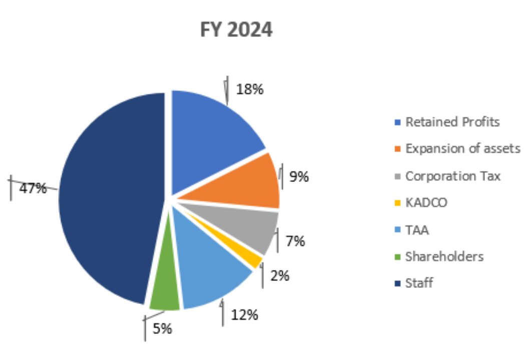
The value generated by the Company is distributed as follows:

	2025 TShs M	2024 TShs M
Revenue (including other income)	55,894	51,473
Purchase of materials (fuel, maintenance, rent, and others purchase)	(15,353)	(13,824)
Value Added	**40,541**	**37,649**

6 VALUE ADDED STATEMENT (CONTINUED)



Value Added Distribution – Amounts in TShs M



7 FUTURE DEVELOPMENTS

Short and long-term plans are prepared to provide strategic direction, financial projections, and investment plans for the Company. The directors review and approve the company's annual budget and business plan.

The directors are aware of the factors (risks and opportunities) affecting the aviation industry in Tanzania and at the global level and their related financial impact. Where appropriate, the expected impact is fully recognized in the Company’s projections.

The focus going forward is to grow the business through enhancing business relationship with airline customers and cargo forwarders, expansion to other airports, introduction of new product lines and investing in export facilities to continue promoting export of perishable products. Export of perishable products out of Tanzania is growing and we are determined to continue investing in cold storage facilities to foster export of perishable products. Cargo import volumes are increasing, we shall continue providing high quality services to our customers to retain and tap future volumes.

Ground handling segment remained strong in 2025, and more growth is now anticipated in 2026. The business is prepared and ready to handle the expected additional volumes. We are also aware that Air Tanzania network expansion plans will continue fostering growth of the ground handling business.

The Company's growth strategies are limited to other underlying challenges. These challenges among others, include the small size of the market (few airlines are operating in the country), the market being dominated by few big players, decreasing yield, limited business expansion opportunities, and an increased number of ground handlers. To address the challenges and improve the top line, directors always restructure the business and adopt strict cost control measures to improve operating efficiency and reduce costs. In addition, the directors address commercial challenges by retention of customers, negotiation of the ground handling agreements and pursuing new business opportunities.

The directors support steps taken by the Government of Tanzania to promote the development of the aviation and tourism sectors in the country and have formulated plans to pursue new opportunities arising from the Government’s initiatives and, where appropriate, make the necessary investments to complement efforts taken the by Government. The Company’s five-year business plan considered IATA estimates of aviation industry outlook which projects stable performance going forward.

8 COMPETITION

The ground handling business at JNIA and KIA are fully liberalized. Apart from Swissport Tanzania Plc, there are competitors providing both ground handling and cargo handling services at JNIA and KIA and another competitor offering cargo handling services exclusively at JNIA. In May 2022, TCAA published its Board decision No. 1 of 2022, the decision repealed Board decision No. 1 of 2016 and has fully liberalized the ground handling business in Tanzania.

The directors are aware of the threats from the competition and have formulated several plans and strategies that will provide consistent performance in a competitive environment. Customer retention through offering enhanced quality services, cost control, investments, business re-engineering, pursuing new revenue opportunities, and working capital management are key steps the Company takes to sustain financial performance.

The Company has 87% market share in grounding handling segment and 97% in cargo handling segment.

9 PRINCIPLE RISK AND UNCERTAINTIES

The Company's financial performance largely depends on the operational performance of its airline customers. Consequently, we have limited control over the business, which poses a high risk for the Company. Our top line is influenced by the performance of the airlines, while we maintain control over costs. Therefore, we consistently implement cost control initiatives to sustain the Company's financial performance. Additionally, as the business evolves, the Company is continually working proactively to increase its revenue.

The significant uncertainties to our business are the loss of airline customers and/or variation in production volumes (flights and tonnage). The reduction of either number of flights or the volume of cargo negatively impacts the Company's financial performance. However, we always respond to changes by reviewing our cost structure and implementing strict cost-cutting measures to mitigate the potential financial impact of fluctuations in business volumes.

More detail on the financial risks facing the Company is presented in Note 9 to the financial statements.

10 INPUT AND OUTPUT

Employees, warehouses, cold rooms, and Ground Support Equipment (GSEs) are the most valuable assets and key inputs in our operations, others are Standard Operating Procedures (SOPs), technology, safety management system (SMS) and quality and industry certifications. We utilize these tools to uphold the provision of high-quality services to our esteemed customers. It's our people who truly make the difference. Beyond technical skills necessary to fulfil their roles, it's the mindset of our employees to exceed expectations that sets Swissport apart as the partner of choice for airlines at the airports we operate.

Operational KPIs agreed upon by our customers measure the quality of our services provided to airline customers.

11 RESULTS AND DIVIDENDS

The Company realised a net profit of TShs 6,513 million (2024: TShs 5,511 million). The directors have proposed a dividend of TShs 3,274 million (2024: TShs 2,546 million), equal to TShs 90.93 (2024: Tshs 70.72) per issued and fully paid shares.

No interim dividend was approved in 2025 (2024: Nil), the decision was made by the Board to ease cash flow pressure and allow the Company to effectively finance investments to meet the increased volume of operations.

12 SOLVENCY

The Company's state of affairs as at 31 December 2025 is set out on page 69 of the financial statements. The cash flow forecast demonstrates the ability of the Company to meet both its short-term and long-term liabilities as they fall due.

13 LIQUIDITY

The Company has a positive liquidity position as set out on page 71 of the financial statements. Financial obligations of the Company are mainly met using internally generated cash flows.

14 USES OF FUNDS AVAILABLE

Cash and cash equivalents held by the Company are used to finance operating activities, settle maturing obligations and approved dividends, finance investment projects and, where necessary excess cash is invested into a fixed deposit or call account.

15 SHARE CAPITAL AND STOCK EXCHANGE INFORMATION

The Company's authorized share capital is TShs 500 million divided into 50 million ordinary shares of TShs 10 each. The Company's issued and paid-up share capital is TShs 360 million, divided into 36 million ordinary shares of TShs 10 each. Presently, Swissport International Ltd owns 51% of the Company's share capital, and different companies and individuals through the shared traded at the Dar es Salaam Stock Exchange (DSE) own the remaining 49% of the share capital. Local shareholders own 24% (2024 – 24%) of the Company's share capital.

In the year 2025, the performance of the Company's shares in the secondary market was as follows: Market capitalization as at 31 December 2025 was TShs 100,800 million (2024 – TShs 39,600 million), the total turnover of the Company's shares at DSE was TShs 2,500 million (2024 – TShs 220 million), the average price of the Company's shares was TShs 2,400 (2024 – TShs 1,088) and the closing share price as at 31 December 2025 was TShs 2,280 per share (2024 – TShs 1,110). The IPO price in 2003 was TShs 225 per share.

16 DISABLED PERSONS

The Company's policy is to accept disabled persons for employment for those vacancies that they can fill. The Company also maintains its policy of continued employment of employees who become disabled while in service. At 31 December 2025, the Company had 1 disabled employee (2024 – 1 employee). Efforts are being made to increase number of disabled employees in the Company.

17 TRAINING

At Swissport we intend to set standards of operational excellence in airport ground services and air cargo handling. We provide a wide range of training to support our employees in realizing their full potential. By continuously investing in staff qualifications, we are able to do an even better job fulfilling the expectations of our key clients, such as reliability, service quality, standardization and consistency. Swissport Tanzania Plc. has its own approved training unit, which is tasked with ensuring that all staff members are thoroughly trained to meet the regulatory standard that governs the industry (ICAO, IATA and TCAA) as well as meeting airline training requirements.

The Swissport Tanzania Training Centre is approved by the International Air Transport Association (IATA ATC) and an Approved Training Organisation (ATO) by Tanzania Civil Aviation Authority (TCAA). In addition to the in-house training program, has a broad syllabus of training that is offered to airline partners and to members of the general public. IATA approved training courses along with numerous aviation related courses, were offered throughout 2025 for the programmes enrolled for 2025.

TCAA approved the Company to conduct two aviation security courses out of four for own staff during the year. This reduces the training cost of the Company and fosters compliance.

The Company spent TShs 143 million in external training (2024 – TShs 126 million). Focus remains on building our trainer's capacity. We aim to achieve the intended objective of providing better training and better facilities for employees, reducing training costs, and providing training opportunities to various stakeholders in the aviation industry.

18 STAFF PERFORMANCE MANAGEMENT

Annually, we conduct comprehensive performance assessments across all staff levels, utilizing predetermined objectives and Key Performance Indicators (KPIs). This is currently achieved through an internal designed system for evaluating the performance of all staff members.

19 LICENSE

Swissport Tanzania Plc is licensed by Tanzania Civil Aviation Authority (TCAA) to provide ground handling and cargo handling services in Tanzania. Our current license is valid up to 23 November 2028.

20 CONCESSION AGREEMENTS

The Company has concession agreements with the Tanzania Airports Authority (TAA) to operate at Julius Nyerere International Airport (JNIA) and at Kilimanjaro International Airport (KIA).

The expiry dates of all concession agreements are as follows:

Julius Nyerere International Airport	30 April 2027
Kilimanjaro International Airport	30 June 2035

The directors are confirming compliance with terms and conditions of the existing concession agreements as stipulated by TAA.

21 EMPLOYEE WELFARE

(i) Relationship between management and employees

A collective agreement entered between the Communication and Transportation Workers Union (COTWU) and the management governs the relationship between the management and the employees.

The existing agreement between COTWU and the management (CBA) outlines employees' benefits, which are paid as stipulated in the agreement. A three-year contract, effective until 31 July 2027, was signed in 2024.

COTWU provides a link between the management and the employees. Matters affecting employees are discussed between COTWU and the management on a monthly basis.

The management also holds departmental and general staff meetings, where issues affecting employees are discussed and appropriate solutions are established.

Further to the existing agreement between COTWU and the management, the Company has a documented human resources manual. The manual clearly stipulates the rights, obligations, and benefits of the employees.

The Company also has a Master Workers Council (MWC), which is made up by members from the management and general employees. MWC meets at least twice a year to discuss the Company's budget and financial results of the Company. Employees, through their representatives who are members of the MWC are involved in the decision-making process regarding the budget, business improvement plans, cost control measures and investments. Employees are also informed about the financial performance of the Company.

(ii) Industrial safety

The Company continued to comply with the standards of industrial safety established by Tanzania Civil Aviation Authority (TCAA), International Civil Aviation Organisation (ICAO), International Air Transport Association (IATA) and Occupational Safety and Health Authority (OSHA). The Company is dully registered with OSHA, WCF, and has been issued with a compliance certificate.

21 EMPLOYEE WELFARE (CONTINUED)

(iii) Medical facilities

We have an agreement with the National Health Insurance Fund (NHIF) and Strategies Insurance, where all staff, and their families are covered in accordance with the requirements of the Employment and Labour Relations Act 2004.

(iv) Uniforms and protective gears

To ensure staff are operating in a safe environment and are protected from operational hazards, staff are properly trained on safety related matters and are provided with uniforms and all relevant protective gear that meets international standard per the aviation industry.

(v) Employee benefits (Pension obligations – defined contribution plan)

All employees on permanent and fixed contracts are enrolled with the National Social Security Fund (NSSF) after the changes of the law governing social security schemes, where the government deregistered and merged various pension funds and formed two Funds to cater for public and private sectors and NSSF was earmarked to serve the private sector.

The Company contributes to NSSF at 10% of gross salary for contract staff and 15% of gross salary for permanent and pensionable staff.

The Company has an unfunded non-contributory employee gratuity arrangement for permanent and pensionable employees (the “Arrangement”) which provides for lump sum payments to its employees on their retirement at the age between 55 and 60 years, on early retirement for approved reasons and up to on death. Detailed financial information of the arrangement is provided in Note 26 to the financial statements.

(vi) Group life insurance policy

The Company has a group life cover where all employees with employment contracts of over one year are covered and their estates are compensated when they are demise. Funeral benefits are also provided on deaths of dependants and biological parents.

(vii) Swissport SACCOS

Swissport employees, with the support of the management, established Swissport SACCOS in 2005, all employees are free to join. SACCOS is intended to help employees build saving culture and supports them to secure short- term and soft loans. Management of SACCOS is under the independent SACCOS management, which is overseen by the SACCOS board.

The Company sponsors Swissport SACCOS and does not interfere the running of SACCOS. Swissport SACCOS is an independent organisation.

22 GENDER PARITY

As at 31 December 2025, the Company had 984 (December 2024: 769) full time employees, out of which 289 (December 2024: 185) were female and 695 (December 2024: 584) were male.

23 INVESTMENTS

The Company has a clear investment policy, where all investment requirements are established by Heads of Sections, reviewed, priced, and included in the Company's budget. The planned investments are subsequently presented to Swissport International for review and approval. Board of Directors is involved during the approval of the budget.

During the implementation of the planned investment plan, investment requests are raised by the Chief Financial Officer (CFO) and approved by either the Chief Executive Officer (CEO) or Swissport International (SPI); the approval levels are determined by the approved limits set by SPI in the Group Directives. Accordingly, in 2025, the Company invested TShs 11,322 million on GSE, computer, warehouse equipment, Workshop facilities and construction of coldroom at KIA (2024 – TShs 5,640 million). Note 21(a) and (b) to the financial statements provide details of the investments.

24 RELATIONSHIP WITH STAKEHOLDERS

The Company has a good and strong relationship with its shareholders, customers, suppliers, bankers, lawyers, employees, tax authority, airports authority, and regulators. Our relationships with stakeholders are built upon mutual understanding and compliance with the agreed and stipulated terms.

25 ACCOUNTING POLICIES

Accounting policies applied are consistent, unless where new standards have been applied. New standards applied in 2025 did not result in a significant change in the financial performance but led to increased disclosures in the Company's financial statements. Future changes are not expected to bring any significant change in the financial performance or disclosures of the Company's financial statements.

26 RELATED PARTY TRANSACTIONS

Other than charges for the use of Cargospot, MAXIMO, D.A.T.E, GS Planning, FindNet, FSC, World tracer, Uniform tool, SPASS+, Infraport systems, IT support recharges, trademark fee, procurement fee and insurance recharges, the Company does not have other transactions with its holding Company. The Company pays directors' fees and sitting allowances to its directors and salaries and bonuses to its key management personnel.

26 RELATED PARTY TRANSACTIONS (CONTINUED)

The directors who served the Company during the year are disclosed on page 1. The key management personnel of the Company are:

Name		Title
1	Mr. Joshua Jonas	Interim Managing Director
2	Mr. Humphrey Samanya	Ag. Chief Financial Officer
3	Mr. Walter Goodluck	Cargo Business Lead
4	Ms. Flora Kishala	Commercial Manager
5	Mr. Fadhili Omary	Dar es Salaam Station Manager
6	Mr. Hans Nimrod	QHSE Manager
7	Mr. Deogratius Haule	Training Manager
8	Mr. Tito Athumani	Ag. Kilimanjaro Station Manager
9	Ms. Nyakato Mwesigwa	Human Resources Manager
10	Mr. Yona Joseph	Security Business Lead

Detailed financial information with related parties are provided in Note 28 to the financial statements.

27 PROCESS MANAGEMENT

The Company operates under quality and environmental management systems, both internationally certified. The quality management system adheres to ISO 9001:2015 standards, while the environmental management system complies with ISO 14001:2015 standards. These two standards enable the Company to sustain and enhance the quality of its services and ensure compliance with environmental laws and regulations. The certifications undergo annual audits, reviews, and updates to maintain compliance. Our systems were recertified in December 2023 and January 2024, and the renewed certificates for ISO 9001:2015 and 14001:2015 are valid until 31st December 2026 and 29th January 2027, respectively.

ISO certification requires that we have all our operational and finance processes documented.

28 IATA SAFETY AUDIT FOR GROUND OPERATIONS (ISAGO)

The Company is operating using Swissport International Ltd management system which is approved by ISAGO. This means our operations in organisation and management, load control, passenger and baggage handling, aircraft handling and loading, aircraft ground movement and cargo and mail handling are compliant with IATA safety requirements.

29 SWISSPORT FORMULA

Swissport Formula is a management tool kit, which was introduced by SPI throughout the Swissport Network. At the Dar es Salaam Office, this tool was rolled out in 2008 aiming at changing the Swissport culture from a local understanding of *"The Swissport way of doing things"* to a more global approach, reinforcing local strengths with the Swissport core values.

Since the introduction of the Swissport Formula, we have witnessed service improvements at all levels and this has enabled the top management to concentrate on important tasks of controlling, directing and not on daily operational issues that are now under first level management or middle managers to achieve quality targets in operations. The Swissport Formula consists of two key elements namely: KPI's and Active Supervision.

Key Performance Indicators (KPI's) are performance measurements that play a very important role in our daily operations, helping us to measure our own performance for the purpose of continuous improvement. Active Supervision is a structured management system that empowers middle managers, in a formal and structured way, to control the entire daily operation. This enables the delivery of consistent and robust operational performance, along with the management of operational anomalies, by a strong and well-trained middle management team.

In addition to this, we have implemented Cargo2000 for the management of cargo operations.

30 SAFETY

Delivering a safe and secure operation is the primary objective of the Company. The business operates a robust Safety Management System (SMS) alongside its Quality Management System (QMS). The implementation is governed by the corporate policy whose objectives are achieved through the implementation of the Safety and Health Management Manual.

The SMS is structured in the manner that ensures that everyone participates in ensuring safety within the Company, via a healthy reporting culture. Our aim is to consistently ensure compliance with regulatory, airports, airlines, and corporate safety requirements.

To ensure safety is promoted, safety campaigns are regularly carried out. Safety alerts and posters are issued to enhance staff awareness. Safety inspections and audits are done frequently, as a component of safety assurance. Incidents and safety observations (both good practise and deviations) are regularly captured and analysed to assess the effectiveness of SMS.

In line with our ongoing commitment to safety excellence, Swissport Tanzania continued the full implementation of the **'Six Safety Commitments'** and the **'7 Strategic Safety Initiatives'** introduced by Swissport International in 2023. These initiatives are now deeply embedded in our operational culture and have played a vital role in strengthening our safety performance throughout 2025 Our teams remained fully compliant with key safety behaviors, including the mandatory use of personal protective equipment (PPE), strict adherence to standard procedures, and performing only tasks for which they are properly trained. We continued to promote a proactive safety mindset—encouraging all employees to stop any unsafe activity, report incidents promptly, and never walk past unsafe situations without taking corrective action. We reaffirm that **safety always takes precedence over punctuality**, and this principle continues to guide our daily operations as we strive to maintain a safer, stronger working environment for all.

31 SECURITY

An internal security department was established in accordance with Security Annex 17 of the International Civil Aviation Organization (ICAO). Employees within the department are required to complete minimum training in aviation security. All employees receive initial, on-the-job, and recurrent training to ensure compliance to the requirements.

Regulatory authorities have licensed Swissport Tanzania Plc to conduct AVSEC activities by following the National Civil Aviation Security Programme (NCASP), the Civil Aviation Regulations (CARs 2018) as amended and the Airport Security Programme. TCAA approved Swissport Security Programme in February 2023, and it is up to date.

Swissport is RA3 validated for both Julius Nyerere International Airport and Kilimanjaro International Airport for both European Union countries and United Kingdom. With the validation status, any shipment accepted from our stations can now go straight without being screened at transit stations.

Swissport adheres to industry standards as stipulated by ICAO and TCAA. We have a structured framework within the business that supports compliance with ICAO and TCAA security requirements.

32 ENVIRONMENT

We promote environmental responsibility in our services and among our employees, and we encourage the development and application of environmentally conscious technologies across our business.

In our efforts to reduce the negative environmental impact of our operations, we focus on the efficient use of resources, effective planning, lean processes, and invest in eco-friendly equipment and infrastructure.

Environmental care is an integral part of our planning and decision-making processes. We are committed to continuously reducing the environmental impact of our operations - both in the management of our facilities and in the natural resources we rely on. One of our most prominent initiatives is our commitment to increasing the share of our fleet's electrically powered Ground Support Equipment (eGSE).

As part of our commitment, we are refining our environmental management system to ensure compliance with ISO 14001:2015 and expand it to cover all business areas. The new system will enable us to improve our internal and external reporting, and significantly increase our contribution to environmentally responsible operations at the airports we serve.

33 CORPORATE SOCIAL RESPONSIBILITY

We have a corporate social responsibility policy. Our policy is directed towards contributing to the country's economic development and environmental sustainability, while improving the welfare of our employees and their families, shareholders as well as of the community and society at large.

In addition to what we offer to our staff in terms of staff benefits and shareholders in terms of dividends, the Company has engaged in various training, safety, and environmental programs, which benefit society. The Company has been setting aside a budget of TShs 100 million for supporting various community development initiatives.

During 2025, the Company continued with the strategic collaboration with CCBRT hospital to aid in the treatment of children with congenital clubfoot, contributing a sum of TShs. 45 million towards this cause. The total expenditure for Corporate Social Responsibility (CSR) activities in 2025 amounted to TShs 111 million (2024 – TShs 178 million).

34 POLITICAL DONATIONS

The Company did not make any political donations during the year (2024: Nil).

35 STATION MANAGEMENT

The Company has two operating stations, namely Julius Nyerere International Airport (JNIA), Kilimanjaro International Airport (KIA). All stations have operational autonomy and have independent operational teams. Each is controlled from the Head Office (JNIA).

The two stations have full accounting functions and the Company's CFO is responsible for all accounting functions.

Swissport International launched our first Station Management Manual (SMM) in 2022. It sets out the global standards we need to follow in delivering services to our customers and their passengers who rely on us at airports around the world every day. Along with the SOPs these standards will ensure that we deliver excellence for our customers consistently wherever they are.

36 CORPORATE GOVERNANCE

The Board is committed to the principle of best practice in corporate governance. To execute the principle of corporate governance the Board observed four principles, namely: Non-executive Directors, Director's remuneration, Relations with shareholders, and Accountability and Audit.

i) Directors

The Board of Directors has five directors; four of them are non-executive directors hence not involved in the day to day running of the business. The four directors are considered by the Board to be independent of the management and free from any business or other relationship, which could materially interfere with the exercise of their independent judgment. The Board of Directors possesses a range of experience and is of a sufficiently high calibre to bring independent judgment to bear on issues of strategy, performance, resources, and standards of conduct that is vital to the success of the Company.

36 CORPORATE GOVERNANCE (CONTINUED)

i) Directors (Continued)

A clear separation is maintained between the responsibilities of the Chairman, who is concerned with the running of the Board, and executive management responsible for the running of the Company's business. The Board is responsible to shareholders for the proper management of the Company and is responsible for the Company's objectives and policies and providing effective leadership and control required for a public Company.

Two board meetings were held during year ended 31 December 2025 (2024 – two board meetings), which were attended by the Chief Executive Officer and Chief Financial Officer.
Mr. Dirk Goovaerts chaired the Board, and he was responsible for the assessment of the performance of board members.

ii) Directors' remuneration

Directors' remunerations are approved at the Annual General Meeting (AGM). These include director's fees and sitting allowances. The Board of Directors approves key management remunerations. It is the Company's policy to remunerate its directors, and key management personnel, in accordance with their responsibilities and the prevailing market conditions. Directors' and key management remuneration is highlighted in Note 28 to the financial statements.

iii) Relations with shareholders

The Board places considerable importance on effective communication with shareholders. All shareholders have access to the annual report and financial statements. Other important information about the Company can be accessed by shareholders through the **Company's investors portal https://swissport.co.tz/**. The Board uses the Annual General Meeting to communicate with institutional and private investors and welcomes their opinions.

iv) Accountability and Audit

The Board is mindful of its responsibility to present a balanced and clear assessment of the Company's financial position and prospects. This assessment is primarily provided in the Directors' Report. The internal control systems have been designed to manage, rather than eliminate, the risk of failure to achieve business objectives and provide reasonable assurance against material misstatement or loss. The control environment is strong with a robust organizational structure, risk identification and evaluation process, information and financial reporting systems, investment appraisal process, strong internal audit, and a robust fraud management system. Review of the effectiveness of the system of internal controls is delegated and carried out by the Board Audit Committee.

During the year the Board Audit Committee comprised of three directors: Mr. Raymond P Mbilinyi, Dr. Charles Stephen Kimei and Mr. Eric Muriithi, a director representing Swissport International. The committee met three times physically during the year 2025 (2024 – three times) where the Chief Executive Officer, the Chief Financial Officer represented the management team for Swissport Tanzania Plc.

36 CORPORATE GOVERNANCE (CONTINUED)

iv) Accountability and Audit (Continued)

Internal Auditors attended all the three meetings and representatives of the Company's external auditor attended two meetings (2024 – two meetings). The Audit Committee is chaired by Mr. Eric Muriithi. The Company Secretary attended all meetings conducted during the year.

The Audit Committee is responsible for reviewing the effectiveness of the Company's risk management, internal control systems and operations, which includes the half year and annual financial statements and the Company budgets before their submission to the Board and monitoring the controls which are in force to ensure the integrity of the financial information reported to the shareholders. The Board Audit Committee advises the Board on the appointment of the external auditor approves their remuneration and discusses the nature, scope, and results of the audit with the external auditor.

The Audit Committee is responsible for reviewing the effectiveness of the Company's risk management, internal control systems and operations, which includes the half year and annual financial statements and the Company budgets before their submission to the Board and monitoring the controls which are in force to ensure the integrity of the financial information reported to the shareholders. The Board Audit Committee advises the Board on the appointment of the external auditor approves their remuneration and discusses the nature, scope, and results of the audit with the external auditor.

v) Attendance of the Board and Audit Committee meetings

	Name	101st BOD meeting	102nd BOD meeting	59th BAC meeting	60th BAC meeting	62nd BAC meeting
1	Mr. Dirk Goovaerts	X	√	*	*	*
2	Mr. Raymond P Mbilinyi	√	√	√	√	√
3	Dr. Charles S Kimei	X	√	√	√	√
4	Mr. Eric Muriithi	√	√	√	√	√
5	Mr. Christian Zweifel	√	√	*	*	*

*not a member; √ attended the meeting; X absent with apology

37 RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The members charged with governance accept responsibility for preparing these financial statements which show a true and fair view of the Company to the date of approval of the audited financial statements, in accordance with the applicable standards, rules, regulations and legal provisions.

38 STATEMENT OF COMPLIANCE

Directors are of the opinion that the Company complied with all laws and regulations and guidelines affecting the Company and its related operations including the requirements of Tanzania Financial Reporting Standard No. 1 *the Report by Those Charged with Governance*.

As required by Capital Markets & Securities Authority, the directors do confirm compliance with Guidelines on Corporate Governance Practices by Public Listed Companies in Tanzania.

39 GOING CONCERN

The directors have made an assessment of the ability of the Company to continue as a going concern and have no reason to believe that the business will not be a going concern for at least twelve months from the date of approving these financial statements.

40 INDEPENDENT AUDITORS

Details

The information of the Company's auditor for the year covered by this report is:

Ernst & Young
Certified Public Accountants
EY House
Plot No. 162/1 – Mzinga way
14111 Oysterbay
P.O. Box 2475
Dar es Salaam, Tanzania

Firms' registration Number: 151
TIN number: 100-149-222

The engagement partner who was in charge of the audit of the Company during the year has PF Number: ACPA 3438.

Appointment for 2026

Ernst & Young ("EY") have expressed their willingness to continue in office and are eligible for re-appointment. A resolution proposing the re-appointment of EY as auditors of the Company for the financial year ending 31 December 2026 will be put to the Annual General Meeting.

SUSTAINABILITY-RELATED FINANCIAL INFORMATION

1. BASIS OF PREPARATION

(a) REPORTING ENTITY

The sustainability report has been prepared for the Company and should be read in conjunction with the Company's financial statements.

(b) STATEMENT OF COMPLIANCE

The Company's sustainability report has been prepared in accordance with the IFRS Sustainability Disclosure Standards as issued by the ISSB. The Company is committed to continuously improving its approach to financial materiality and full implementation of IFRS S1 and S2, as well as enhancing the related disclosures in the coming years.

(c) CONNECTIVITY

This report contains the sustainability-related financial information of the Company for the financial year ended 31 December 2025. It aligns with the reporting period of the Company's financial statements.

This report makes connections with other reports, including the financial statements, to present a cohesive view of how relevant sustainability-related risks and opportunities could impact the Company's financial position, performance and cash flows over the short, medium and long term. Where applicable, quantitative sustainability-related metrics are directly connected and cross-referenced to relevant financial statement line items, such as energy costs, provisions and capital expenditure on decarbonisation initiatives.

(d) FUNCTIONAL AND PRESENTATION CURRENCY

Sustainability-related financial information is presented in Tanzanian Shillings (TZS). All amounts have been rounded to the nearest million, unless otherwise stated.

(e) SOURCES OF GUIDANCE

In preparing its sustainability-related financial information, the Company has referred to, and considered, the applicability of disclosure topics and metrics in the Sustainability Accounting Standards Board (SASB) Standards. Specific information about which SASB Standards were considered by the Company is contained in the metrics and targets section of this report. In some cases, the Company has also prepared disclosures using other sources of guidance such as Global Reporting Initiatives (GRI) Universal Standards. The source of metrics used by the Company is detailed in the metrics and targets section of this report.

1. BASIS OF PREPARATION (CONTINUED)

(f) ASSUMPTION, JUDGEMENT AND ESTIMATES

JUDGEMENT

The preparation and presentation of the sustainability report involve applying judgement to determine what information is relevant, reliable and useful to disclose. This includes interpreting reporting requirements and making informed decisions in areas where the standards allow flexibility. The table below summarizes key judgements applied.

Topic	Description
Materiality	To identify relevant risks and opportunities and material information, the Company exercised judgement in assessing impacts and dependencies across the value chain that could reasonably influence the Company's strategy, business model or financial position and performance.
GHG emissions	The Company exercised judgement when selecting: - appropriate emission factors - emissions categories which have the most impact on the Company's prospects. For more detail on GHG emissions, see Note 5 (vii) in the report of the Directors included in page 59 - 60.
Scenario selection	The selection of climate-related scenarios required the application of judgement to reflect a range of plausible transition and physical risk pathways relevant to the Company's operating context. The scenarios were designed to capture key uncertainties that could reasonably be expected to affect the Company's strategy, business model, risk profile and financial performance over the short, medium and long term.

MEASUREMENT UNCERTAINTY

Measurement uncertainty in the sustainability report arises from data gaps, reliance on proxy information, external factors and forward-looking information. The table below summarises the main sources of measurement uncertainty affecting the amounts disclosed in the sustainability report.

1. BASIS OF PREPARATION (CONTINUED)

(f) ASSUMPTION, JUDGEMENT AND ESTIMATES (CONTINUED)

MEASUREMENT UNCERTAINTY (CONTINUED)

Topic	Description
GHG emissions	GHG emissions quantification is unavoidably subject to significant inherent limitations, because of incomplete scientific knowledge and inherent limitations in the nature of, and methods used for, determining emissions factors and data. The selection by management of different but acceptable emission factors or measurement techniques could have resulted in materially different GHG emissions reported.
Resilience assessment	Forward-looking assessments of transition and physical climate-related risks are inherently subject to a high degree of uncertainty, given reliance on assumptions about future policy actions, regulatory developments, market responses and the pace of technological change. The Company's resilience assessment is therefore primarily qualitative at this stage and is sensitive to changes in these underlying assumptions. As the Company continues to enhance its data availability, modelling capabilities and climate risk governance processes, it expects to strengthen the robustness and decision-usefulness of its resilience assessments in future reporting periods.

1. BASIS OF PREPARATION (CONTINUED)

(g) TRANSITION RELIEFS

In preparing this report, the Company has applied the following transition reliefs for the first annual reporting period:

(i) not to disclose comparative information on Sustainability related risks and opportunities
(ii) not to disclose Scope 3 emissions

2. GOVERNANCE

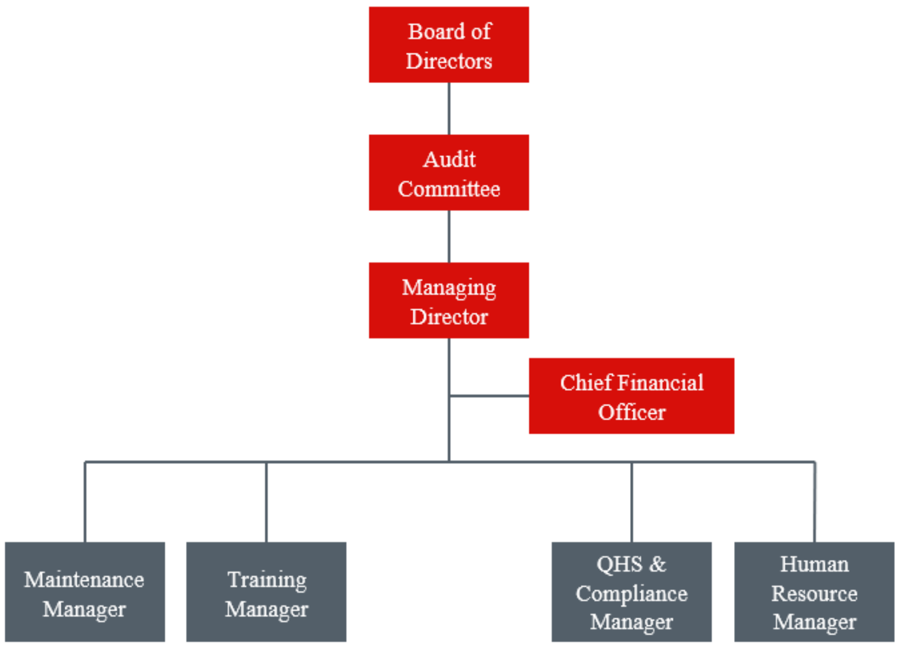
SUSTAINABILITY GOVERNANCE

The Company's governance processes play a critical role in supporting a sustainability approach that is well-defined, integrated and applied across operations. The Company's governance and risk management systems enable it to monitor and challenge strategies and plans, while providing oversight on how the Company reports sustainability-related information.

The Company has a robust corporate and sustainability governance structure to support transparency, stakeholder dialogue, and a strong control and decision-making process. It is designed to ensure that sustainability-related risks and opportunities have appropriate oversight and integrated into decision-making, risk management, and longer-term strategic planning. Roles and responsibilities relating to sustainability, environment matters and planning for the different time horizons are defined through formal mandates and terms of reference of the relevant governance bodies.

2. GOVERNANCE (CONTINUED)

SUSTAINABILITY GOVERNANCE (CONTINUED)



The Company intends to formalize this sustainability governance framework at the upcoming Q4 Board Audit Committee meeting to support the effective implementation of its sustainability strategy and enhance the consistency and quality of disclosures in the coming years, while maintaining alignment with broader oversight and performance objectives.

<u>Board Oversight of Sustainability-related Risks and Opportunities</u>

Board of directors

The Board of Directors ultimately oversees sustainability-related matters and ensures that these are appropriately considered in the Company’s strategy, business model, long-term planning and financial performance. and approves the sustainability strategy and delegates preparatory work to its board committees.

2. GOVERNANCE (CONTINUED)

SUSTAINABILITY GOVERNANCE (CONTINUED)

<u>**Board Oversight of Sustainability-related Risks and Opportunities (Continued)**</u>

Board of directors (Continued)

The Board oversees the Company's sustainability-related risks, that were assessed by the executive leadership and confirms that appropriate systems and processes are in place to manage these risks, including those related to our people, our planet, and our policy, as per recommendation of the Audit Committee.

In fulfilling its responsibilities, the Board considers sustainability-related risks and opportunities as part of its oversight of the Company's strategy, major transactions (including trade-offs) such as green fleet orders for Ground Support Equipment (GSE) and risk management processes. This includes reviewing how matters through central pillars our people (social), our planet (environmental) and our policy (governance) considerations are incorporated into strategic planning, investment decisions and the design of risk management policies. Sustainability-related risks and opportunities are discussed at Board level on a quarterly basis.

During the year in Q1, Q2, and Q3 Board meetings, the Board reviewed sustainability-related matters focused on strengthening safety culture, enhancing staff training and awareness, improving operational oversight and compliance, ensuring safe equipment use and controlled access, and maintaining high standards in operational efficiency and service quality, with reports highlighting zero aircraft damage, zero lost time injuries, improved quality performance in ground and cargo handling, and 100% staff completion of business and safety-critical training at Dar and Kilimanjaro stations.

Audit Committee

The Audit committee supports the board in fulfilling its responsibility of overseeing sustainability-related matters, having a distinct role and mandate. The committee helps prepare the board for decision-making on sustainability-related matters, although the committee plays an important role, the board retains overall responsibility for their activities. The Audit committee is

2. GOVERNANCE (CONTINUED)

SUSTAINABILITY GOVERNANCE (CONTINUED)

Board Oversight of Sustainability-related Risks and Opportunities (Continued)

Audit Committee (Continued)

responsible for assessing the effectiveness, objectivity and independence of the Company's statutory auditor and assurance provider. This responsibility is discharged by the Committee throughout the year at formal committee meetings and through discussions with key management.

The committee oversees the accuracy of sustainability-related financial information in the annual report, including internal controls over data used in financial reporting. It reviews the risk assessment and internal audit plan and receives regular updates on its execution, findings and management responses. The Committee also receives reports from other Board committees on the financial statement implications of Sustainability-related risks and opportunities, including their impact on forecasts and budgets, supporting consistent and informed financial planning and reporting.

The committee reviews and recommends sustainability-related metrics and targets developed by Swissport Group then localized for Tanzania operations to the board for approval. Once approved, targets are reviewed and monitored by the Audit committee on a quarterly basis against reports produced by the management team.

Looking ahead to 2026, the Company is focused on maintaining the integrity of sustainability foundation and ensuring sustainability related considerations are effectively integrated into the Board's oversight and risk management framework. Looking ahead, the Company plans to expand these processes to fully embed all relevant sustainability-related topics into governance, decision-making and risk management process.

Skills, Competence and Training

The Board maintains a strong focus on the skills, competencies and experience required to support effective oversight, particularly in relation to the Company's sustainability strategy.

2. GOVERNANCE (CONTINUED)

SUSTAINABILITY GOVERNANCE (CONTINUED)

Board Oversight of Sustainability-related Risks and Opportunities (Continued)

Skills, Competence and Training (Continued)

The Company is committed to ensuring that the Board retains the skills necessary to oversee the Company's sustainability-related risks and opportunities through the iLEAD leadership program. During the reporting period, targeted training was delivered to senior management, covering ESG foundation, sustainability reporting landscape and the disclosure requirements of IFRS S1 and IFRS S2, with emphasis on sustainability-related expertise. In addition, sustainability refresher sessions are held semi-annually to help the board members and overall sustainability governance members remain informed on emerging developments.

Board Member	Gender	Audit & Accounting	Climate / Sustainability	Human Rights	Digital & IT	Enterprise Risk Management	Society / Geopolitics	Management / Strategy
Dirk Goovaerts	M	●	●	●	●	●	●	●
Eric Muriithi	M	●	●	●	●	●	●	●
Dr. Charles Kimei	M	●	●	●	●	●	●	●
Raymond Mbilinyi	M	●	●	●	●	●	●	●
Christian Zweifel	M	●	●	●	●	●	●	●

Remuneration linked to sustainability performance metrics

During the year, sustainability and climate-related performance indicators are not directly linked to executive remuneration or incentive structures. The Company continues to monitor developments in market practice and regulatory expectations.

2. GOVERNANCE (CONTINUED)

SUSTAINABILITY GOVERNANCE (CONTINUED)

Management role in assessing and managing sustainability-Related Risks and Opportunities

Executive Management

Executive Management including Managing Director and Chief Financial Controller oversee sustainability strategy, risk management framework, effective internal controls and reporting of sustainability-related financial information. Management liaises with working teams at least quarterly to understand sustainability-related matters that may impact the Company and its stakeholders and prepares these matters for submission to the Audit Committee for discussion. Executive responsibility and accountability for sustainability-related matters reside with the Managing Director and Chief Financial Officer.

Working Team

Working team comprising of training manager, Human Resource manager, Maintenance manager and QHS & Compliance manager, who work closely with executive management to prepare quarterly reports for the Audit Committee. These are circulated digitally and discussed during the quarterly Audit Committee meetings. They cover developments in Sustainability-related risks and opportunities, reporting updates, progress and other relevant sustainability topics with a goal of achieving rising environmental demands, mitigate emerging risks and deliver sustainable services while respecting the planet.

3. STRATEGY

Overview

The Company integrates sustainability into its business strategy by incorporating environmental, social, and governance (ESG) priorities to support sustainable growth, enhance operational efficiency, manage risks, and deliver measurable outcomes. As sustainability and climate-related considerations continue to evolve, the Company recognizes the importance of proactively identifying, assessing, and responding to risks and opportunities that may affect its operations, financial performance, and long-term strategic direction.

As a provider of aviation ground handling services in Tanzania, the Company is exposed to sustainability and climate-related risks such as evolving environmental regulations, energy transition pressures, and stakeholder expectations for lower-emission operations. In response, the Company remains committed to managing these risks while actively pursuing opportunities to reduce its environmental footprint.

(a) Identifying relevant sustainability-related risks and opportunities and material information

The Company conducts materiality assessments to identify sustainability-related risks and opportunities that could reasonably impact the strategy, business model and prospects. In 2025, the Company conducted an initial assessment to align with the requirements of the IFRS Sustainability Disclosure Standards and to support evaluation of relevant sustainability-related matters.

3. STRATEGY (CONTINUED)

Overview (Continued)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

The following is a summary of the materiality assessment process.

Materiality process	
Identifying relevant risks and opportunities	**Identifying material information**
(i) Map impacts and dependencies across the value chain by engaging with key internal and external stakeholder and analysing the activities by region. (ii) Identify potentially relevant risks and opportunities by assessing whether they could impact the business model or strategy (considering the Air freight and logistics SASB Standard). (iii) Determine the risks and opportunities that have the potential to affect cash flows, financing access or the cost of capital across short, medium and long-term time horizons. The assessment considered a range of qualitative and quantitative factors - including the magnitude and likelihood of impacts from both management and user perspectives.	(iv) Identify potentially material information about the risks and opportunities by applying IFRS S1 & S2 and referring to the Air freight and logistics SASB Standard. For more detail, see source of guidance used under Note 1 (e) of the sustainability-related financial information in page 24. (v) Determine material information by assessing whether the information identified could influence users' investing or financing decisions. (vi) Consolidate relevant risks and opportunities into a detailed table for validation and approval by the Board of directors. Material information on the relevant risks and opportunities is included in the Sustainability-related financial information.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

The table below summarizes the relevant sustainability-related risks and opportunities that could affect the Company over the short, medium and long term:

S/N	Topic	Risk/opportunity	Time horizon	Areas of focus and impact
1.	Social	Diversity and inclusion	1 2 3	▪ Recruitment and hiring processes ▪ Promotion and career development ▪ Working conditions in operational areas ▪ Employee relations and workplace culture
2.	Social and governance	Workforce health and safety	1 2 3	▪ Ramp handling operations ▪ Cargo and warehouse facilities ▪ Ground support equipment operations
3.	Social	Workforce capacity and talent retention	1 2 3	▪ Ramp handling operations ▪ Cargo and warehouse operations ▪ Load control and technical services ▪ Supervisory and safety-critical roles
4.	Governance	Data Security	1 2 3	▪ Passenger and airline operational data ▪ Employee and payroll records ▪ Customer contracts and billing systems ▪ IT systems and communication networks
5.	Governance	Regulatory compliance and ethical governance	2 3	▪ Airport ground handling operations ▪ Cargo and warehouse operations ▪ Employment and labour practices ▪ Tax and financial reporting ▪ Procurement and supplier management
6.	Environment	Promote decarbonization through electrification of ground support equipment	1 2 3	▪ Ramp handling operations ▪ Cargo and warehouse handling ▪ Ground support equipment fleet management ▪ Maintenance and technical services

Time Horizons: 1 Short-term: 0 – 1 years 2 Medium term: 2 – 3 years 3 Long-term: 4 – 5 years

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

i.) Diversity and inclusion risk

Risk description

Diversity and inclusion risk relates to the possibility that Swissport Tanzania Plc may not maintain a diverse, equitable, and inclusive workforce, which could affect employee engagement, productivity, and the Company's ability to attract and retain qualified personnel.

Failure to promote fair employment practices and equal opportunities could reasonably be expected to affect the Company's cash flows, access to finance, and cost of capital over the short, medium, and long term through higher staff turnover, reduced operational efficiency, reputational damage, and increased scrutiny from customers, regulators, and investors who expect compliance with international labour and human rights standards.

Current financial effects

During the reporting period, the Company incurred employee-related costs associated with recruitment, training, and human resource management estimated at TZS 143 million, which are included in operating expenses under Note 14 in the financial statement on page 105.

No incidents related to discrimination, labour disputes, or non-compliance with employment regulations occurred that affected cash flows, financial performance, or financial position.

Anticipated financial effects

The Company expects continued expenditure on training, recruitment, and employee engagement initiatives over the short, medium and long term. Consequently, management has not identified any significant risk that diversity and inclusion matters will result in a material adjustment to the carrying amounts of assets or liabilities in the next reporting period.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

i.) Diversity and inclusion risk (Continued)

Strategy

Swissport Tanzania Plc manages diversity and inclusion risk through:

- Equal opportunity employment practices
- Compliance with labour laws and human rights standards
- Fair recruitment and promotion procedures
- Employee training and awareness programs
- Grievance and reporting mechanisms
- Alignment with Swissport Group human resource policies

These considerations are incorporated into workforce planning, recruitment, and management decisions.

Resilience

The Company considers its business model to be reasonably resilient to diversity and inclusion risk due to established human resource policies and compliance with employment regulations. Employee-related costs remain manageable, and no significant workforce disputes have historically affected operations. Based on current assessments, the Company expects its strategy and business model to remain resilient over the short, medium, and long term, provided continued focus on fair and inclusive employment practices is maintained.

ii.) Workforce health and safety risk

Risk description

Workforce health and safety risk arises from the nature of Swissport Tanzania Plc's ground handling, cargo, and ramp operations, which involve manual handling, aircraft movement areas, and use of heavy equipment. If not properly managed, health and safety incidents could reasonably be expected to affect the Company's cash flows, access to finance, and cost of capital over the short, medium, and long term through increased compensation costs, operational disruptions, regulatory penalties, higher insurance premiums, reputational damage, and potential loss of customer contracts.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

ii.) Workforce health and safety risk (Continued)

Current financial effects

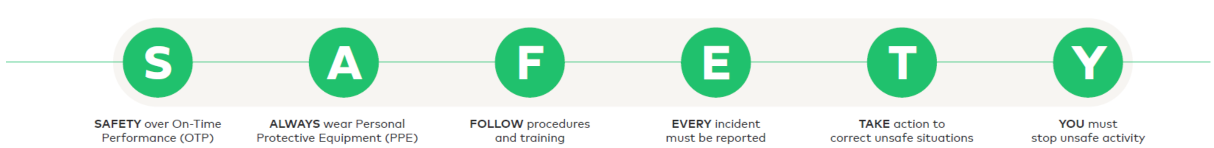
During the reporting period, the Company incurred operating costs related to safety training, protective equipment, insurance, and compliance estimated at TZS 1,472 million, which are included in operating expenses under Note 14 in the financial statement on page 105. No incidents of work-related injuries and ill health occurred that affected cash flows, financial performance, or financial position.

Anticipated financial effects

The Company expects continued expenditure on training, safety equipment, and compliance over the short, medium and long-term. Consequently, management has not identified any significant risk that workforce health and safety matters will result in a material adjustment to the carrying amounts of assets or liabilities in the next reporting period.

Strategy

Swissport's safety philosophy is built on Six Safety Commitments. These commitments form the foundation of the way we expect every Swissport team member to think and act every day.



People and their safety are at the heart of our sustainability strategy. We ensure a safe and inclusive work environment for all our employees, protecting them from harm and allowing them to reach their full potential, which prioritize:

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

iii.) Workforce health and safety risk (Continued)

Strategy (Continued)

- **Proactive hazard management:** We analyse safety performance to develop strategies aligned with our safety vision. In 2025, approximately 600,000 safety inspections were conducted across our locations. Colleagues are encouraged to report incidents or near misses, and positive safety performance is recognized and rewarded. Best practices are shared through health and safety surveys, and all locations conduct risk assessments.

- **Quality assurance and control:** Independent audit teams oversee safety, security, and environmental compliance. In 2025, DAR and JRO were audited, with audits tailored to station's performance, size, and risk level. Results are analysed during monthly Safety Action Group meetings, driving continuous, data-driven improvements.

- **Incident management:** Swissport is committed to thoroughly investigating all significant safety incidents. All incidents are reported through our Swissport Safety Management Tool. The Global QHSE Team oversees and supports the investigation of incidents in accordance with strict protocols, including root cause analysis, corrective and preventive action plans, review calls, and the sharing of lessons learned across our network. We apply a Just Culture philosophy to ensure we maximize reporting and learn from every event.

- **Safety communication:** We ensure effective communication to sustain strong safety performance. Managers are engaged through internal meetings, and colleagues are kept informed via multiple channels, including OneApp, internal websites, and mobile devices. Monthly safety topics and weekly safety tips emphasize our Six Safety Commitments, supported by operational safety ambassadors.

Health and safety considerations are integrated into operational planning, capital expenditure, and contract management decisions.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

ii.) Workforce health and safety risk (Continued)

Resilience

The Company considers its business model to be resilient to workforce health and safety risk due to established safety management systems and ongoing monitoring. Safety-related costs remain manageable, insurance coverage limits financial exposure, and compliance with airline and regulatory requirements supports continued operations. Based on current assessments, the Company expects its strategy and business model to remain resilient over the short, medium, and long term.

iii.) Workforce capacity and talent retention risk

Risk description

Workforce capacity and talent retention risk relates to the Company's ability to attract, develop, and retain qualified employees required to support Swissport Tanzania Plc's ground handling, cargo, and airport service operations. Failure to maintain adequate staffing levels or retain skilled personnel could reasonably be expected to affect the Company's cash flows, access to finance, and cost of capital over the short, medium, and long term through operational inefficiencies, increased recruitment and training costs, reduced service quality, contract performance risks, and potential loss of customers.

Current financial effects

During the reporting period, the Company incurred normal employee-related costs, including recruitment, training, and staff benefits estimated at TZS 17,474 million, which are included in staff costs under Note 13 in the financial statement on page 104. No significant staff shortages occurred that affected cash flows, financial performance, or financial position.

Anticipated financial effects

The Company expects continued expenditure on recruitment, training, and employee benefits to maintain required staffing levels over the short, medium and long-term.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

iii.) Workforce capacity and talent retention risk (Continued)

Strategy

Swissport Tanzania Plc manages workforce capacity and retention risk through the 6 Red Rules. Introduced in 2023, the “Red Rules” are the result of extensive engagement with employees. To understand the needs, characteristics, and wishes of our workforce. The insights gathered heavily influenced the definition of the Red Rules, employee value proposition, and the formulation of our three core values: “Show You Care”, “Do the Right Things”, and “Win as a Team”. These measures are considered in operational planning, budgeting, and long-term business strategy.

Our 6 Red Rules

1
Pay a fair wage
We ensure our wages align with local market standards and comply with legal minimums.

2
Allow your team to plan their lives
We commit to increasing the stability of shift plans by transitioning to a 28-day rostering system, enabling our shift workers to better plan their lives.

3
Create a safe space to recharge
We provide clean break rooms with ample space for relaxation during breaks.

4
Give colleagues reasons to be proud of their job
We provide our employees with uniforms to instill a sense of pride in their work.

5
Ensure competence and confidence
We offer extensive training to equip our employees with the necessary skills to excel in their roles.

6
Share the workload
We maintain a manageable average workload for our staff, even during peak travel seasons.

Resilience

The Company considers its business model to be reasonably resilient to workforce capacity and retention risk due to ongoing workforce planning and alignment with Swissport Group human resource policies. Employee-related costs remain manageable, and the Company continues to maintain adequate staffing levels to support operations. Based on current assessments, the Company expects its strategy and business model to remain resilient over the short, medium, and long term, provided continued focus on employee retention and skills development is maintained.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

iv.) Data security risk

Risk description

Data privacy risk relates to the potential for unauthorized access, loss, or misuse of personal, employee, customer, or operational data processed by Swissport Tanzania Plc in the course of its ground handling, cargo, and administrative operations. Failure to adequately protect data could reasonably be expected to affect the Company's cash flows, access to finance, and cost of capital over the short, medium, and long term through regulatory penalties, legal claims, operational disruptions, reputational damage, and loss of customer confidence, particularly from international airline clients with strict data protection requirements.

Current financial effects

During the reporting period, the Company incurred operating costs related to IT systems, data protection controls, and compliance estimated at TZS 1,910 million, which are included in operating expenses under Note 14 in the financial statement on page 105. No incident of data breach or regulatory penalties occurred that affected cash flows, financial performance, or financial position.

Anticipated financial effects

Ongoing investment in IT security, system controls, and compliance processes is expected over the short medium and long- term.

Strategy

Swissport Tanzania Plc manages data privacy risk through:

- Implementation of Group IT security policies and controls
- Restricted access to sensitive systems and data
- Regular system monitoring and updates
- Employee awareness and data protection training
- Compliance with applicable data protection laws and airline requirements
- Backup and recovery procedures for critical systems

Data protection considerations are included in IT investment decisions, operational procedures, and contract requirements.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

iv.) Data security risk (Continued)

Resilience

The Company considers its business model to be reasonably resilient to data privacy risk due to established IT controls, Group-level security standards, and ongoing monitoring of systems. Costs related to data protection remain manageable, and no significant breaches have historically affected operations. Based on current assessments, the Company expects its strategy and business model to remain resilient over the short, medium, and long term, provided continued investment in IT security and compliance is maintained.

v.) Regulatory compliance and ethical governance risk

Risk description

Regulatory compliance and ethical governance risk relates to the possibility that the Company may fail to comply with applicable laws, aviation regulations, labour laws, tax requirements, and ethical business standards governing its operations.

Non-compliance could reasonably be expected to affect the Company's cash flows, access to finance, and cost of capital over the short, medium, and long term through penalties, legal claims, suspension of operating licenses, contract termination by airline customers, reputational damage, and increased scrutiny from regulators, lenders, and business partners.

Current financial effects

During the reporting period, the Company incurred normal compliance-related costs, including audit, legal, regulatory, and governance expenses estimated at TZS 834 million, which are included in operating expenses under Note 14 in the financial statement on page 105. No penalties, legal actions, or regulatory sanctions occurred that affected cash flows, financial performance, or financial position.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

vi.) Regulatory compliance and ethical governance risk

Anticipated financial effects

Looking ahead, potential financial effects may arise over the short, medium, and long term, as outlined below:

Time horizon	Anticipated effects
Short term (0 - 1 years)	The Company expects continued costs related to regulatory compliance, audits, training, and governance processes, with no material impact on cash flows over the short and long term.
Medium & long term (2 - 5 years)	Changes in aviation, tax, labour, or environmental regulations may result in additional compliance costs, system changes, or operational adjustments, which could moderately increase operating expenses.

Strategy

Swissport Tanzania Plc manages this risk through:

- Compliance with aviation, tax, labour, and corporate regulations
- Implementation of Swissport Group policies and code of conduct
- Internal and external audits
- Legal and regulatory monitoring
- Employee training on ethics and compliance
- Approval controls and segregation of duties
- Whistleblowing and reporting procedures

Compliance and governance considerations are integrated into operational decisions, financial reporting, and strategic planning.

Resilience

The Company considers its business model to be reasonably resilient to regulatory compliance and ethical governance risk due to established internal controls, governance structures, and alignment with Swissport Group policies. Compliance costs remain manageable, and no significant regulatory breaches have historically affected operations. Based on current assessments, the Company expects its strategy and business model to remain resilient over the short, medium, and long term, provided continued adherence to regulatory and ethical standards is maintained.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

vii.) Promote decarbonization through electrification of ground support equipment opportunity

Opportunity description

The opportunity relates to the gradual electrification of Ground Support Equipment (GSE) used in the Company's ramp, cargo, and ground handling operations to reduce fuel consumption, lower emissions, and improve operational efficiency. In line with Swissport's commitment to green energy, the transition to electric equipment is expected to positively impact cash flows over the short, medium, and long term through reduced fuel and maintenance costs, improved compliance with environmental requirements, enhanced reputation with airline customers, and better access to sustainability-linked financing.

Electrification of the GSE fleet will also reduce carbon emissions, air pollutants, and noise levels, while improving working conditions by lowering vibration exposure and mechanical complexity. In addition, electric GSE provides a foundation for future technologies such as assisted and autonomous driving, supporting more efficient and sustainable operations.

Current financial effects

During the reporting period, the Company incurred capital and maintenance costs related to ground support equipment, estimated at TZS 3,319 million, included in operating and capital expenditure under Note 15 in the financial statement on page 105. No significant cost savings or additional financing related to electrification were recognized during the period.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

vii.) Promote decarbonization through electrification of ground support equipment opportunity (Continued)

Anticipated financial effects

Looking ahead, potential financial effects may arise over the short, medium, and long term, as outlined below:

Time horizon	Anticipated effects
Short term (0 - 1 years)	Initial investment in electric ground support equipment and related infrastructure may increase capital expenditure, with limited immediate impact on operating cash flows.
Medium term (2 - 3 years)	Electrification is expected to reduce fuel consumption and maintenance costs, which may improve operating margins and cash flows.
Long term (4 - 5 years)	Wider adoption of electric equipment may improve operational efficiency, reduce exposure to fuel price volatility, support compliance with environmental requirements, enhance attractiveness to international airline customers, and potentially lower the Company's cost of capital through improved sustainability performance.

Strategy

Swissport Tanzania Plc considers decarbonization as part of its operational and sustainability strategy through:

- Gradual replacement of fuel-powered equipment with electric alternatives where feasible
- Monitoring fuel consumption and emissions
- Alignment with Swissport Group environmental objectives
- Evaluation of cost-benefit before capital investment
- Compliance with airport and customer environmental requirements

Electrification is considered in capital expenditure planning and long-term operational decisions.

Resilience

Climate-related scenario analysis

The Company assessed its climate-related resilience using scenario analysis in Q4 2025, covering ground and cargo handling operations supported by ground support equipments over the short, medium and long-term.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

vii.) Promote decarbonization through electrification of ground support equipment opportunity (Continued)

Resilience (Continued)

Climate-related scenario analysis (Continued)

The Company selected Intergovernmental Panel on Climate Change (IPCC) scenarios which align with Paris Agreement's long-term goal to limit global warming to 1.5°C above pre-industrial levels. The analysis considers climate-related transition risk across three scenarios summarized in the table below:

Scenario:	Very low emissions scenario	Low emissions scenario	Intermediate emissions scenario
Temperature pathway	SSP1-1.9 (Warming limited to 1.5°C)	SSP1-2.6 (Warming limited to 2°C)	SSP2-4.5 (Warming limited to 3°C)
Key assumptions	▪ **Rapid renewable electricity being pursued across transport and operations.** Costs of electrified vehicles are decreasing, and their adoption is accelerating, but they require continued investments in supporting infrastructure to increase scale of deployment	▪ **Gradual adoption of low carbon technologies such as battery production and electrification.** Advances in battery technologies could facilitate the electrification of heavy-duty trucks.	▪ **Weaker regulation where technological change and mitigation policies occur at slow pace** Continued investments in unabated high-emitting infrastructure, limited development and deployment of low-emitting alternatives prior to 2030 would act as barriers to this renewable energy acceleration and future stranded asset.
Relevance	Electrification of GSE becomes standard practice, with strong financial and regulatory drivers.	Advances in battery technologies could support the electrification of ground support equipment (GSE), complement broader low-emissions operations and enable cleaner airport logistics	Electrification of Ground Support Equipment is technically feasible under this scenario but progresses gradually, driven primarily by economic incentives and operational efficiency, rather than strong policy or rapid decarbonization.

3. STRATEGY (CONTINUED)

(a) Identifying relevant sustainability-related risks and opportunities and material information (Continued)

vii.) Promote decarbonization through electrification of ground support equipment opportunity (Continued)

Resilience (Continued)

Climate-related scenario analysis (Continued)

Scenario:	Very low emissions scenario	Low emissions scenario	Intermediate emissions scenario
Time horizon	Short to long	medium to long	Medium to long
Potential impacts	▪ Expanding electric GSE can significantly reduce fuel costs and maintenance expenses, improving operating efficiency. However, the rapid transition may require higher upfront capital investment to replace existing share of fuel-powered equipment in the Company's fleet.	▪ The company can achieve measurable operational cost savings and lower exposure to fossil fuel price volatility, while continuing to operate some fuel-powered units during the transition. Moderate capital investment is required, with benefits increasing as the electric fleet grows.	▪ Electrification progress depends largely on the Company's economic incentives and operational priorities. Transition costs may be less urgent but realizing meaningful emissions reductions will require strategic investment planning.
Mitigative measures	▪ Gradual and/ prioritize procurement of electric GSE and phase out fuel-powered units in stations with reliable low-carbon electricity.		

Assessment of resilience

There remains uncertainty around regulation on high carbon-emitting infrastructures or climate policies will manifest at regional level. However, the Company has investment plan in critical infrastructure such as acquisition of electric Ground Support Equipment (eGSE) which will improve operational efficiency by reducing share of fuel powered GSE, lowering maintenance cost and emissions reduction. These measures collectively strengthen the resilience of the business model by improving energy efficiency, reducing environmental impact, and ensuring adaptability to evolving technological, economic, and policy conditions.

4. RISK MANAGEMENT

Integrated approach

Swissport Tanzania Plc operates within a Group-wide Enterprise Risk Management Framework (ERMF). The Enterprise Risk Management (ERM) framework identifies, categorizes, and assesses risks using qualitative and quantitative methods. The Company reviews risks, evaluates controls, and determines responses aligned with risk categories and appetite, ranging from "cautious" to "tolerant." This ensures strategic goals remain achievable without compromising operations.

As part of our commitment, the management of sustainability-related risks will be fully embedded in the Enterprise Risk Management Framework (ERMF) and will considers climate physical risk and climate transition risk as part of the Company's operational risks to ensure alignment between sustainability-related and other enterprise risks.

Potential sustainability-related opportunities are identified by leveraging the same framework applied to sustainability-related risks, reflecting the close interconnection between the two. Additionally, potential opportunities are identified by monitoring the market and supply chain and then assessed for viability and commercial potential by senior management, with consideration given to any new risks they may introduce.

The approach to identifying, assessing, prioritising, managing, monitoring and communicating Sustainability-related risks and opportunities is consistent with the enterprise risk management process

Relevant risks and opportunities are considered as part of the Company's broader strategy and financial planning processes and inform budgeting, capital planning and the prioritisation of operational resilience measures.

4. RISK MANAGEMENT (CONTINUED)

Integrated approach (Continued)

The Company defines time horizons over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur, in alignment with the Group, and as follows:

Time horizon	Definition	Link to Company's planning horizons for strategic decision-making
Short term	0 - 1 year	Aligned to annual budgeting and operational plans approved by the Company.
Medium term	2 - 3 years	Aligned to the Company's 1 – 3 year strategic plan, capital planning, and market refurbishment & expansion decisions.
Long term	4 - 5 years	Aligned to long-term growth strategy in major ground handling infrastructure such as acquisition of Ground Support Equipment (GSE) and other investment initiatives.

Integration with strategy and investment planning

Sustainability-related risks are considered as part of the Company's broader strategic and financial planning processes. Outputs from the ERM and sustainability and climate risk assessments inform budgeting, capital planning, and the prioritisation of operational resilience measures. Climate-related considerations may also inform decisions related to asset resilience, insurance coverage, and the evaluation of potential investments having a strong commitment to investing in green technologies, underscores our dedication to promoting sustainability, ensuring that Airlines operates within the highest standards of environmental responsibility while enhancing its reputation as a leader in sustainable aviation.

The Company periodically reviews and updates its approach to sustainability and climate risk assessment to reflect evolving scientific, regulatory, and market developments.

4. RISK MANAGEMENT (CONTINUED)

Integration with strategy and investment planning (Continued)

(a) Processes for identifying, assessing and monitoring sustainability-related risks and opportunities

The Company applies a structured sustainability and climate risk assessment process developed at Group level and adapted to local circumstances to identify sustainability-related risks and opportunities (SRROs) that could be reasonably expected to affect the Company's prospects, including potential impacts on cash flow, access to finance, cost of capital and asset values. The assessment draws on relevant industry frameworks and standards, including disclosure topics in the Sustainability Accounting Standards Board (SASB) standards and other internationally recognised sources.

Potential SRROs are identified through a combination of stakeholder engagement, scan of regulatory horizon, check-ins between stations & airport authorities, internal audits and supplier due diligence. As part of this process, the Company assesses exposure to a broad range of physical climate hazards through a screening process, alongside transition drivers such as policy and regulatory developments, technology changes, market dynamics, and reputational considerations.

Identified sustainability-related risks and opportunities are assessed based on their potential impact and likelihood across defined time horizons to determine materiality and prioritisation. The Company conducts a cost-benefit analysis to assess potentially relevant sustainability-related opportunities. As part of this assessment, the Company identifies and assesses material information for each SRROs that could reasonably be expected to influence investor's decision-making.

Potential Impact

The Company assesses sustainability-related risks using a defined impact scale (insignificant, minor, moderate, major or catastrophic) based on a combination of quantitative factors (e.g. failure to deliver strategic objective, impact on revenue) and qualitative factors (e.g. reputational damage, withdrawal of operation license) across short, medium and long-term time horizons.

4. RISK MANAGEMENT (CONTINUED)

Integration with strategy and investment planning (Continued)

(b) Processes for identifying, assessing and monitoring sustainability-related risks and opportunities

Likelihood of occurrence

The Company evaluates likelihood of each identified risk using historical data, scenario analysis and external specialist input where relevant. Likelihood is rated on a defined scale ranging from rare to certain.

Nature

The Company assesses the nature of each risk by identifying the relevant topic (e.g. quality health & safety, security, Human resource, ground handling) and evaluating how (e.g. operational disruptions, asset failure) and where it might impact the business (e.g. certain parts of the value chain, particular station/ operation), considering whether it is acute or chronic and whether it arises from internal activities or external dependencies.

(b) Integrating Sustainability-related risk processes into overall risk management

The Company has fully integrated sustainability-related risks and opportunities into its enterprise risk management framework, embedding them within the risk management processes.

5. METRICS AND TARGET

The Company reports on metrics and targets that reflect its performance in relation to the identified sustainability-related risks and opportunities, as well as relevant cross-industry metrics. The Company is yet to set and adopt achievable targets, reflecting its commitment to driving measurable progress and delivering positive outcomes. The Company will use 2025 as a base year from which progress of reported metrics will be measured with exception of Scope 3 emissions which the Company applied transition relief.

5. METRICS AND TARGET (CONTINUED)

Industry-based guidance

To identify all relevant Sustainability-related risks and opportunities, along with the relevant disclosure requirements and metrics for the business model, the Company has considered other sources of guidance in addition to IFRS Sustainability Disclosure Standards. The outcomes of these considerations are detailed here. This analysis was conducted as part of the materiality assessment process, so that all relevant aspects were identified, both from a risk and opportunities and disclosure perspective.

Guidance	Industry	Impact of Consideration
SASB Standards	Air freight and logistics	Inclusion of additional material information related to Data privacy, Diversity & inclusion and Workforce health and safety.
GRI Universal Standards	N/A – Topic standards	Inclusion of additional material information related to Health & safety, Diversity & Inclusion, Workforce capacity and Talent retention.

i.) Diversity and Inclusion metrics

Diversity and inclusion are critical to the Company's long-term performance and governance. We strongly believe that diverse backgrounds and perspectives drive innovation, enhance our decision-making, and ultimately contribute to our collective success. The Company is committed to creating a workplace where everyone feels accepted, valued, supported, and invited to be their authentic selves as they contribute to unlocking the full potential of Swissport as the key player in aviation services.

5. METRICS AND TARGET (CONTINUED)

i.) Diversity and Inclusion metrics (Continued)

Metric	Parameter	Source	Unit	2025
Percentage composition of women on the board	Females	GRI 405	Percentage	0%
Diversity of board by age	<30 age	GRI 405	Number	-
	30-50 age	GRI 405	Number	1
	>50 age	GRI 405	Number	4
Diversity of board by nation	Local	GRI 405	Number	2
	Non-local	GRI 405	Number	3
Incidents of discrimination and corrective actions taken	Total number of reported incidents of discrimination	GRI 406	Number	-

ii.) Workforce health and safety metrics

At Swissport Tanzania Plc, safety is our top priority, guiding everything from local operations to global management. Our safety culture is deeply rooted in our company values: "Show You Care," "Do the Right Things," and "Win as a Team". Every key meeting, including those of our Executive Leadership Team, starts with a Safety Moment to emphasize its critical importance.

Our safety approach relies on strong global health and safety standards, underpinned by our QHSE Policy
Statement. Based on that commitment, we operate a comprehensive Management System that integrates quality, safety, and environmental considerations into one framework. This system includes procedures, training, reporting, and a detailed Health and Safety Manual outlining the key safety guidelines and processes.

Ensuring the health and safety of our colleagues and partners is our top priority. We work relentlessly toward our goal of zero accidents and injuries, maintaining strict adherence to processes and a continuous focus on compliance.

5. METRICS AND TARGET (CONTINUED)

ii.) Workforce health and safety metrics (Continued)

Metric	Source	Unit	2025
Lost-time injury frequency rate (number of lost-time injuries per 100,000 hours worked)	GRI 403	Percentage	0%
Lost-time injury severity rate (number of days lost due to injuries x 1,000 / total hours worked)	GRI 403	Percentage	0%
Number of work-related injuries	GRI 403	Number	-
Number of days lost due to work-related injuries and ill health	GRI 403	Number	-
Number of work-related fatalities	GRI 403	Number	-
Number of employees trained on health & safety	GRI 403	Number	984
Total number of male employees that were trained on Health and Safety	GRI 404	Number	690
Total number of female employees that were trained on Health and Safety	GRI 404	Number	294

iii.) Workforce capacity and talent retention metrics

Swissport Group sets global minimum standards for all our local locations. The Company actively work with Communication and Transportation Workers Unions (COTWU) and employee representatives under Management Workers Council (MWC) and ensure that the Company reaches all employees. In addition, general terms and conditions including pay and benefits are benchmarked against the local labour market norms, which helps position Swissport as an employer of choice.

5. METRICS AND TARGET (CONTINUED)

iii.) Workforce capacity and talent retention metrics (Continued)

Metric	Source	Unit	2025
Percent of total workforce covered by formal collective agreement concerning employees' benefits	GRI 401	Percentage	100%
Number of employees covered by collective agreement	GRI 401	Rate	100%
Number of employees receiving social benefits	GRI 401	Number	984
Average Hours of training per year per Senior management	GRI 404	Hours	4
Average Hours of training per year per Middle management	GRI 404	Hours	3
Total Number of Male Employees that underwent skill upgradation	GRI 404	Number	15
Total Number of Female Employees that underwent skill upgradation	GRI 404	Number	1

iv.) Data security metrics

Swissport handles a significant volume of personal data from employees, suppliers, and customers. This includes air freight documents and passengers' travel data, which requires careful handling. Given that most of this data is managed electronically, IT security is a vital aspect of our data protection strategy.

Swissport also has a Data Protection Policy and a Data Retention Policy that are implemented globally and at local station in Tanzania and are part of mandatory training for all employees.

Metric	Source	Unit	2025
Number of confirmed information security incidents	SASB	Number	-

5. METRICS AND TARGET (CONTINUED)

v.) Regulatory compliance and ethical governance metrics

At Swissport Tanzania Plc, we promote business conduct based on honesty, integrity and respect for the law. These include regulatory requirements issued by authorities such as Dar es Salaam Stock Exchange (DSE), Tanzania Civil Aviation Authority (TCAA), Occupation Safety and Health Authority (OSHA), International Air Transport Association (IATA), International Civil Aviation Organisation (ICAO) etc.

The Company has a comprehensive compliance program in place that includes a Code of Conduct and a whistleblower process. We have zero tolerance for corruption, the Company operates a robust Safety Management System (SMS) alongside its Quality Management System (QMS). The implementation is governed by the corporate policy.

The Safety Management System (SMS) is structured in the manner that ensures that everyone participates in ensuring safety within the Company, via a healthy reporting culture. Our aim is to consistently ensure compliance with regulatory, airports, airlines, and corporate safety requirements.

At the reporting date, the Company recorded no incidents of non-compliance with applicable laws and regulations including unethical matters. However, the Company will continue monitoring regulatory developments to ensure ongoing compliance.

vi.) Electrification of ground support equipment metrics

The largest contributor to our direct emissions is our fleet. Therefore, increasing the use of electric vehicles wherever possible is essential to reducing our footprint. To facilitate this change, it is critical that our supply chain has the necessary infrastructure to support this shift, including the availability of battery charging facilities.

The Company has been using electrically powered ground support equipment (eGSE) wherever possible. Switching to eGSE not only reduces toxic emissions and our carbon footprint but also results in significant fuel cost savings and other operational efficiency gains.

The following metrics are internally defined by the Company to monitor progress in capturing this opportunity. While not prescribed by the IFRS Sustainability Disclosure Standards, they are considered relevant indicators of the Company’s operational transition and adoption of lower-emission ground support technologies.

5. METRICS AND TARGET (CONTINUED)

vi.) Electrification of ground support equipment metrics (Continued)

Definition of the metrics

a) Number of electrically powered ground support equipment (eGSE) purchased

Total number of electrically powered ground support equipment units acquired by the Company during the reporting period, including equipment.

b) Share of electrically powered ground support equipment (eGSE) in GSE fleet

Proportion of the Company's total ground support equipment fleet that is electrically powered as at the reporting date.

Nature of the metrics

The metrics include absolute and ratio-based quantitative measures. The number of eGSE purchased is expressed as a count (number of units) and the share of eGSE in the total fleet is expressed as a percentage (%).

These metrics reflect the Company's progress in transitioning its fleet toward lower-emission alternatives. As at the reporting date, these metrics have not been subject to external assurance.

Method of calculation

The metrics are derived from the Company's financial reporting systems and fleet register, which track procurement, disposal, and the composition of ground support equipment across stations.

- The number of eGSE purchased is based on procurement records during the reporting period.
- The share of eGSE is calculated as: Number of electrically powered GSE ÷ Total GSE fleet

Data is compiled from internal operational and asset tracking systems.

5. METRICS AND TARGET (CONTINUED)

vi.) Electrification of ground support equipment metrics (Continued)

Metric	Source	Unit	2025
Number of electrically powered ground support equipment (eGSE) purchased	Swissport Tanzania Plc	Number	35
Share of electrically powered ground support equipment (eGSE) in GSE fleet	Swissport Tanzania Plc	Percentage	22.6%

Cross – Industry metrics

In addition to metrics related to identified sustainability-related risks and opportunities, the Company has assessed the applicability of the IFRS S2 cross-industry metrics and reports on the following metrics for the reporting period:

vii.) GHG emission metrics

Emission from Swissport operations

In line with IFRS S2 requirements, the Company measures GHG emissions using the *Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (2004)*, applying the operational control approach.

Operational control approach determines the direct and indirect emissions associated with operations owned or controlled by the Company. This approach was selected because it enables the Company to distinguish between emissions from activities it controls (through the authority to introduce and implement operating policies) and emissions from activities in the value chain, which it does not directly control, but may be able to influence.

This is the first year of reporting under IFRS S1 and IFRS S2. The Company has applied the transition relief to omit comparative information and not to disclose scope 3 emissions, as disclosed under Note 1 (g) in the sustainability-related financial information included in page 27.

Emissions are disclosed on a gross basis, without offsets, in metric tonnes of CO_2 equivalent (tCO_2e), a measure that allows for the comparison of different greenhouse gases relative to CO_2.

The Company is committed to conducting assessments of its greenhouse gas (GHG) emissions and publishes annually. This allows the Company to track progress on resource consumption for fuel and electricity and identify areas for improvement in reducing GHG emissions.

SWISSPORT TANZANIA PLC

REPORT OF THE DIRECTORS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

5. METRICS AND TARGET (CONTINUED)

Cross – Industry metrics (Continued)

vii.) GHG emission metrics (Continued)

Emission from Swissport operations (Continued)

Scope 1 and 2 calculation methodologies

The Company has conducted a carbon footprint analysis to understand its environmental impact. This includes emissions from:

Scope	Activity	Data source	Methodology	2025 Emissions (tCO_2e)
Scope 1	Direct emissions from fuel-powered ground support equipment (GSE).	▪ Fuel consumption logs (diesel, petrol used internally) ▪ Generator runtime and fuel consumption records.	Emission amount (tCO_2e) = ∑ Fuel consumption (Litres) x Emission Factors (IPCC emission factors)	894
Scope 2	Indirect emissions from purchased electricity (stations, warehouses, offices).	▪ Electricity/ utility bills from TANESCO.	Emission amount (tCO_2e) = ∑ Electricity consumption (kWh) x Emission Factors (DEFRA conversion factors)	201

BY ORDER OF THE BOARD

Mr. Dirk Goovaerts
Chairman of the Board of Directors

Date 24 April 2026

SWISSPORT TANZANIA PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

The Company's directors are responsible for the preparation of financial statements that give a true and fair view of Swissport Tanzania Plc comprising the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of material accounting policies in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and in the manner required by the Companies Act, 2002 of Tanzania.

The directors are also responsible for such internal control as the directors determine is necessary to prepare financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have assessed the ability of the Company to continue as going concern as disclosed in Note 2(b) of these financial statements and have no reason to believe that the business will not be a going concern in the period of at least twelve months from the date of approval of these financial statements.

The auditor is responsible for reporting on whether the financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2025, financial performance and cash flows of the Company for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies Act, 2002 of Tanzania.

Approval of financial statements

The financial statements of Swissport Tanzania Plc, as identified in the first paragraph, were approved and authorised for issue by the board of directors on 24th April 2026 and signed on its behalf by:

Mr. Dirk Goovaerts
Chairman of the Board of Directors

SWISSPORT TANZANIA PLC

DECLARATION OF CHIEF FINANCIAL OFFICER
FOR THE YEAR ENDED 31 DECEMBER 2025

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a Statement of Declaration issued by the Head of Finance responsible for the preparation of financial statements of the entity concerned.

It is the duty of a professional accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view position of the entity in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and statutory reporting requirements. Full legal responsibility for financial statements rests with the Board of Directors as under Directors Responsibilities' statement on the previous page.

I **Humphrey Samanya** being the Chief Financial Officer of Swissport Tanzania Plc hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2025 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements comply with applicable accounting standards and statutory requirements as on that date and that they have been prepared based on properly maintained financial records.

Signed by: Humphrey Samanya

Position: Ag. Chief Financial Officer

NBAA Membership No: ACPA 1120

Date: 24th APRIL 2026

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INDEPENDENT AUDITOR'S REPORT
To the shareholders of Swissport Tanzania Plc

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Swissport Tanzania Plc ("the Company"), as set out on pages 68 to 120, which comprise of the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and the cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act, 2002 of Tanzania.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were 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 these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements

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INDEPENDENT AUDITOR'S REPORT (Continued)
To the shareholders of Swissport Tanzania Plc

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS(Continued)

Key Audit Matters (Continued)

No.	Key audit matter	How our audit addressed the key audit matter
1.	**Provision for retirement benefit obligation**	
	The Company has retirement benefit obligations amounting to TZS 413 million as at 31 December 2025 (2024: TZS 1,261 million). As disclosed in Note 26, the valuation of retirement benefit obligations requires significant levels of judgement and technical expertise, including the use of actuarial experts in selecting appropriate assumptions. We considered the computation of the retirement benefit obligation to be a key audit matter due to the significance of the amounts and the estimation uncertainty involved in determining the liability. We also considered that the disclosures in Note 26 are significant to the users' understanding of the Company's retirement benefit obligation policies.	Our audit procedures included, but were not limited, to: • Obtaining an understanding of the Company's policies and procedures for the recognition of the retirement benefit obligation. • Assessing the competency, objectivity and capabilities of the independent actuary engaged by the Company to determine the retirement benefit obligation. • For actuarial assumptions and valuation methodologies: ❖ Testing, on sample basis, that the employee details used in the computation agreed to the Company's human resource records. ❖ Assessing the discount and inflation rates used against benchmarks based on externally derived data. ❖ Comparing assumed mortality rates to national and industry averages. ❖ Evaluating the reasonableness of the total annual salaries used in the computation by comparing to the historical data. ❖ Evaluating the reasonableness of future salary escalations to the historical data. • Assessing the adequacy of the Company's disclosure in the financial statements in accordance with IAS 19 *Employee Benefits*.

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INDEPENDENT AUDITOR'S REPORT (Continued)
To the shareholders of Swissport Tanzania Plc

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS(Continued)

Other information

The directors are responsible for the other information. The other information comprises the information included on pages 1 to 62 of the document titled "Swissport Tanzania Plc Directors Report and Audited Financial Statements for the year ended 31 December 2025", which includes General Information, Report of the Directors as required by the Companies Act, 2002 of Tanzania, Statement of Directors' Responsibilities and the Declaration of Chief Financial Officer. 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 any form of assurance conclusion thereon.

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

Responsibilities of the Directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act, 2002 of Tanzania, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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INDEPENDENT AUDITOR'S REPORT (Continued)
To the shareholders of Swissport Tanzania Plc

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS(Continued)

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

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

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

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year 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.

INDEPENDENT AUDITOR'S REPORT (Continued)
To the shareholders of Swissport Tanzania Plc

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

This report, together with our report on the audit of the financial statements, is made to the Company's members in accordance with the Companies Act, 2002 of Tanzania which stipulates that a company's auditor shall make a report to the company's members on all annual accounts of the company of which copies are to be laid before the company in a general meeting.

We report to you, based on our audit, that:

i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.

iii. The Directors' Report is consistent with the financial statements.

iv. Information specified by law regarding directors' remuneration and transactions with the Company is disclosed; and

v. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

The engagement *partner* on the audit resulting in this independent auditor's report is CPA Deokari S. Mkenda – ACPA 3438.

Ernst & Young

Ernst & Young

Certified Public Accountants

Dar es Salaam, Tanzania

Deokari S. Mkenda (ACPA 3438)

Partner

Date: 30 APRIL **2026**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

			2025		2024
	Note		TShs M		TShs M
Revenue from contracts with customers	10		55,824		51,009
Other operating income	11		70		464
Staff costs	13		(17,474)		(17,656)
Concession fees	12		(5,982)		(5,475)
Fuel and maintenance costs	15		(4,270)		(3,587)
Depreciation of property and equipment	21(a)		(3,373)		(3,366)
Amortization of intangible assets	21(b)		(1,965)		(2,074)
Depreciation of right of use assets	29(b)		(922)		(848)
Rent and other occupancy costs	16		(720)		(741)
Impairment loss on trade receivables	23		(39)		(28)
Other operating expenses	14		(9,992)		(9,113)
Total operating expenses			**(44,737)**		**(42,888)**
Total operating profit			**11,157**		**8,585**
Finance costs	30		(371)		(383)
Profit before income tax			**10,786**		**8,202**
Income tax charge	17(a)		(4,273)		(2,691)
Profit for the year, after tax			**6,513**		**5,511**
Other comprehensive income:					
Items that will not be reclassified to profit or loss in subsequent periods:					
Gains/(losses) on remeasurement of defined benefit liability	26		48		(598)
Deferred tax (charge)/credit	17(b)		(14)		179
Total other comprehensive income for the year, net of tax			**34**		(419)
Total comprehensive income for the year, net of tax			**6,547**		**5,092**
Earnings per shares (TShs) – Basic	19		180.9		153.1
– Diluted	19		180.9		153.1

The notes on pages 72 to 120 are an integral part of these financial statements.

SWISSPORT TANZANIA PLC

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

ASSETS	Notes	2025 TShs M	2024 TShs M
Property and equipment	21(a)	27,925	20,093
Intangible asset	21(b)	5,101	7,066
Right of use asset	29(b)	2,720	2,519
Staff receivable	23	188	139
Non-current assets		**35,934**	**29,817**
Inventories	22	462	613
Trade and other receivables	23	15,075	11,917
Income tax recoverable	17 (d)	728	1,212
Cash and cash equivalents	24	11,351	7,298
Current assets		**27,616**	**21,040**
Total assets		**63,550**	**50,857**
EQUITY			
Share capital	25	360	360
Retained earnings		40,268	36,267
Total equity		**40,628**	**36,627**
LIABILITIES			
Lease liabilities – non-current portion	29(a)	1,803	1,208
Deferred tax liability	18	1,467	958
Retirement benefit obligations	26	413	1,261
Non-current liabilities		**3,683**	**3,427**
Trade and other payables	27	18,394	9,587
Lease liabilities – current portion	29(a)	845	1,216
Current liabilities		**19,239**	**10,803**
Total liabilities		**22,922**	**14,230**
Total equity and liabilities		**63,550**	**50,857**

The financial statements on pages 68 to 71 were approved and authorised for issue by the board of directors on 24th April 2026 ... and signed by:

Mr Dirk Goovaerts
Chairman of the Board of Directors

Mr Raymond P Mbilinyi
Director

The notes on pages 72 to 120 are an integral part of these financial statements.

SWISSPORT TANZANIA PLC

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

	Notes	Share capital TShs M	Retained earnings TShs M	Total TShs M
Year ended 31 December 2025				
Balance at 1 January 2025		**360**	**36,267**	**36,627**
Comprehensive income:				
Profit for the year, after tax			6,513	6,513
Other comprehensive income:				
Gains on remeasurement of defined benefit liability – net of tax			34	34
Total comprehensive income for the year, net of tax			**6,547**	**6,547**
Transactions with owners:				
Dividends paid	20		(2,546)	(2,546)
Balance at 31 December 2025		**360**	**40,268**	**40,628**
Year ended 31 December 2024				
Balance at 1 January 2024		**360**	**33,023**	**33,383**
Comprehensive income:				
Profit for the year, after tax		-	5,511	5,511
Other comprehensive income:				
Losses on remeasurement of defined benefit liability – net of tax		-	(419)	(419)
Total comprehensive income for the year, net of tax		**-**	**5,092**	**5,092**
Transactions with owners:				
Dividends paid	20	-	(1,848)	(1,848)
Balance at 31 December 2024		**360**	**36,267**	**36,627**

The notes on pages 72 to 120 are an integral part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 TShs M	2024 TShs M
Operating activities			
Profit before income tax		10,786	8,202
Adjustment for:			
Depreciation of property and equipment	21(a)	3,373	3,366
Amortization of intangible assets	21(b)	1,965	2,074
Depreciation of right of use assets	29(b)	922	848
Impairment loss on trade receivables	23	39	28
Provision for retirement benefit obligations	26	99	142
Gain on disposal/write-off of property and equipment	11	90	-
Unrealized exchange loss on lease liability	29(a)	65	33
Interest expense on lease liabilities	29(c)	371	383
Working capital changes:			
Decrease/(increase) in inventories		151	(127)
Increase in trade and other receivables		(3,245)	(2,970)
Increase in trade and other payables		8,812	3,116
Cash generated from operating activities		**23,428**	**15,095**
Retirement benefit obligations paid	26	(899)	(1,231)
Interest paid on lease liabilities	29(c)	(371)	(383)
Income tax paid	17 (d)	(2,980)	(2,723)
Withholding tax credit	17 (d)	(314)	(336)
Net cash generated from operating activities		**18,864**	**10,422**
Investing activities			
Proceeds from sale of property and equipment		26	**-**
Acquisition of property and equipment and intangible asset	21(a)	(11,322)	(5,640)
Net cash used in investing activities		**(11,296)**	**(5,640)**
Financing activities			
Dividends paid to the Company’s shareholders	20	(2,546)	(1,848)
Payment of principal portion of lease liabilities	29(d)	(964)	(867)
Net cash used in financing activities		**(3,510)**	**(2,715)**
Net increase in cash and cash equivalents		**4,058**	**2,067**
Movement in cash and cash equivalent			
Increase in cash and cash equivalents		4,058	2,067
Cash and cash equivalents at 1 January		7,298	5,232
Effect of movements in exchange rates on cash held		(5)	(1)
Cash and cash equivalents at 1 January to 31 December	24	**11,351**	**7,298**

The notes on pages 72 to 120 are an integral part of these financial statements.

1 REPORTING ENTITY

Swissport Tanzania Plc (the "Company") is a limited liability Company incorporated under the Companies Act, 2002 and is domiciled in the United Republic of Tanzania. The Company's registered office is at 1st Floor – Swissport Freight Terminal, Julius Nyerere International Airport. The Company shares are listed on the Dar es Salaam Stock Exchange. The Company's principal activities are the provision of airport ground handling and cargo handling services.

2 BASIS OF PREPARATION

a) Statement of compliance and basis of measurements

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies Act, 2002 of Tanzania. They were authorized for issue by the Company's Board of Directors as stated on the statement of financial position.

The financial statements have been prepared on a historical cost basis, except where fair value measurements have been applied.

b) Going concern

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

3 FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). These financial statements are presented in Tanzanian shillings, which is the Company's functional and presentation currency rounded to the nearest million shillings ("TShs M"), except when otherwise indicated.

4 USE OF JUDGEMENTS AND ESTIMATES

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reporting amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognized prospectively.

a) Judgements, assumptions, and estimation uncertainties

Information about judgements made in applying accounting policies including estimates and assumptions that have the most significant effects on the amounts recognized in the financial statements and significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

4 USE OF JUDGEMENTS AND ESTIMATES (CONTINUED)

a) Judgements, assumptions, and estimation uncertainties (Continued)

Post-employment benefit obligations
Significant assumptions are made by the directors in determining the present value of the retirement benefit obligation as at the balance sheet date. The key assumptions are set out in Note 26 to the financial statements.

Taxes
Significant assumptions are required in determining the Company's overall income tax provision. There are many transactions and calculations, for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax audit issues, based on estimates of whether additional taxes will be due. When the final outcome of tax matters is different from the amounts that were initially recorded, such differences will have an impact on the current and any deferred income tax provisions in the period in which the determination is made.

Asset useful lives
The useful lives of items of property, plant and equipment as disclosed in Note 6 (j) of these financial statements are estimated annually and are in line with the rate at which they are depreciated.

Impairment of non-financial assets
The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Measurement of ECL allowance for trade receivable
The Company estimates expected credit loss by assessing the loss that will be incurred given customer default based on past payment experience and by assessing the probability of default considering information specific to the customer as well as pertaining to the country and economic environment in which the customer operates. The estimate also incorporates forward looking data.

Lease term
In determining the lease term at the commencement date for leases that include renewal options exercisable by the Company, the Company evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Company to exercise the option.

The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Company's control. Any increase or decrease in the lease term would affect the amount of lease liabilities and right-of-use assets recognised in future years.

4 USE OF JUDGEMENTS AND ESTIMATES (CONTINUED)

b) Determination and measurement of fair values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either, in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The Company has an established control framework with respect to the measurement of fair value. This includes a management team that monitors need for fair valuation and sources for experts that will perform the valuation.

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the input used in the valuation techniques as follows;

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observed for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobserved inputs)

If the input used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Fair value disclosure is made in Note 33 to the financial statements.

5 CHANGES IN MATERIAL ACCOUNTING POLICIES

A number of other new standards listed below are effective for the year ended 31 December 2025, but they do not have a material effect on the Company's financial statements.

New currently effective standards/amendments

- Lack of exchangeability – Amendments to IAS 21 – Effective 01 Jan 2025

6 SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

a) Revenue from contracts with customers

The Company applies IFRS 15 in accounting for revenue from contract with customers. The Company recognizes revenue to depict the transfer of promised services to customers in an amount that reflects the consideration to which the entity expects to be identified in exchange of those services. The Company follows five step model framework in recognition of revenue from contract with customers as follows.

- Identify the contract with a customer.
- Identify the performance obligation in the contract.
- Determine the transaction price.
- Allocate the transaction price to performance obligation in the contract.
- Recognise revenue when (or as) the entity satisfies a performance obligation.

As required by IFRS 15, the Company has disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

Ground handling
Contracts with customers on the ground handling service line do not have variable considerations and have only one performance obligation. Billing and revenue recognition is only done after the discharge of the performance obligation that is turnaround for ground handling.

Cargo handling
Documentation, handling and equipment revenue is recognized once the Company handover the shipping documents to the customer to start custom clearance. Storage revenue for all cargo that is in the warehouse is accrued based on the numbers of days the cargo has stayed in the warehouse net of grace period at applicable rates to the extent that the entity will collect the consideration to which it will be entitled in exchange for the storage services that was provided to the customer.

Lounge business
Revenue from provision of lounge services is recognised when the performance obligation is fulfilled, that is at the point when services have been handed over to the customer.

(i) Contract balances

As noted on Note 6(a) above, the Company is in the business of providing ground and cargo handling services. Prices for ground handling services are bundled (but with no variable consideration) whereas prices for cargo handling services are individually identified separately. The whole receivable balance is included under trade and other receivables. The Company does not have obligations to transfer services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer that is conditional.

6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

a) Revenue (continued)

(ii) Performance obligation and revenue recognition policy

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer. Contracts with customers on the ground handling service line do not have variable considerations and have only one performance obligation. Billing and revenue recognition is only done after the discharge of the performance obligation that is turnaround. On the cargo handling service line, since the Company has pricing for each service provided for and billing is only made upon provision of the service and discharge of performance obligation. The services under the cargo business line have been clearly disaggregated. Storage revenue for all cargo that is in the warehouse is accrued based on the numbers of days the cargo has stayed in the warehouse net of grace period at applicable rates to the extent that the entity will collect the consideration to which it will be entitled in exchange for the storage services that was provided to the customer.

Significant judgement is applied in determining when performance obligations are satisfied. The Company has concluded that performance obligations related to ground handling, cargo handling and lounge services are satisfied over time, as the customer simultaneously receives and consumes the benefits of the services as they are performed. Revenue is therefore recognised based on the actual services provided during the reporting period, primarily with reference to completed service activities.

b) Other operating income

Interest income
Interest earned on short-term investments is calculated using the effective interest method and recognized in the profit or loss statement over the investment period as finance income.

Rental income
Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and included in other operating income. Further details have been covered in Note 6 (I)(ii) of these financial statements.

Commissions
When the Company acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognized is the net amount of commission.

Foreign exchange gain and losses
Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss within ‘other operating income’ or ‘other operating expenses’.

Gain or loss on disposal of property, plant and equipment
Gain or losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are recognized within other operating (losses)/income in the profit and loss account.

6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

c) Employees benefits

Short-term employee benefits
The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plan
All of the Company's employees are members of the National Social Security Fund ("NSSF"), which is a defined contribution plan. Law prescribes these plans. The Company and employees both contribute 10% or the Company and employees contribute 15% and 5% of the permanent and pensionable employees' basic salaries to the scheme, respectively. The Company also contributes 10% of non-permanent and pensionable employees' gross salary towards NSSF. The contribution is charged to the profit or loss account when incurred.

Defined benefit plan
The Company has an unfunded non-contributory employee gratuity arrangement for its permanent and pensionable employees (the "Arrangement"), which provides for lump sum payments to its employees on their retirement at the age of between 55 and 60 years or those allowed to retire early or who die while in service, based on length of service and salary at retirement and qualifies as a defined benefit plan. Payments to the retired employees are made from the Company's internally generated funds.

The cost of providing benefits under the defined benefit plan is determined separately for each plan using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in other comprehensive income, net of deferred tax.

The past service costs are recognized as an expense on a straight-line basis over the average period until the benefits become vested. If the benefits have already vested, immediately following the introduction of, or changes to, a pension plan, past service costs are recognized immediately. The Company recognizes all actuarial gains and losses arising from defined benefit plans immediately in other comprehensive income and all expenses related to defined benefit plans in employee benefit expense in profit and loss.

The defined benefit liability comprises the present value of the defined benefit obligation (using a discount rate based on government bonds with similar terms and currency as explained in Note 26), less past service costs.

6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

c) Employees benefits (continued)

Terminal benefits
Terminal benefits are payable whenever an employee`s employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange of these benefits. The Company recognizes terminal benefits when it is constructive obliged to either terminate the employment formal plan without possibility of withdrawal or to provide terminal benefits because of an offer made to encourage voluntary redundancy.

d) Concession fees

The Company has concession agreements with Tanzania Airports Authority for provision of ground handling services at Julius Nyerere and with Kilimanjaro Development Corporation for provision of ground handling services at Kilimanjaro International Airport. The concession fees are charged to the profit or loss account on a straight-line basis over the period of the concessions.

e) Finance costs

Finance expense comprises of interest expense on loans, Interest on lease liabilities and charge for loan arrangement fees. Interest expense is recognised using the effective interest method.

f) Taxes

Income tax
Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or OCI.

Current tax
Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. The current rate of corporate tax is 30%.

Current tax (continued)
Current tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss.

Deferred tax
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

f) Taxes (continued)

Deferred tax (Continued)

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

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

Deferred tax assets and liabilities are offset only if certain criteria are met.

Value added tax
Revenues, expenses, and assets are recognized at amounts net of value added tax except where the value added tax is incurred on a purchase of an asset or service is not recoverable from the taxation authority in which case the value added tax is recognized as part of the cost of acquisition of the asset or part of the expense item as applicable.

The net amount of value added tax recoverable from, or payable to, the tax authority is included as part of the receivables or payables in the balance sheet.

Capital gain taxes
Capital gain taxes arising as result of a change in control at the ultimate Parent Company level are recognized as tax liabilities in Company’s books as other payables to revenue Authorities and other receivable from the parent Company

Tax exposures
In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

g) Operating profit

Operating profit is a result generated from the continuing principal revenue-producing activities of the Company as well as other income and expenses related to operating activities. Operating profit excludes net finance costs and income taxes.

h) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The Company has three strategic divisions (Ground Handling division, Cargo Services division, and Lounge division), which are its reportable segments. These divisions offer different products and services and are managed separately because they require self-assessment of its performance. Financial information of the reportable divisions is provided under Note 8 to the financial statements.

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current if it is expected to be realized or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realized within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

i) Intangible asset

The Company has a 15-year land lease agreement with Tanzania Airport Authority (TAA) for the land measuring 15,000 sqm. The agreement is effective from 25 April 2013 and will expire on 24 March 2028. The agreement requires the Company to build, own and transfer the warehouse to TAA after the expiration of the lease term. The Company completed the construction of the warehouse in June 2016.

The Company reviewed the terms of the agreement and concluded that the arrangement is falling within the scope of IFRIC 12 and therefore accounting the arrangement as intangible asset. The warehouse is measured at cost and amortized over the remaining lease period.

6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

j) Property and equipment

Property, plant, and equipment are tangible assets which the Company holds for its own use or for rental to others and which are expected to be used for more than one year.

Recognition and measurement
Items of equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Company, and the cost of the item can be measured reliably.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to the working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Borrowing costs related to the acquisition or construction of qualifying assets are capitalised as incurred.

Subsequent cost
Expenditure incurred subsequently for major services, additions to, major renovations or replacements of parts of property, plant and equipment are recognised in the carrying amount of the item if it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost can be measured reliably and are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner. All other repairs and maintenance expenditure and day to day servicing costs are included in profit or loss in the year in which they are incurred.

Depreciation
Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful life of each part of an item of equipment. When parts of an item of equipment have different useful lives, they are accounted for as separate items (major components) of equipment.

Depreciation is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, as follows:

Description	Years
Leasehold improvements	8
EDP Equipment and software	4
Motorized ground support equipment	10 – 15
Non-motorized ground support equipment	7
Furniture and equipment*	8
Motor vehicles*	4
Fuel and water tank*	8
Internet installation	4

* These items have been combined as “other assets” in Note 21(a).

6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

j) Property and equipment (continued)

Depreciation (Continued)

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Derecognition
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the asset is derecognised.

k) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are considered, if available. If no such transactions can be identified, an appropriate valuation model is used. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the profit and loss account in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the profit and loss account.

6 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

l) Leases

At inception of a contract, the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

i. Leases in which the Company is a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right of use asset and lease liability at the lease commencement date. The right of use of asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right of use asset reflects that the Company will exercise a purchase option. In that case the right of use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of the property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determined its incremental borrowing rate by obtaining interest rates from various external financing sources

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period of the Company is reasonably certain to exercise an extension option, and penalties for early termination of lease unless the Company is reasonably certain not to terminate early.

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

l) Leases (continued)

i. Leases in which the Company is a lessee (continued)

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable, under a residual guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension, or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero. The Company presents right of use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities separately in the statement of financial position.

Short-term leases and leases of low-value assets
The Company has elected not to recognize right of use assets and lease liabilities for leases of low value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii. Leases in which the Company is a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lese; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right of use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Company applies IFRS 15 to allocate the consideration in the contract.

The Company applies the derecognition and impairment requirements in the IFRS 9 to the new investment in the lease. The Company regularly revises estimated unguaranteed residual values (if any) used in calculating the gross investment in the lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

m) Inventories

Inventories are carried at the lower of cost and net realizable value. Cost is determined using the weighted average cost method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the open market less applicable selling expenses. Stores and consumables are stated at cost less any provision for obsolescence.

n) Trade and other receivables

Receivables are measured at initial recognition at fair value and subsequently at amortised cost. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

o) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and cash on hand. Bank overdrafts are presented separately in the statement of financial position.

p) Share capital and equity

Ordinary shares are classified as ‘share capital’ in equity. Any premium received over and above the par value of the shares is classified as ‘share premium’ in equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as deduction from the proceeds.

q) Trade and other payables

Trade and payables are initially measured at fair value and subsequently at amortized cost.

r) Bank overdraft and borrowings

Bank overdrafts (if any) and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company’s accounting policy for borrowing costs.

The Company has received an intercompany loan from Swissport International Limited. The loan is denominated in united states dollar (US$) and is unsecured. Interest expense is recognised using the effective interest method.

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

s) Provisions

Provisions are recognized when: The Company has a present legal or constructive obligation as a result of past events; it is probable 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.

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

t) Foreign currencies

Transactions and balances
Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Tanzanian Shillings at rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit and loss within ‘other operating income’ or ‘other operating expenses’.

u) Financial instruments

i. Recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at: amortised cost; Fair value through other comprehensive income (FVOCI - debt investment; FVOCI - equity investment); or fair value through profit or loss (FVTPL).

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

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

u) Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

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

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

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

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

Financial assets - Business model assessment
The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

u) Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

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

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.
In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

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

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

Financial assets - Subsequent measurement and gains and losses

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

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

u) Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

Financial liabilities - Classification, subsequent measurement and gains and losses

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

iii. Impairment of financial assets and contract assets

An ‘expected credit loss’ (ECL) model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive.

Loss allowances for trade receivables is measured at an amount equal to lifetime ECLs (simplified approach). Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

The Company applies the simplified approach to measuring expected credit losses (ECLs) on trade receivables in accordance with IFRS 9, whereby lifetime ECLs are recognised from initial recognition. Trade receivables are grouped for impairment assessment based on shared credit-risk characteristics, which primarily reflect days past due, as this is considered the key indicator of changes in credit risk. The Company does not have significant concentrations of credit risk by customer type or geography. Expected credit losses are estimated using a provision matrix that applies different loss rates to receivables within each ageing bucket. These loss rates are based on historical credit loss experience, adjusted as necessary to reflect current conditions and forward-looking information.

Definition of default: IFRS 9 does not define default but requires the definition to be consistent with the definition used for internal credit risk management purposes. However, IFRS 9 contains a rebuttable presumption that default does not occur later than when a financial asset is 90 days past due. The Company considers a default as and when a financial asset is past due for more than 90 days or the qualitative criterion by which the Company considers that the customer is unlikely to settle its outstanding obligations in full, based on available information.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 30 days for credit customers. Expected credit losses are measured using historical loss rates derived from the Company’s actual credit loss experience over recent periods, grouped by customer type and ageing profile of receivables. These historical loss rates are reviewed and updated at each reporting date to reflect the most recent observed default patterns and recovery experience.

The Company considers reasonable and supportable forward-looking information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company’s historical experience and informed credit assessment. Example of micro economic factors considered include changes in inflation rate, GDP growth and interest rates.

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

u) Financial instruments (Continued)

iii. Impairment of financial assets and contract assets (Continued)

The historical loss rates are adjusted, where necessary, to reflect the expected impact of current and forward-looking macro-economic conditions that may affect customers' ability to settle outstanding balances.

The Company recognises in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised accordance with the requirement of IFRS 9.

iv. Derecognition

Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
- substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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

Financial liabilities

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

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

6. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

v) Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This assessment is made based on objective evidence, including, but not limited to:

- The customer being declared bankrupt or placed under liquidation or receivership, with no realistic recovery prospects;
- Exhaustion of all reasonable collection and enforcement actions without success;
- Significant financial difficulty of the borrower, supported by available financial information, indicating inability to meet contractual obligations; and
- Situations where legal recovery is no longer feasible or is uneconomical relative to the expected recoveries.

It is the Company's policy to write off financial assets from Bankruptcy customers subject to Board of Directors' approval. However, financial assets that are written off could still be subject to enforcement activities to comply with the Company's procedures for recovery of amounts due. Any recoveries of amounts previously written off are recognised in profit or loss as a reversal of impairment losses in the period in which the recovery occurs.

w) Dividend distribution

It is the Company's policy to pay dividends to its shareholders out of profits for the year subject to declaration by the directors and approval by the shareholders. Final dividends distribution to the Company's shareholders is recognized as a liability in the Company's balance sheet in the period in which the dividends are approved by the Company's Board of Directors. Directors may from time to time pay interim dividend to members as appear to the directors to be justified by the profit of the Company. Dividends are subject to a withholding tax of 5%.

x) Basic and Diluted earnings per share

Basic earnings per share are calculated by dividing net profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the Company (after deducting interest on the convertible non-cumulative redeemable preferences shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

7. STANDARDS ISSUED BUT NOT YET EFFECTIVE

Relevant new standards, amendments and interpretations issued but not yet effective and not early adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2025 and have not been applied in preparing these financial statements. Those which may be relevant to the Company are set out below. The Company does not plan to adopt these standards early. These will be adopted in the period that they become mandatory. The following amended standards and interpretations are not expected to have a significant impact on the Company's finance statements.

Forth Coming standards/amendments	**Effective date**
- Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7.	1 January 2026
- Annual Improvements to IFRS Accounting Standards— Volume 11	1 January 2026
- Contracts Referencing Nature-dependent Electricity– Amendments to IFRS 9 and IFRS 7	1 January 2026
- IFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
-	
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures	1 January 2027
- Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21	1 January 2027
- Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37	To be determined
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	To be determined

IFRS 18 – Presentation and Disclosure in Financial Statements (Effective for annual periods on or after 1 January 2027)

In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

IFRS 18, and the consequential amendments to the other accounting standards, is effective for reporting periods beginning on or after 1 January 2027 and must be applied retrospectively. Early adoption is permitted and must be disclosed.

The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

8. SEGMENT INFORMATION

a) Basis for segmentation

For chief operating decision maker purposes, the Company is organised into business units based on their products and services and has three reportable segments as follows:

- Ground handling services;
- Cargo handling services; and
- Lounge business.

Management reviews the internal management reports of each division at least monthly.

No operating segments have been aggregated to form the reportable operating segments. The chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the financial statements. However, Company financing (including finance costs and finance income) and income taxes are managed on a Company basis and are not allocated to operating segments.

Information related to each reportable segment is set out below. Segment profit(loss) before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

Other than the allocation of costs there are no transactions between the three units. Segment information about the Company's operations is presented below:

Information about reportable segments and reconciliation to the amounts reported in the balance sheet and profit and loss accounts

2025 **Income and expenses**	**Ground handling** **TShs M**	**Cargo handling** **TShs M**	**Lounge Business** **TShs M**	**Total** **TShs M**
Revenue	22,988	30,445	2,391	**55,824**
Other operating income	29	41	—	70
Staff costs	(10,276)	(7,149)	(49)	(17,474)
Concession fees	(2,463)	(3,263)	(256)	(5,982)
Fuel and maintenance costs	(1,758)	(2,329)	(183)	(4,270)
Depreciation and amortisation	(2,578)	(3,414)	(268)	(6,260)
Rent and other occupancy costs	(296)	(393)	(31)	(720)
Other operating expenses	(4,131)	(4,610)	(1,290)	(10,031)
Finance costs	(153)	(202)	(16)	(371)
Profit before income tax	**1,362**	**9,126**	**298**	**10,786**

8. SEGMENT INFORMATION (CONTINUED)

a) Basis of segmentation (Continued)

Information about reportable segments and reconciliation to the amounts reported in the balance sheet and profit and loss accounts (Continued)

2025 **Assets and liabilities**	**Ground handling** TShs M	**Cargo handling** TShs M	**Lounge Business** TShs M	**Unallocated** TShs M	**Total** TShs M
Total assets	26,293	34,224	2,735	298	**63,550**
Total liabilities	9,443	12,487	982	10	**22,922**
Capital expenditure	5,006	6,076	-	240	**11,322**

2024 **Income and expenses**	**Ground handling** TShs M	**Cargo handling** TShs M	**Lounge Business** TShs M	**Total** TShs M
Revenue	22,447	26,568	1,994	**51,009**
Other operating income	202	262	—	**464**
Staff costs	(11,663)	(5,965)	(28)	**(17,656)**
Concession fees	(2,507)	(2,760)	(208)	**(5,475)**
Fuel and maintenance costs	(1,957)	(1,630)	—	**(3,587)**
Depreciation and amortisation	(2,528)	(3,284)	(476)	**(6,288)**
Rent and other occupancy costs	(135)	(544)	(62)	**(741)**
Other operating expenses	(3,243)	(4,824)	(1,074)	**(9,141)**
Finance costs	(129)	(188)	(66)	**(383)**
Profit before income tax	**487**	**7,635**	**80**	**8,202**

2024 **Assets and liabilities**	**Ground handling** TShs M	**Cargo handling** TShs M	**Lounge Business** TShs M	**Unallocated** TShs M	**Total** TShs M
Total assets	21,883	26,219	916	1,839	**50,857**
Total liabilities	5,689	5,569	45	2,927	**14,230**
Capital expenditure	1,929	3,429	—	282	**5,640**

Unallocated assets relate to items which are used by both ground handling and cargo handling and cannot be specifically allocated to any of the two segments. These items include motor vehicles, computer hardware and SAP B1 software. Unallocated capital expenditure mainly includes motor vehicle.

8. SEGMENT INFORMATION (CONTINUED)

b) Geographic information

The Company operates in two main regions in Tanzania being Kilimanjaro International Airport and Julius Nyerere International airport during the year.

The geographic information analyses the Company's revenue, operating costs, and total assets by the Company's area of operation. In presenting the geographic information, segment revenue has been based on customers operations and revenue generated from those customers on the specific geographical location during the year. Total operating costs have been based on costs incurred by the Company in provision of ground handling and cargo handling in those specific geographical locations, and segment assets were based on the geographic location of the assets.

GEOGRAPHICAL SEGMENT – 2025

	DAR	KIA	TOTAL
	TShs M	TShs M	TShs M
Revenue	45,595	10,229	**55,824**
Total operating costs (*)	36,486	8,181	**44,667**
Total assets	52,150	11,400	**63,550**

GEOGRAPHICAL SEGMENT – 2024

	DAR	KIA	TOTAL
	TShs M	TShs M	TShs M
Revenue	43,109	7,900	**51,009**
Total operating costs (*)	34,716	7,708	**42,424**
Total assets	44,112	6,745	**50,857**

(*) Total operating cost is presented net of other operating income.

9. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of trade payables and borrowings. The Company does not enter into derivative transactions for trading purposes. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables and cash and cash equivalents, which arise directly from its operations.

The main risks arising from the Company's financial instruments are liquidity risk, market risk and credit risk. Market risk comprises of interest rate risk, foreign exchange risk and price risk. The Company's overall risk management programme seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the management on behalf of the Board of Directors. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

9. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risks

i. Price risk

The Company does not have significant exposure to price risk since no price sensitive financial instruments are held.

ii. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency mostly US dollars, British Pounds and EURO). The Company manages its foreign exchange risk by forecasting the amount of foreign currencies they require for each financial quarter and hold an equivalent amount in foreign currencies (US dollar and EURO). As at 31 December 2025, the balances denominated in foreign currencies were as shown on the table below:

Balances denominated in foreign currencies	**2025**		**2024**	
	TShs M USD	**TShs M EUR**	**TShs M USD**	**TShs M EUR**
Cash and bank balances	8,847	965	3,529	2,264
Trade and other receivables	6,123	860	5,212	576
Trade and other payables	(5,845)	(580)	(64)	(10)
Lease liabilities	(2,232)	-	(2,227)	-
Net exposure	**6,893**	**1,245**	**6,450**	**2,830**

Foreign currency sensitivity

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

	Effect on profit before tax		**Effect on equity, net of tax**	
	Strengthening **TShs M**	Weakening **TShs M**	Strengthening **TShs M**	Weakening **TShs M**
2025				
USD (5% movement)	345	(345)	241	(241)
EUR (5% movement)	62	(62)	44	(44)
2024				
USD (5% movement)	323	(323)	226	(226)
EUR (5% movement)	142	(142)	99	(99)

The Company has considered the annual official rates published by the Bank of Tanzania for the last five years including up to November 2025 which ranged between 3% to 9.5% with an average of 6%. The Company has therefore considered to use 5% appreciation/depreciation in deriving the sensitivity analysis to foreign exchange rate changes. The same rate has used in the sensitivity analysis of the prior year.

9. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

iii. Interest rate risk

In broad terms the interest rate risk is the risk that concerns the sensitivity of the Company's financial performance to changes in the interest rates.

The Company's operations are subject to the risk of interest rate fluctuations to the extent that interest earning assets and interest-bearing liabilities mature or re-price at different times or in differing amounts. Risk management activities are aimed at optimizing net interest income, given market interest rates levels consistent with the Company' s business strategies to minimise interest risk. The Company's exposure to interest rate risk is limited and primarily relates to lease liabilities recognised under IFRS 16, which are measured using fixed discount rates. As a result, changes in market interest rates are not expected to have a significant impact on the Company's financial performance.

Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and the availability of funding. The Company aims at maintaining flexibility in funding and aggressive collection efforts in respect of trade debtor's balances. Management monitors rolling forecasts of the Company's liquidity i.e., cash at bank and in hand (Note 24) on the basis of expected cash flows.

Forecasted liquidity reserves as extracted from short and medium-term future budget of Company as at 31 December 2026 is as follows:

	2026
	TShs M
At 1 January	11,351
Operating activities	2,530
Investing activities	(4,077)
Financing activities	(3,274)
Total	**6,530**

The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their fair values as the impact of discounting is not significant.

	Carrying amount	**Un-discounted contractual cash flows**	**Less than 1 year**	**1 - 2 years**	**2- 5 years**
	TShs M	**TShs M**	**TShs M**	**TShs M**	**TShs M**
At 31 December 2025					
Lease liabilities	2,648	4,844	1,216	1,827	1,801
Trade and other payables (*)	17,816	17,816	17,816	-	-
	20,464	**22,660**	**19,032**	**1,827**	**1,801**

9. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

	Carrying amount TShs M	Un-discounted contractual cash flows TShs M	Less than 1 year TShs M	1 - 2 years TShs M	2- 5 years TShs M
At 31 December 2024					
Lease liabilities	2,424	3,630	1,155	1,653	822
Trade and other payables (*)	8,823	8,823	8,823	-	-
	11,247	**12,453**	**9,978**	**1,653**	**822**

(*) Excludes other tax payable.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company extension of credit to its customers. For risk management reporting purposes, the Company considers all elements of credit risk exposure such as individual obligator default risk, nature of customer and sector risk.

The carrying amount of financial assets represents the maximum credit exposure. The table below summaries the maximum credit exposure as at the reporting date.

	2025 TShs M	2024 TShs M
Trade and other receivables excluding prepayments (Note 23)	**14,371**	**11,759**
Cash at bank (Note 24)	**11,335**	**7,285**
At 31 December	**25,706**	**19,044**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Details of concentration of revenue are included in Note 10.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of 30 days for credit customers.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. The Company does not hold any collateral as security.

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows:

9. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

	2025 TShs M	2024 TShs M
Opening balance	**555**	**527**
Charge for the year	39	28
Closing balance	**594**	**555**

The individually impaired receivables resulting in the expected credit loss for the year of TShs 39 million (2024: TShs 28 million) mainly relate to customers who are in unexpectedly difficult economic situations.

The allowance for credit impairment has been calculated in line with the Company's provisioning policy as described under Note 6 (u)(iii).

The ageing buckets below represent groups of trade receivables with shared credit-risk characteristics for the purposes of calculating expected credit losses.:

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2025	**Gross** **TShs M**	**Impairment** **TShs M**	**Net** **TShs M**
Current (not past due)	5,879	—	5,879
31 to 60 days	1,377	(22)	1,355
61 to 90 days	1,691	(17)	1,673
91 to122 days	1,712	(12)	1,701
Over 181 days	1,923	(239)	1,684
Specifically provided	304	(304)	—
Closing balance (Note 23)	**12,886**	**(594)**	**12,292**

2024	**Gross** **TShs M**	**Impairment** **TShs M**	**Net** **TShs M**
Current (not past due)	4,435	-	4,435
31 to 60 days	1,825	(19)	1,806
61 to 90 days	1,155	(15)	1,140
91 to122 days	1,156	(10)	1,146
Over 181 days	1,423	(207)	1,216
Specifically provided	304	(304)	-
Closing balance (Note 23)	**10,298**	**(555)**	**9,743**

Strategic, Commercial, operational and financial risks

Through its risk management system, the Company identified strategic, commercial, operational and financial risks that faces the Company and implement strategies to mitigate the impact of the identified risks. These risks are mitigated by either establishing controls, meeting and discussing issues with customers, improving service delivery, investing and training of staff. These risks are well mitigated and have no significant impact to the financial performance of the Company.

9. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Capital risk management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximise shareholder value.

For the purposes of capital risk management, capital comprises equity attributable to the owners of the Company, together with net debt. Net debt is defined as interest-bearing borrowings less cash and cash equivalents.

The Company manages its capital structure and adjusts it, considering changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives policies or processes during the years ended 31 December 2025 and 31 December 2024. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt (*). Capital is reviewed regularly by management to ensure that it remains consistent with the Company's risk appetite and operational requirements. As of 31 December 2025, the Company had a gearing ratio of 0% (2024: 0%).

The Company is not subject to any externally imposed capital requirements.

(*) Net Debt includes the outstanding loan balance from Swissport International

10. REVENUE FROM CONTRACTS WITH CUSTOMERS

a) Revenue streams

The Company's generates revenue primarily from ground handling and cargo handling as shown below

Revenue from contract with customers	2025 TShs M	2024 TShs M
Ground handling	22,988	22,447
Cargo handling	30,445	26,568
Lounge Business	2,391	1,994
Total revenue	**55,824**	**51,009**

b) Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical market and major service lines. The table also includes a reconciliation of the disaggregated revenue with the Company's reportable segments. For more details, see segment reporting on Note 8 of these financial statements. Revenue recognition criteria for each stream has been detailed on section 6 (a) of significant accounting policies within these financial statements.

Revenue from contracts with customers is disaggregated below by timing of transfer of services:

Timing of revenue recognition	2025 (TShs M)	2024 (TShs M)
Over time	55,824	51,009
Point in time	-	-
Total revenue	**55,824**	**51,009**

All revenue from contracts with customers is recognised over time, as the services are performed and the customer simultaneously receives and consumes the benefits of the services provided. Accordingly, no revenue is recognised at a point in time.

10. REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTINUED)

b) Disaggregation of revenue from contracts with customers (Continued)

In addition to the disaggregation by service line and geographical market presented above, all revenue from contracts with customers is recognised over time, as the services are performed and the customer simultaneously receives and consumes the benefits of the services provided. Accordingly, no revenue is recognised at a point in time.

	Major Service Line					
	Ground Handling		Cargo handling		Lounge Business	
	2025	2024	2025	2024	2025	2024
	TShs M	TShs M	TShs M	TShs M	TShs M	TShs M
Primary geographical markets						
Kilimanjaro International Airport	5,202	3,852	2,636	2,054	2,391	1,994
Julius Nyerere International Airport	17,786	18,595	27,809	24,514	-	-
Total revenue	**22,988**	**22,447**	**30,445**	**26,568**	**2,391**	**1,994**

c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	2025	2024
	TShs M	TShs M
Receivables (included in trade and other receivables – note 23)	12,886	10,298
Contract assets (included in deposits and other receivables – note 23)	237	257
Contract liabilities (included in other payables – note 27)	-	-

The contract liabilities primarily relate to the advance consideration received from the customers from uncleared cargo consignment and rental initial deposits upon commencement of the contract. This will be recognized as revenue wen the consignments are cleared by the customers.

The contract assets primarily relate to the Company's rights to consideration for cargo received but not billed as at reporting date. The contract assets were not impacted by impairment charges during the period. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer.

Movements in contract assets during the year primarily reflect the timing of invoicing relative to service delivery, with decreases arising as balances were billed and transferred to trade receivables. Contract liabilities are driven by advance receipts from customers and unwind as the related services are performed and revenue is recognised.

11. OTHER OPERATING INCOME

	2025 TShs M	2024 TShs M
Rental income	254	237
Commission on freight charges	43	56
Income from training centre	39	189
Gain on disposal/write-off of property and equipment	(90)	-
Foreign exchange losses	(176)	(18)
	70	**464**

12. CONCESSION FEES

Concession fees – Tanzania Airports Authority at JNIA	4,897	4,634
Concession fees – Tanzania Airports Authority at KIA	1,085	841
	5,982	**5,475**

Concession fees are paid to Tanzania Airports Authority (TAA). Concession fee at JNIA is charged at TShs 400,000,000 + 10% of the ground and cargo handling revenue earned per year, while for KIA is 10% of the preceding year's total audited annual sales turnover.

13. STAFF COSTS

	2025 TShs M	2024 TShs M
Salaries and wages	10,053	9,583
Pension cost – defined contribution plans	1,222	1,184
Pension cost – defined benefit plan	99	142
Other staff costs*	6,100	6,747
	17,474	**17,656**

***Included in other staff costs are:**

Bonus expenses	965	1,026
Severance costs	182	1,897
Uniform costs	942	567
Transport costs	524	554
Skills and Development Levy	565	385
Healthcare insurance	564	372
Staff welfare	248	300
Medical Expenses	51	67
Terminal Benefits	420	120
Other staff costs	1,639	1,459
	6,100	**6,747**

14. OTHER OPERATING EXPENSES

Telecommunication and internet charges	332	280
IT and other information processing services	1,910	1,827
Trademark fee	755	706
Purchase of ground services	1,283	1,284
Insurance	803	903
Travel and transportation	408	373
Office supplies and printing costs	1,077	765
Legal and consultancy fees	550	552
Advertising and publicity	121	232
Cleaning material costs	669	581
Auditor's remuneration (1)	284	299
Director's emoluments	129	142
Bank charges	257	202
Other taxes	441	154
Other administration expenses*	973	813
	9,992	**9,113**

*** Included in other administrative expenses are:**

Membership, subscriptions, and licensing fees	110	131
Donation and CSR activities	111	178
Training center costs	143	126
General listing expenses	189	112
Other expenses	420	266
	973	**813**

(1) This includes the independent auditors' remuneration of TZS 103 million.

15. FUEL AND MAINTENANCE COSTS

	2025	**2024**
	TShs M	**TShs M**
Fuel – Ground support equipment	937	1,020
Maintenance – Ground support equipment	2,382	1,499
Maintenance – Motor vehicles	87	82
Maintenance – Others	864	986
	4,270	**3,587**

16. RENT AND OTHER OCCUPANCY COSTS

	2025	**2024**
	TShs M	**TShs M**
Lease of low value – JNIA (Note 29(c))	361	296
Lease of low value – KIA (Note 29(c))	160	160
Utility charges	199	285
	720	**741**

17. INCOME TAX EXPENSE

a) Amount recognized in profit or loss

	2025	2024
Current tax expense	**TShs M**	**TShs M**
Current year tax charge	3,100	2,732
Current year tax charge related to prior years	678	3
	3,778	**2,735**

Deferred tax expense		
Origination and reversal of temporary differences	495	(44)
Deferred tax charge/(credit)	**495**	**(44)**
Tax charge for the year	**4,273**	**2,691**

b) Amount recognized in OCI

Items that will not be reclassified to Profit or loss ***in subsequent periods:***

	2025 - TShs M			2024 - TShs M		
	Before tax	Tax credit	Net of tax	Before tax	Tax charge	Net of tax
Re-measurements of defined benefit liability (Note 26)	48	(14)	34	(598)	179	(419)
	48	**(14)**	**34**	**(598)**	**179**	**(419)**

The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the basic tax rates as follows:

	2025	2024
	TShs M	**TShs M**
Profit before tax	10,786	8,202
Tax charge	4,273	2,691
Effective tax rate	**39.6%**	**32.8%**

17. INCOME TAX EXPENSE (CONTINUED)

c) Reconciliation of effective tax rate

	2025		2024	
	Tax amount	**Rate**	**Tax amount**	**Rate**
Standard tax on current year profit	3,272	30.3%	2,461	30%
Tax effect on:				
Depreciation on non-qualifying assets	-	0.0%	4	0.01%
Expenditure permanently disallowed	313	2.9%	229	2.8%
Other adjustments	-	0.0%	-	0.0%
PPE adjustment on capital gain tax	-	0.0%	1	0.0%
Profit on sale of non-qualifying assets	-	0.0%	-	0.0%
(Over) / under provision of tax for earlier years:				
Corporation tax	678	6.3%	-	0.0%
Deferred tax	10	0.1%	(4)	0.0%
Effective tax amount and rate reconciled	**4,273**	**39.6%**	**2,691**	**32.8%**

d) Income tax recoverable

	2025	2024
	TShs M	**TShs M**
At 01 January	1,212	888
Tax expense	(3,778)	(2,735)
Tax paid	2,980	2,723
Withholding tax credit	314	336
At 31 December	**728**	**1,212**

18. DEFERRED TAX LIABILITY

Movement in the deferred tax balances

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	2025 TShs M	2024 TShs M
Accelerated capital allowance	(1,684)	(1,430)
Other provisions charged to reserve	206	219
Provisions	11	253
Net deferred tax liability	**(1,467)**	**(958)**

The gross movement on the deferred income tax accounts is as follows:		
At 1 January	(958)	(1,181)
(Charge)/credit to the profit or loss statement - Note 17(a)	(495)	44
(Charge)/credit to the other comprehensive income (OCI)	(14)	179
At 31 December	**(1,467)**	**(958)**

19. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share amounts are calculated by dividing net profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. The calculation is based on:

	2025	2024
Attributable profit to ordinary shareholders – TShs	6,513,000,000	5,511,000,000
	Number	**Number**
Weighted average number of ordinary shares	36,000,000	36,000,000
Basic earnings per share - TShs	180.9	153.1

Diluted earnings per share

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the Company (after deducting interest on the convertible non-cumulative redeemable preferences shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

There are no instruments that could dilute the earnings per share as at 31 December 2025 (2024: None).

	2025	2024
Attributable profit to ordinary shareholders – TShs	6,513,000,000	5,511,000,000
	Number	**Number**
Weighted average number of ordinary shares	36,000,000	36,000,000
Diluted earnings per share – TShs	180.9	153.1

20. DIVIDENDS

	2025 TShs M	2024 TShs M
Proposed dividends on ordinary shares*	**3,274**	**2,546**

*The directors propose a payment of dividend of TShs 90.9 per share (2024 – TShs 70.7 per share), amounting to TShs 3,274 million out of the profit for the year ended 31 December 2025 (2024 – TShs 2,546 million). The proposed dividend has not been recognised as a distribution during the year as dividends are not recognised as a liability as it is subject to approval at the Annual General Meeting.

The dividend payment is as follows:

Dividend paid**	**2,546**	**1,848**

**The dividend paid during the year was TShs 2,546 million (2024 – TShs 1,848 million) to both Swissport International Ltd and local shareholders which was approved in the annual general meeting held in 2025. Dividends are subjected to a withholding tax of 5%.

The movement in dividends (excluding unclaimed dividend) during the year is as follows:

	2025 TShs M	2024 TShs M
Dividend payable 1 January	**-**	**-**
Dividend declared	2,546	1,848
Paid during the year	(2,546)	(1,848)
Dividend payable on 31 December (excluding unclaimed dividend) – Note 27	**-**	**-**

21. (a) PROPERTY AND EQUIPMENT

	Capital work in progress	Leasehold property improvements	EDP hardware & equipment	Motorized equipment	Non-motorized equipment	Other assets	Total
2024	**TShs M**	**TShs M**	**TShs M**	**TShs M**	**TShs M**	**TShs M**	**TShs M**
Cost							
At 1 January 2024	519	7,040	920	25,222	6,727	2,816	43,244
Additions	2,953	-	78	1,783	306	414	5,534
Transfers in/(out)	(519)	-	-	-	-	519	-
At 31 December 2024	**2,953**	**7,040**	**998**	**27,005**	**7,033**	**3,750**	**48,778**
Depreciation							
At 1 January 2024	-	3,297	207	14,222	5,054	2,539	25,319
Charge for the year		710	186	1,738	461	271	3,366
At 31 December 2024	**-**	**4,007**	**393**	**15,960**	**5,515**	2,810	**28,685**
Net book value							
At 31 December 2024	**2,953**	**3,033**	**605**	**11,046**	**1,517**	**939**	**20,093**

There is no impairment loss relating to property and equipment recognised in the financial statements. Additionally, no assets have been pledged as security to lenders.

21. (a) PROPERTY AND EQUIPMENT (CONTINUED)

	Capital work in progress	Leasehold property improvements	EDP hardware & equipment	Motorized equipment	Non-motorized equipment	Other assets	Total
2025	**TShs M**	**TShs M**	**TShs M**	**TShs M**	**TShs M**	**TShs M**	**TShs M**
Cost							
At 1 January 2025	2,953	7,040	998	27,004	7,033	3,750	48,778
Additions	1,991	129	218	7,916	494	574	11,322
Transfers in/(out)	(4,944)	4,944	-	-	-	-	-
Write offs/disposals	-	(46)	(29)	(542)	(840)	(188)	(1,645)
At 31 December 2025	**-**	**12,067**	**1,187**	**34,378**	**6,687**	**4,136**	**58,455**
Depreciation							
At 1 January 2025	-	4,007	393	15,960	5,515	2,810	28,685
Charge for the year	-	637	264	1,838	368	266	3,373
Write offs/disposals	-	(38)	(25)	(440)	(840)	(185)	(1,528)
At 31 December 2025	**-**	**4,606**	**632**	**17,358**	**5,043**	**2,891**	**30,530**
Net book value							
At 31 December 2025		**7,461**	**555**	**17,020**	**1,644**	**1,245**	**27,925**

There is no impairment loss relating to property and equipment recognised in the financial statements. Additionally, no assets have been pledged as security to lenders.

21. (b) INTANGIBLE ASSET

	2025 TShs M	2024 TShs M
Cost		
At January	26,041	25,935
Additions	-	106
Write offs/disposals	-	-
At December	26,041	26,041
Accumulated amortisation:		
At January	18,975	16,901
Charge for the year	1,965	2,074
Write offs/disposals	-	-
At December	20,940	18,975
Net book value as at the end of the year	**5,101**	**7,066**

On 25 April 2013, the Company entered into a land lease agreement with Tanzania Airports Authority. The agreement is for the lease of land measuring 15,000 square meters for the period of 15 years from the date of the last signing of the agreement, which was 25 April 2013. The Company is paying annual land lease of US$ 118,500 (US$ 7.9/sqm).

As per the lease agreement the Company was required to construct an import warehouse under the Built Own and Transfer terms (BOT). Meaning that after the expiration of 15 years period from 25 April 2013 the constructed warehouse will be transferred and be legally owned by the Tanzania Airports Authority. Hence, Tanzania Airports Authority retains a significant residual interest in the asset at the end of the arrangement.

The construction of the asset was completed in June 2016 and commenced amortization soon after the construction was completed and handed over to the Company ready for use. The Company has the right to operate and use the warehouse for the concession period in order to earn revenue from the provision of related services. The Company does not obtain legal ownership of the underlying land or the building.

The asset is accounted for as intangible assets as it meets criteria stipulated under IFRIC 12 *Service Concession Arrangements*, which are:

- The grantor controls or regulates services offered by the Company, to whom it has to provide the service (general public) and the prices at which the services are charged; and
- The grantor will control through ownership a significant residual interest in the building at the expiry of the remaining lease period.

The Company does not have the right to receive any consideration for construction services of the warehouse from the Tanzania Airports Authority. Instead, the Company is compensated through the right to charge users of the warehouse during the concession period. Accordingly, the Company is exposed to demand and operational risks associated with usage of the facility.

22. INVENTORIES

	2025 TShs M	2024 TShs M
Spare parts	237	330
Stationery	63	79
Cleaning materials	29	38
Fuel	50	78
Uniforms	83	88
	462	**613**

Inventories are not pledged as security.

There was no write-down of inventories during the year (2024: None).

23. TRADE AND OTHER RECEIVABLES

	2025 TShs M	2024 TShs M
Trade receivables	12,886	10,298
Less: Credit impairment	(594)	(555)
Trade receivables – net	**12,292**	**9,743**
Prepayments	892	297
Deposits and other receivables	994	1,073
Staff receivables - short term	627	584
Staff car loans (1)	270	220
	15,075	**11,917**

Trade receivables are non-interest bearing and are generally on 30-day terms.

(1) The staff car loans exclude TShs 188 million (2024: TShs 139 million) receivable after 1 year presented under non-current assets in the Statement of Financial Position.

The expected credit loss on the other receivables was immaterial as at 31 December 2025 (2024: immaterial).

A significant portion of the Company's trade receivables are classified as current. The movement on the expected credit loss of trade receivables is as follows:

	2025 TShs M	2024 TShs M
At 1 January	555	527
Charge for the year	39	28
At 31 December	**594**	**555**

23. TRADE AND OTHER RECEIVABLES (CONTINUED)

The carrying amounts of the Company's trade and other receivables are denominated in the following currencies:

	2025 TShs M	2024 TShs M
US dollars	6,123	5,212
Tanzanian shillings	5,903	4,510
Euro	860	576
	12,886	**10,298**

Information about the Company's exposure to credit and market risks, and impairment losses for the trade receivables is disclosed in Note 9 to these financial statements.

24. CASH AND CASH EQUIVALENTS

	2025 TShs M	2024 TShs M
For the purpose of the cash flow statement, the year-end cash and cash equivalents comprise:		
Cash at bank	11,335	7,285
Cash on hand	16	13
	11,351	**7,298**

25. SHARE CAPITAL

Authorised:	**TShs M**	**TShs M**
50,000,000 Ordinary shares of TShs 10 each	**500**	**500**
Issued and fully paid:		
36,000,000 Ordinary shares of TShs 10 each	**360**	**360**
The issued shares were held as follows: -		
Swissport International Ltd. (a foreign shareholder) – 51%	184	184
Other shareholders – 49%	176	176
	360	**360**

All shares rank equally with regard to the Company's residual assets. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

26. RETIREMENT BENEFIT OBLIGATIONS

	2025 TShs M	2024 TShs M
As at 1 January	1,261	1,752
Current service cost	10	27
Interest cost (discount unwinding)	100	115
Past Service Cost	(11)	-
Actuarial loss/(gain) [(1)]	(48)	598
Benefits paid during the year	(899)	(1,231)
As at 31 December	**413**	**1,261**

The Company has an unfunded non-contributory employee gratuity arrangement for permanent and pensionable employees (the “Arrangement”) which provides for lump sum payments to its employees on their retirement at the age of between 55 and 60 years or those allowed to retire early or those who die while in employment, based on length of service and salary at retirement and qualifies as a defined benefit plan. A firm of professional actuaries, Muhanna & Co Actuaries and Consultants, carried out the actuarial valuation of the Arrangement as of 31 December 2025 using the Projected Unit Credit Method.

As at 31 December 2025 the present value of the accrued (past service) liability in respect of retirement gratuity benefits was TShs 413 million (2024: TShs 1,261 million). The principal assumptions used in the actuarial valuation are:

(i) Discount rate of 10.2% (2024 – 12.3%) [(2)]
(ii) Rate of salary escalation of 4.5% (2024 – 4.5%)
(iii) Retirement age 60 years (2024 – 60 years)
(iv) Mortality rates (based on 2009 - 2010 mortality rates)

The ‘notional’ Company contribution rate to meet the cost of future accrual of gratuity benefits is estimated at 4% of salaries per annum (2024: 4%). The next valuation is due on 31 December 2026. The 3-year trend of this non-contributory employee gratuity arrangement is as follows:

	2025 TShs M	2024 TShs M	2023 TShs M
Present value of the defined benefit obligation	**413**	**1,261**	**1,752**

[(1)] Re-measurements of the net defined benefit liability (asset) are recognised in OCI and are not reclassified to profit or loss in a subsequent period. However, the Company may transfer cumulative amounts recognised through OCI to another component of equity.

[(2)] The discount rates are derived from the yields to maturity on the Central Bank of Tanzania’s treasury bonds with similar terms and in the same currency.

26. RETIREMENT BENEFIT OBLIGATIONS (CONTINUED)

The amounts recognised in the statement of profit or loss are as follows:

	2025 TShs M	2024 TShs M
Current service cost	10	27
Interest cost (discount unwinding)	100	115
Past Service Cost	(11)	-
Total, included in staff costs (Note 13)	**99**	**142**

The arrangement provides benefits of a defined nature (i.e., salary and service related). One of the main risks relating to the benefits under the arrangement is the rate of salary growth. As the benefits are based on the final salary, any changes in salary that differ from the salary escalation rate assumed will have a direct bearing on the benefits paid under the arrangement. In addition, the benefits are not payable on voluntary termination or resignation. The Company's experience with respect of these withdrawals will also impact the benefits payable under the arrangement, when compared to the assumption made regarding withdrawals.

Sensitivity of the results

Changing parameter	Baseline	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Discount rate	10.2%	10.7%	9.7%	10.2%	10.2%
Inflation rate	4%	4%	4%	4.5%	3.5%

	Base line TShs M	Scenario 1 TShs M	Scenario 2 TShs M	Scenario 3 TShs M	Scenario 4 TShs M
Actuarial liability	413	409	416	417	408
Service cost	13.0%	12.9%	13.1%	13.2%	12.9%

The arrangement is unfunded, and the Company pays benefits from general revenues as and when they arise. The timing of the benefit payments from the arrangement will be influenced by the age at which employees retire from the Company.

The weighted average duration of the liability as at 31 December 2025 is 3.1 years (2024 – 4.15 years).

Retirement contributions plan

	2025 TShs M	2024 TShs M
Contributions to NSSF	1,222	1,158
Total	**1,222**	**1,158**

27. TRADE AND OTHER PAYABLES

	2025 TShs M	2024 TShs M
Airport authorities – Concession fees	6,255	2,495
Trade payable	5,447	748
Payable to a related party – other payables (Note 29)	1,686	903
Bonus payables	997	1,029
Dividend payable – unclaimed dividend*	2,150	2,241
Other tax payable	579	763
Other payables	1,280	1,408
	18,394	**9,587**

*Unclaimed dividends consist of dividend paid by the Company but not collected by the shareholders and therefore the cash was returned to the Company.

Trade payables are non-interest bearing and are normally settled between 15 to 45 days after date of invoice. All trade and other payables are current. Other payables are non-interest bearing and have an average credit term of 30 days; and

For terms and conditions relating to related party transactions, refer to Note 29.

For the purpose of cash flows, the movement on dividend payable is excluded.

28. RELATED PARTY DISCLOSURES

Balances and transactions with the related companies

The Company's parent Company is Swissport International Ltd. ("SPI") a major shareholder of the Company. Other than recharges for the use of Cargospot, FindNet, FSC, World tracer, Uniform tool, SPASS+, and Infraport systems, travel and IT support recharges and insurance recharges, the Company did not enter into significant transactions with Swissport International Ltd.

The following are the transactions between the Company and its related party, Swissport International Ltd.

		2025 TShs M	2024 TShs M
(a)	BIC and IT systems charges	1,461	1,499
(b)	Trademark fees	755	706
(c)	Insurance recharge	45	61
(d)	Procurement services recharges	-	90
		2,261	**2,356**

28. RELATED PARTY DISCLOSURES (CONTINUED)

Balances and transactions with the related companies (Continued)

Transactions with key management personnel

Key management personnel are described as those persons having authority and responsibility for planning, directing, and controlling the activities of the Company, comprising senior management.

Compensation to key management personnel:

	2025 TShs M	2024 TShs M
Salaries and short-term benefits	1,960	2,522
Post-employment retirement benefits	301	883
	2,261	**3,405**

The details of the performance guarantee issued in favour of the Company through Swissport International Ltd are disclosed in Note 32 of the financial statements.

	2025 TShs M	2024 TShs M
Receivable from a related party (*)		
Swissport International Ltd.		
Receivable	-	1,033
	-	**1,033**
Payable to a related party (*)		
Swissport International Ltd.		
Trade payable	1,686	903
Dividend payable to SPI	**-**	**-**
Total dividend and other payable	**1,686**	**903**

(*) Swissport International has confirmed its intention not to demand payment in satisfaction of the liability at least for the next 12 months from date of approval of these financial statements.

The company has not made any provision for impairment losses on the balances at period end (2024: Nil).
The total remuneration paid to individual directors, which comprised directors' fees and sitting allowances were as follows:

	2025 TShs M	2024 TShs M
Current Directors (*)		
Mr Raymond P Mbilinyi	38	36
Mr Charles Kimei	36	34
	74	**70**

(*) Director's representing Swissport International Ltd are not entitled to any director allowances and remunerations.

29. LEASES

i. Company as a lessee

Information about leases for which the Company is a lessee is presented below.

a) Lease liabilities

Lease liability classification	**2025 TShs M**	**2024 TShs M**
Current portion	845	**1,216**
Non-current portion	1,803	**1,208**
	2,648	**2,424**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2025	2024
As at 01 January	2,424	2,265
Lease modification	1,123	993
Interest expense	371	383
Lease payments – principal and interest	(1,335)	(1,250)
Foreign exchange losses	65	33
As at 31 December	**2,648**	**2,424**

b) Right-of-use assets

	Buildings	
	2025 TShs M	**2024 TShs M**
Cost		
Balance at 1 January	2,519	2,374
Additions for the year	-	-
Lease modification	1,123	993
Depreciation charge	(922)	(848)
Balance as at 31 December	**2,720**	**2,519**

c) Amounts recognised in the statement of profit or loss:

Leases under IFRS 16	**2025 TShs M**	**2024 TShs M**
Interest on lease liabilities	371	383
Expenses relating to short-term leases*	524	554
Leases of low value – JNIA and KIA (Note 16)	521	456

* During the year, the Company leased staff buses under a short-term transportation arrangement, which was assessed to qualify as a short-term lease.

29. LEASES (Continued)

i) Company as a lessee (Continued)

d) Amounts recognised in statement of cash flows

	2025 TShs M	2024 TShs M
Within operating cash flows (interest on lease liabilities)	371	383
Within financing cash flows (payment of principal lease liabilities)	964	867

e) Extension options

As stated in Note 4 (a), the Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control. The Company has considered extension options in the available contracts to arrive at present lease liability of TShs 2.6 billion (2024: TShs 2.4 billion).

ii) Company as a lessor

Operating leases

The Company leases out its buildings to other parties, consisting of offices in new cargo warehouse facility. The leases are classified as operating leases from a lessor perspective.

The Company has classified these leases as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Note 6 (I) sets out information about the operating leases of building properties.

Rental income recognised by the Company during 2025 was TShs 254 million (2024: TShs 237 million).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

2025 – Operating leases	**TShs M**
Less than one year	78
More than one year but less than five years	128
More than five years	-
Total	**206**

2024 – Operating leases	TShs M
Less than one year	237
More than one year but less than five years	127
More than five years	-
Total	**364**

30. FINANCE COSTS

Finance costs comprise of interest on lease liability and interest on borrowings

	2025	2024
	TShs M	TShs M
Interest on lease liabilities - Note 29(c)	371	383
	371	**383**

31. COMMITMENTS AND CONTINGENCIES

Capital commitments

At 31 December, the Company had the following capital commitments:

	2025	2024
	TShs M	TShs M
Approved and contracted for	744	3,565
Approved but not contracted	1,465	2,251

Legal claims contingency

As at 31 December 2025, the Company was a defendant in several lawsuits. The plaintiffs are claiming damages and interest thereon for the loss caused by the Company due to breach of contracts, unlawful termination of employment and staff retrenchment exercise. The Company has filed counterclaims against the plaintiffs. Based on the legal opinion obtained by the Company's management, any potential legal matters during the year under review were assessed as remote. Accordingly, no provision or contingent liability has been recognised as at the reporting date (2024: TShs 576 million). In the opinion of the Directors and Company's Legal Counsel, no material liabilities are expected to crystallize from these lawsuits.

Guarantee

The Company entered into a five years concession agreement with Tanzania Airports Authority (TAA) on 1 May 2020 for the provision of ground handling services at Julius Nyerere International Airport (JNIA). TAA required the Company to provide on demand a performance guarantee for US$ 50,000 to secure the due and punctual performance of, and full compliance with, its obligation under the concession agreement.

The performance guarantee of US$ 50,000 was issued on 27 October 2020 by Barclays Bank Plc, Trade Operations, One Snow Hill Queensway, Birmingham, B4 6GN.UK. through Swissport International Ltd. The guarantee expired on 31 October 2022. However, in the event that the term of the concession is extended the validity of this guarantee was automatically extended without the necessity of notifying the issuing authority.

32. FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and approximate fair value of the Company's financial instruments not measured at fair value:

	Carrying amount		Approximate Fair value	
	2025	2024	2025	2024
	TShs M	TShs M	TShs M	TShs M
Applicable assets				
Trade and other receivables [1]	14,371	11,759	14,371	11,759
Cash and cash equivalents	11,351	7,298	11,351	7,298
Applicable liabilities				
Trade and other payables [2]	17,821	8,823	17,821	8,823

[1] Financial assets included are trade receivables, staff receivables, revolving fund and staff car loans as depicted in Note 23.

[2] Financial liabilities included are concession fees payable, sundry payable and due to related party as depicted in Note 27.

The management assessed those fair values of cash and cash equivalents, trade and other receivables, trade and other payables approximate their carrying amounts largely due to short-term maturities of these instruments. Borrowing have interest rate approximating to the market rate.

33. ULTIMATE HOLDING COMPANY

51% of the Company's ordinary shares are owned by Swissport International Ltd. while the remaining 49% of Company's ordinary shares are owned by the general public through the Dar es Salaam Stock Exchange. The ultimate shareholders of Swissport International Ltd are investors individually holding each less than 25% of its shares.

34. EVENTS AFTER THE REPORTING DATE

At the date of signing the financial statements, the Directors are not aware of any other matter or circumstance arising since the date of the end of the reporting period, not otherwise dealt in these financial statements, which significantly affected the financial position of the Company and results of its operations.