



**PATENTS AND COMPANIES
REGISTRATION AGENCY**

ANNUAL REPORT



2025



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**PATENTS AND COMPANIES
REGISTRATION AGENCY**

**2025
ANNUAL
REPORT**

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ACRONYMS

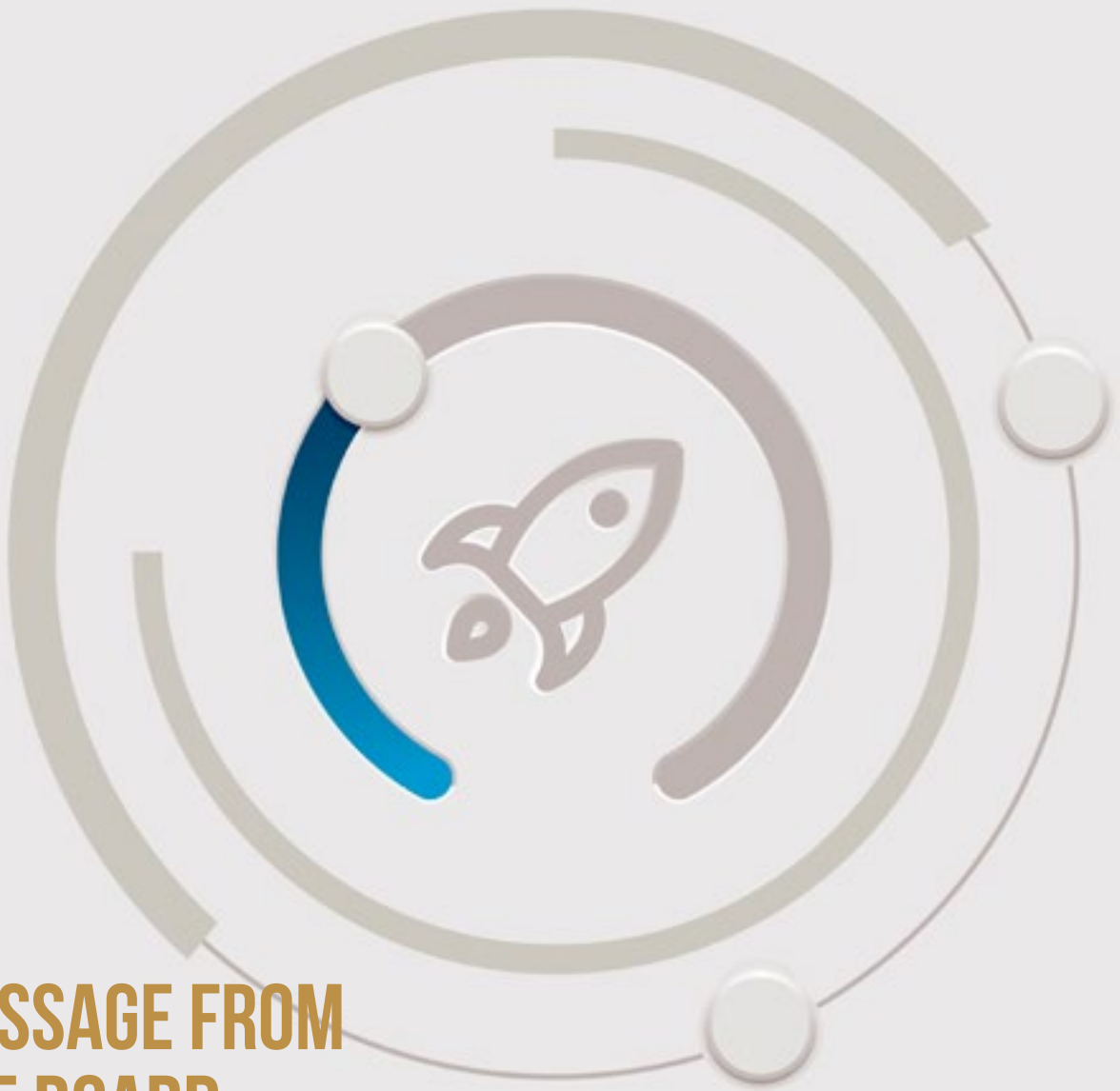
API	Application Programming Interface
ARIPO	African Regional Intellectual Property Organisation
AIDS	Acquired Immuno Deficiency Syndrome
BO	Beneficial Ownership
BRI	Belt Road Initiative
CEO	Chief Executive Officer
CSR	Corporate Social Responsibility
ERM	Enterprise Risk Management
FATF	Financial Action Task Force
GIZ	German Agency for International Cooperation
HIV	Human Immuno Virus
ICT	Information Communication Technology
IZIC	Invest in Zambia International Conference
IFFRO	International Federation Of Reproduction Rights Organizations
IPR	Industrial Property Rights
NPO	Non-Profit Organisation
MCTI	Ministry of Commerce Trade and Industry
MoU	Memorandum of Understanding
MPRS	Movable Property Registry System
OO	Open Ownership
PACRA	Patents and Companies Registration Agency
SME	Small Medium Enterprises
TETS	Tertiary Engineers, Technicians and Scientists
USAID	United States Agency for International Development (USAID)
WIPO	World Intellectual Property Organisation
ZATI	Zambia Accelerating Transparency and Integrity
ZRA	Zambia Revenue Authority



EXCELLENCE

is our core value

We will provide high quality service to our customers.



MESSAGE FROM THE BOARD CHAIRPERSON

“

We exceeded our annual non-tax revenue target by 34%, collecting K156.25 million against a budget of K116.56 million. ”

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MESSAGE BY THE BOARD CHAIRPERSON



I am pleased to report that the Agency delivered exceptional performance across all key operational areas during the 2025 financial year. The period was characterised by notable milestones that reinforce our commitment to advancing entrepreneurship, stimulating innovation, and supporting national economic growth through effective business formalisation and intellectual property protection services.


A major highlight of the year was the Agency’s strong financial outturn. We exceeded our annual non-tax revenue target by 34%, collecting K156.25 million against a budget of K116.56 million. This translated into a favorable variance of K39.69 million and a year-on-year increase of K9.11 million compared to 2024. This performance affirms the Agency’s significant role in supporting Government’s non-tax revenue mobilisation agenda and demonstrates the resilience

and operational efficiency underpinning our service delivery.

The exceptional revenue results were largely driven by robust commercial revenue, which reached K138.1 million—41% above target. In addition, the Agency registered 20,675 new companies during the year, surpassing the annual target by 8% and representing a 12.5% increase over 2024. This continued growth in business registrations underscores the Agency’s pivotal contribution to enhancing the business environment and supporting broader economic development. Increased business formalisation remains critical to job creation, broadening the national tax base, and enabling entrepreneurs to access financing and expanded market opportunities.

From a governance perspective, the Board made significant progress in strengthening institutional frameworks by approving key policies, including the HIV & AIDS Policy and the Workplace Harassment Policy. These policy developments reflect our continued commitment to building a highperforming institution that prioritises staff welfare, promotes accountability, and positions the Agency as a competitive and attractive employer.

While we acknowledge and celebrate the achievements recorded in 2025, we remain aware of the challenges that lie ahead. We view these challenges not as constraints, but as opportunities for further innovation, operational improvement, and strategic growth. With sustained collaboration from our stakeholders, development partners, and the unwavering dedication of our staff, I am confident that the Agency is well positioned to build on the momentum achieved and to deliver even greater impact in the years that follow.



Allan Chungu Mwaba
BOARD CHAIRPERSON

MESSAGE BY THE CHIEF EXECUTIVE OFFICER

“

Overall, performance during 2025 reflects sustained institutional resilience, continued stakeholder confidence in the intellectual property system, and incremental growth in both business formalisation and the protection of intellectual property rights.

”

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MESSAGE BY THE CHIEF EXECUTIVE OFFICER



It is my pleasure to present the 2025 Annual Report of the Patents and Companies Registration Agency (PACRA), which provides a comprehensive account of the Agency’s performance, strategic progress, and key institutional developments during the year under review.

The year 2025 was characterised by evolving macroeconomic conditions, increasing demand for efficient and accessible business services, and the growing strategic importance of intellectual property protection as a driver of innovation and economic growth. Despite these dynamics, the Agency maintained operational stability and continued to effectively discharge its statutory mandate of facilitating business registration and administering intellectual property rights

within a framework that promotes efficiency, transparency, regulatory compliance, and customer-centric service delivery.

2025 Performance in Registration Services.

During the reporting period, the Agency recorded strong performance across both business registration and intellectual property service lines. A total of 46,221 new business entities were registered, comprising 25,733 Business Names and 20,488 Companies. Company registrations exceeded the annual performance target, indicating sustained levels of entrepreneurial activity and continued confidence in the formal business registration framework.

Compliance with statutory obligations remained strong during the reporting period, with 123,127 Annual Returns filed. This reflects improved adherence to regulatory requirements and indicates progressive strengthening of corporate governance practices and compliance culture across the business community.

Registration activity remained concentrated within the Wholesale and Retail, Agriculture, Construction, and Financial sectors, reflecting sustained economic participation and the continued formalisation of enterprises within key sectors of the economy.

In the area of Intellectual Property services, the Agency recorded 3,655 trademark applications, representing 99% of the annual target, and 204 industrial design applications, exceeding the target by 43%. Patent and copyright filings remained broadly stable, although marginally below projected levels.

Overall, performance during 2025 reflects sustained institutional resilience, continued stakeholder confidence in the intellectual property system, and incremental growth in both business formalisation and the protection of intellectual property rights.

Digital Transformation

Digital transformation remained a central pillar of the Agency's modernisation agenda during the reporting period. The Agency continued to enhance its digital service delivery platforms, resulting in improved turnaround times, increased service accessibility, and strengthened operational efficiency. The sustained growth in the uptake of online services reflects increasing user confidence in digital channels and reinforces the Agency's commitment to modernising its operations in alignment with the Government's broader digital transformation agenda.

Key initiatives implemented during the year included:

- *Call Centre System Enhancement*

An upgraded call centre system was implemented to strengthen service delivery, oversight, and performance monitoring. The system incorporates call recording, real-time supervision, and enhanced reporting functionality, thereby improving service responsiveness and accountability.

- *Disaster Recovery and Business Continuity*

Disaster recovery infrastructure was established to safeguard critical data and ensure continuity of operations. This intervention enhances institutional resilience and mitigates risks associated with system disruptions.

- *Business Register Redevelopment Project*

A project concept note for the redevelopment of the Business and Beneficial Ownership Register was finalised, with funding for the first phase secured from the German Agency for International Cooperation (GIZ). Structured over a three-year period, the project is designed to strengthen data governance frameworks, enhance the accuracy, completeness, and timeliness of beneficial ownership information, and improve system

interoperability with relevant regulatory and law enforcement agencies. The initiative is further expected to support compliance with anti-money laundering and counter-terrorist financing (AML/CFT) requirements, align with international transparency standards, and enhance the Agency's capacity to detect, prevent, and mitigate risks associated with illicit financial flow

Collaboration with Stakeholders

During the reporting period, the Agency leveraged stakeholder engagement through coordinated collaboration with Government institutions, the private sector, and cooperating partners. These engagements enhanced service delivery, strengthened regulatory compliance, and contributed to the attainment of national development objective.

Our regulatory function remained central to our operations. We strengthened compliance monitoring and enforcement to ensure adherence to statutory requirements, while also providing guidance and support to stakeholders to promote lawful and orderly business operations. In addition, the Agency advanced efforts to improve the protection of intellectual property, recognising its critical role in fostering innovation, creativity, and investment.

Outlook for 2026

Looking ahead, the Agency will undertake a terminal review of its current Strategic Plan and develop a new five-year strategy aligned with national development priorities and international best practices. This strategic process will position the Agency to respond effectively to emerging regulatory and technological developments while sustaining value creation for stakeholders.

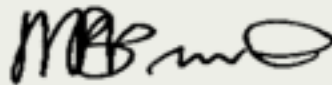
As we build on the achievements of 2025, the Agency reaffirms its commitment to service excellence, institutional integrity, transparency, and continuous improvement. In collaboration with stakeholders, we

remain dedicated to strengthening Zambia's corporate and intellectual property ecosystem in support of inclusive and sustainable economic growth.

Acknowledgements

In closing, I wish to express my sincere appreciation to the Ministry of Commerce, Trade and Industry Zambia for its strategic guidance, the PACRA Board for its steadfast

leadership, and the Agency's staff for their professionalism and commitment, which continue to drive institutional success. I also extend my gratitude to all stakeholders whose support has been instrumental in achieving these results.

A handwritten signature in black ink, appearing to read "MB Mpalo", is centered on the page.

Benson Mpalo

**REGISTRAR AND CHIEF EXECUTIVE
OFFICER**



COURTESY

is our core value

We will be polite and respectful to our clients

ABOUT PACRA



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**CUSTOMER
SERVICE CENTRE**



1.0 ABOUT PACRA



The Patents and Companies Registration Agency (PACRA) herein after referred to as the “Agency” is a statutory body under the Ministry of Commerce, Trade and Industry. The Agency is established under the Patents and Companies Registration Agency Act, No. 4 of 2020. The principal mandate of the Agency is to provide business and intellectual property registration services. Additionally, the Agency is responsible for the management of the collateral registry as well as accreditation of insolvency practitioners.



1.1 VISION

An innovative customer-centered business and intellectual property registration Agency.



1.2 MISSION

To provide business and intellectual property registration services for economic growth and national development.

1.3 Functions of the Agency

The functions of the Agency are to –

- i. Administer the Trade Marks Act No. 11 of 2023, the Copyright and Performance Rights Act Cap. 406, the Companies (Certificates Validation) Act Cap. 414, the Registration of Business Names Act No. 16 of 2011, the Moveable Property (Security Interest) Act No. 3 of 2016, the Layout-designs of Integrated Circuits Act No. 6 of 2016, the Protection of Traditional Knowledge, Genetic Resources and Expressions of Folklore Act No. 16 of 2016, the Industrial Designs Act No. 22 of 2016, the Patents Act No. 40 of 2016, the Corporate Insolvency Act No. 9 of 2017 and the Companies Act No.10 of 2017;
- ii. Receive and investigate complaints of alleged or suspected breach of the Acts referred to above and subject to the directives of the Director of Public Prosecutions, prosecute offences under those Acts, as the case may be.
- iii. Collect, collate and disseminate information on the law relating to the Acts referred to above;
- iv. Advise the Government on all matters pertaining to the Acts referred to above; and
- v. Do all such other things as are necessary or incidental to the performance of its functions under the Patents and Companies Registration Agency Act.

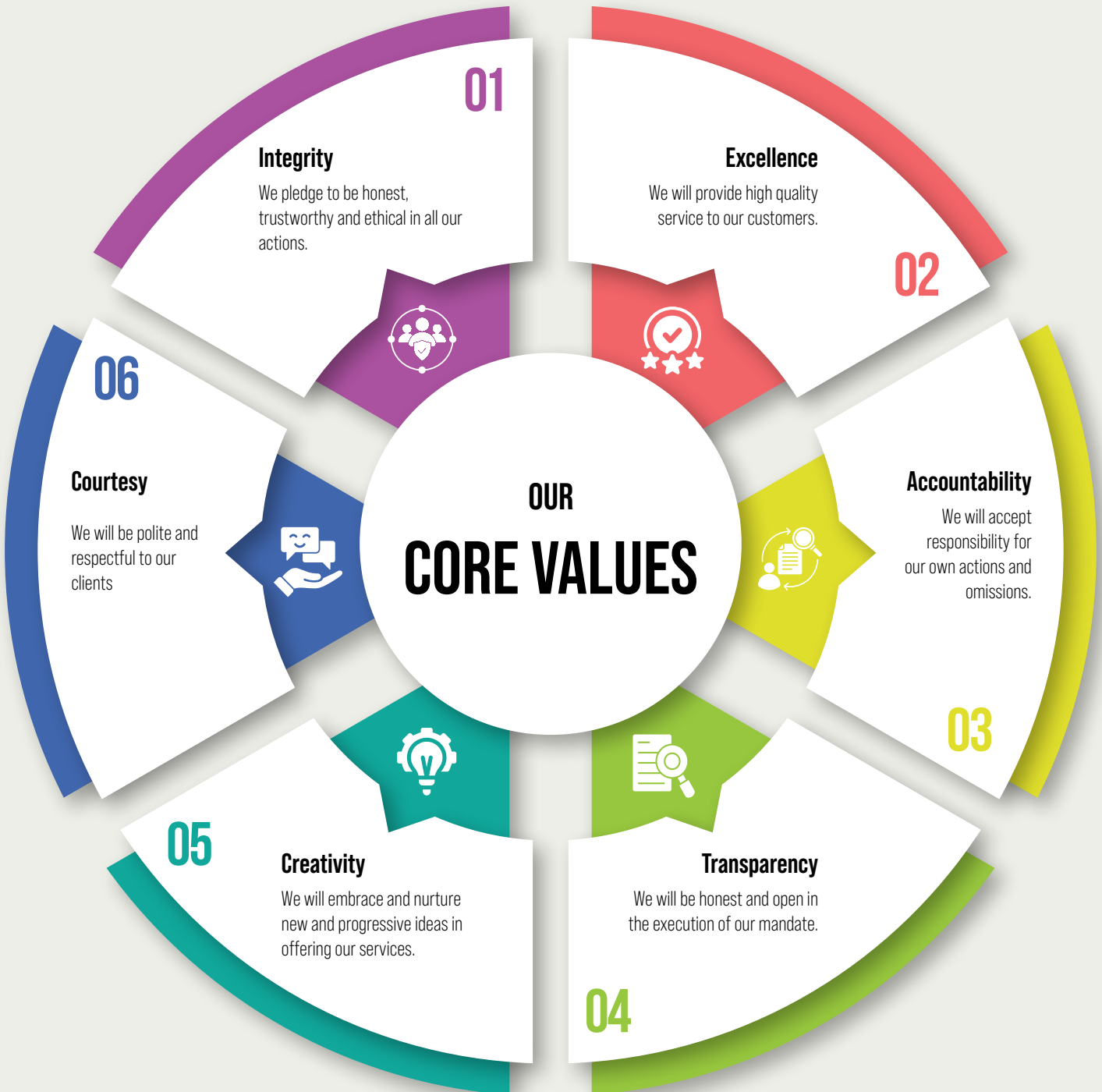
1.4 Services Offered by the Agency

The following are the services provided by the Agency:

- i. Registration of trademarks;
- ii. Granting of patents;
- iii. Registration of industrial designs;
- iv. Registration of copyright and related rights;
- v. Incorporation of companies;
- vi. Registration of business names;
- vii. Registration of security interests in movable assets;
- viii. Accreditation of corporate insolvency practitioners;
- ix. Registration of traditional knowledge, genetic resources and expressions of folklore; and
- x. Registration of layout designs of integrated circuits.

1.5 Core Values

The Agency was guided by the following core values, in its quest to be effective in the delivery of its mandate:





**CORPORATE
GOVERNANCE**

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2.0 CORPORATE GOVERNANCE

2.1 Governing Body

The governing body of the Agency is the Board constituted in accordance with Section 6 of the Patents and Companies Registration Act No. 4 of 2020 (PACRA Act). As a public institution, the Agency subscribes to tenets of good corporate governance.

The Agency is governed by a Board, comprising seven (7) members, who are appointed by the Minister of Commerce, Trade and Industry in line with the provisions of the PACRA Act. The Board is responsible for providing strategic policy direction to the Agency in accordance with the Act and the Board Charter.

2.2 Specific Functions of the Board

The PACRA Act outlines the specific functions of the Board as follows:

- i. Promote good governance of the Agency.
- ii. Formulate the policies, programmes and strategies of the Agency.
- iii. Approve the annual work plan and activity reports of the Agency.
- iv. Approve the annual budget estimates and financial statements of the Agency.
- v. Monitor and evaluate the performance of the Agency against budgets and plans.

2.3 Composition of the Board

The composition of the Board in the year under review was as follows:

Table 1: Composition of the Board

Name	Designation
Mr. Allan Chungu Mwaba	Chairperson
Mr. Blessed Nkunika	Vice Chairperson
Ms. Lois Kapeza	Member
Mrs. Margaret Moonga Chikuba	Member
Ms. Nalukena Mutti	Member
Mr. Mohammed Umar	Member
Mr. Mwelwa Chilundika	Member
Mr. Benson Mpalo	PACRA Registrar & Chief Executive Officer (Ex-Officio)

THE BOARD OF THE AGENCY



Mr. Allan Chungu Mwaba
Board Chairperson



Mr. Blessed Nkunika
Vice Board Chairperson



Mr. Mwelwa Chilundika
Member



Ms. Lois Kapeza
Member



Mr. Mohammed Umar
Member



Ms. Nalukena Mutti
Member



Mrs. Margaret Chikuba
Member



Mr. Benson Mpalo
Registrar and Chief Executive Officer - Ex Officio

2.4 Committees of the Board

The following are the Committees of the Board established pursuant to section 11 of the Patents and Companies Registration Agency Act:

2.4.1 The Audit and Risk Management Committee

The functions of the Committee are to:

- i. Review internal controls, audit systems, risk management and governance policies.
- ii. Recommend the appointment of the Director Internal Auditor to the Board.
- iii. Make recommendations to the Board in relation to the appointment of the external auditor.
- iv. Review the results on internal and external audits and the systems for ensuring compliance with laws and ethical standards and the results of management's investigations and follow up.
- v. Monitor the integrity of the financial statements of the Agency.
- vi. Monitor and review the effectiveness of the Agency's internal audit function.

The Committee is comprised of the following Members:

- i. Mr. Mwelwa Chilundika
- ii. Ms. Lois Kapeza
- iii. Mrs. Esther Chilonga Haamaundu
- iv. Mr. Edward Kabwe
- v. Mr. Roy Sikwibele

In the year under review, the Audit and Risk Management Committee held four (4) ordinary meetings and one (1) special joint meeting with the Finance and Projects Committee. The attendance was as shown in Table 2.

2.4.2 The Finance and Projects Committee

The functions of the Committee are to:

- i. Monitor and review the Agency's financial performance.
- ii. Review annual and supplementary budgets.
- iii. Review quarterly and annual financial reports and audited financial accounts.
- iv. Review the effectiveness of financial systems and the findings of regulatory agencies that impact financial matters.
- v. Accounting, financial management and investment policies and strategies and implementation guidelines.
- vi. Oversee the implementation of capital projects.

In the year under review, the Finance and Projects Committee held four (4) ordinary meetings and six (6) Special meetings, comprising 4 Special Committee Meetings, 1 Joint Special Meeting with the Audit and Risk Management Committee and 1 Joint Special Meeting with

the Administration and Operations Committee. The attendance was as shown in Table 2. The Committee is comprised of the following Members:

- i. Mr. Mohammed Umar
- ii. Mrs. Margaret Moonga Chikuba
- iii. Mrs. Clementina Namusokwe Mwelwa

2.4.3 The Administration and Operations Committee

The functions of the Committee are to –

- i. Review operational plans and provide strategic direction for the Agency.
- ii. Monitor operational performance, review management reports and annual reports.
- iii. Review the organizational structure, executive succession plans and staff conditions of service.
- iv. Recommend the appointment of the Registrar and Chief Executive officer and senior management to the Board.
- v. Perform any other function related to the above.

The Administration and Operations Committee held four (4) ordinary meetings and four (4) Special meetings, comprising 3 Special Committee meetings and 1 Joint meeting with the Finance and Projects Committee. The attendance was as shown in Table 2. The Committee is comprised of the following Members:

- i. Mr. Blessed Nkunika
- ii. Ms. Nalukena Mutti
- iii. Mrs. Vivian Milumbe
- iv. Mr. Mooka Silumbu
- v. Mr. Fredrick Mudenda

2.5 Meetings of the Board

During the year under review, each committee scheduled and held 4 ordinary meetings, and 4 ordinary board meetings were also scheduled. The table below shows a summary of the meetings held and the attendance for both the Board meetings and the Committee meetings.

Table 2: Meetings of the Board and Committees and Attendance

Board Meetings					
	Names	Scheduled ordinary Meetings	Meetings attended	Special Meetings	Meetings attended
1	Mr. Allan Chungu Mwaba	4	4	3	3
2	Mr. Blessed Nkunika	4	4	3	3
3	Ms. Lois Kapeza	4	4	3	3
4	Mrs. Margaret Moonga Chikuba	4	4	3	2

Board Meetings					
	Names	Scheduled ordinary Meetings	Meetings attended	Special Meetings	Meetings attended
5	Ms. Nalukena Mutti	4	2	3	1
6	Mr. Mohammed Umar	4	4	3	3
7	Mr. Mwelwa Chilundika	4	4	3	3

Committee Meetings					
Audit and Risk Management Committee					
1	Mr. Mwelwa Chilundika	4	4	1	1
2	Ms. Lois Kapeza	4	4	1	1
3	Mrs. Esther Chilonga Haamaundu	4	4	1	1
4	Mr. Edward Kabwe	4	4	1	1
5	Mr. Roy Sikwibele	4	4	1	1

Finance and Projects Committee					
1	Mr. Mohammed Umar	4	4	6	6
2	Mrs. Margaret Moonga Chikuba	4	4	6	6
3	Mrs. Clementina Namusokwe Mwelwa	4	4	6	5

Administration and Operations Committee					
1	Mr. Blessed Nkunika	4	4	4	4
2	Ms. Nalukena Mutti	4	3	4	4
3	Mrs. Vivian Milumbe	4	4	4	3
4	Mr. Mooka Silumbu	4	3	4	3
5	Mr. Fredrick Mudenda	4	4	4	3

2.6 Board Activity Highlights

In the year under review, the Board considered and approved the following law and policy reforms:

2.6.1 Policy Reforms

2.6.1.1 Work Place Harassment Policy

The Workplace Harassment Policy underscores the organization's commitment to fostering a safe, respectful, and inclusive environment for all employees. It defines unacceptable behaviors such as bullying, discrimination, and sexual harassment, and outlines clear reporting mechanisms. The policy emphasizes zero tolerance for harassment, protection against retaliation, and timely resolution of complaints to promote dignity and fairness in the workplace.

2.6.1.2 HIV and AIDS Policy

The HIV and AIDS Policy reflects the Agency's dedication to safeguarding employee health and wellbeing. It promotes nondiscrimination, confidentiality, and equal opportunities for employees living with HIV. The policy encourages awareness, prevention, and access to support services, while ensuring that affected employees are treated with compassion and respect. It aligns with national health guidelines and reinforces the organization's role in combating stigma and fostering inclusivity.

2.6.2 Revised Staff Disciplinary Code of Conduct Manual

The Board approved the revised Staff Disciplinary Code of Conduct Manual, which was developed to enhance efficiency and consistency in the management of disciplinary cases. This approval underscores the Agency's commitment to strengthening accountability mechanisms, ensuring fair and transparent handling of staff matters, and promoting a workplace culture rooted in integrity and professionalism. By streamlining procedures and clarifying expectations, the updated manual supports timely resolution of cases while safeguarding the rights of both employees and the Agency.

2.6.3 Board and Management Workshop

In November 2025, the Board of Directors of the Patents and Companies Registration Agency (PACRA) held a strategic workshop with Senior Management under the theme "Building Synergy for Strategic Impact." The workshop aimed to strengthen collaboration between the Board and Management to enhance governance effectiveness and support the Agency's mandate of business registration and protection of intellectual property rights.

Key discussions focused on proposed amendments to the Companies Act and the Registration of Business Names Act, strategic alignment, and the Board's oversight role in achieving the objectives of the 2025 Strategic Plan. The programme also included team-building activities and concluded with the identification of shared priorities for 2026.

The workshop reaffirmed the Board's commitment to proactive governance, accountability, and positioning the Agency to meet stakeholder expectations and contribute to national economic development.



INTEGRITY

is our core value

We pledge to be honest, trustworthy and ethical in all our actions.

PACRA MANAGEMENT



-25.00

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3.0 PACRA MANAGEMENT



Mr. Benson Mpalo

Registrar and Chief
Executive Officer



Mr. Chewe P. Chilufya

Deputy Registrar - Intellectual
Property



Mr. Thomas Kaunda

Deputy Registrar - Commercial



Mr. Kaseke F. Chinyemba

Director - ICT



Mr. Sunduzwayo Zimba

Director - Corporate Planning
and Compliance



Ms Masuzyo Muleya

Director - Internal Audit



Mrs. Nancy C. Sikazwe

Director - Legal and Board
Secretary



Mr. Aaron Mpembamoto

Director - Human Resources
and Administration



Mr. Elias C. Fulo

Director - Finance

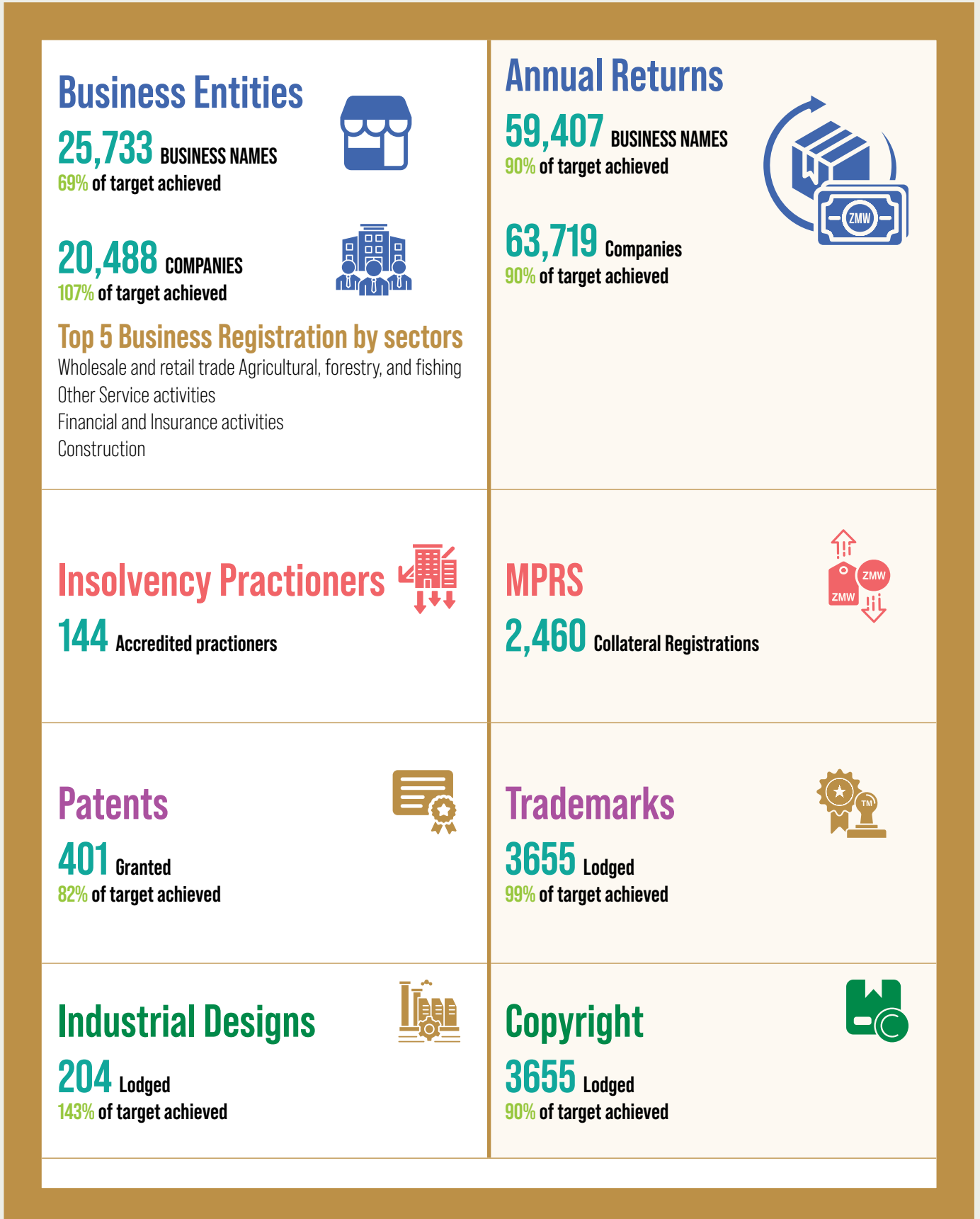


PERFORMANCE REPORT

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4.0 PERFORMANCE REPORT

The highlights of the performance of the Agency as at 31st December 2025 is as follows:



4.1 Performance Analysis

4.1.1 Intellectual Property

In 2025, the Agency recorded a notable increase in Industrial Design applications, surpassing expectations with 204 filings against a target of 143. This represents a performance level 43% above the target. Overall, while a few service areas fell slightly below target, the Agency’s performance remained strong and demonstrated resilience.

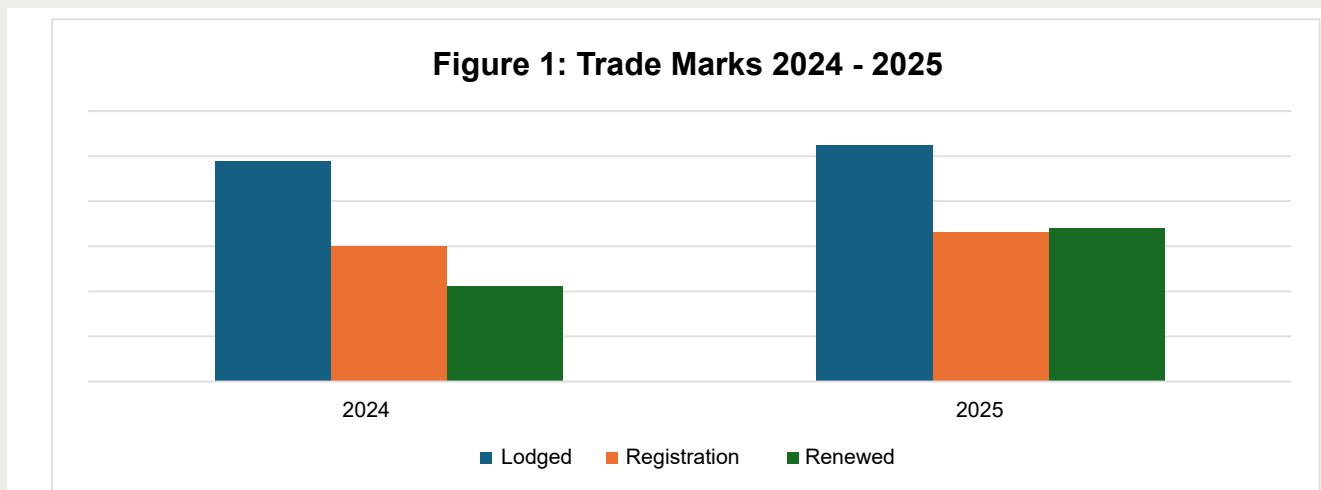
The table below provides a summary of Intellectual Property statistics for 2025, highlighting achievements against the set targets.

Table 3: Intellectual Property Performance Summary

Service	Actual	Target	% Performance	Comment
Trademarks applications	3655	3687	99%	On target
Industrial Designs applications	204	143	143%	Above target
Patents applications	401	492	82%	Slightly below target
Copyright applications	188	210	90%	Slightly below target

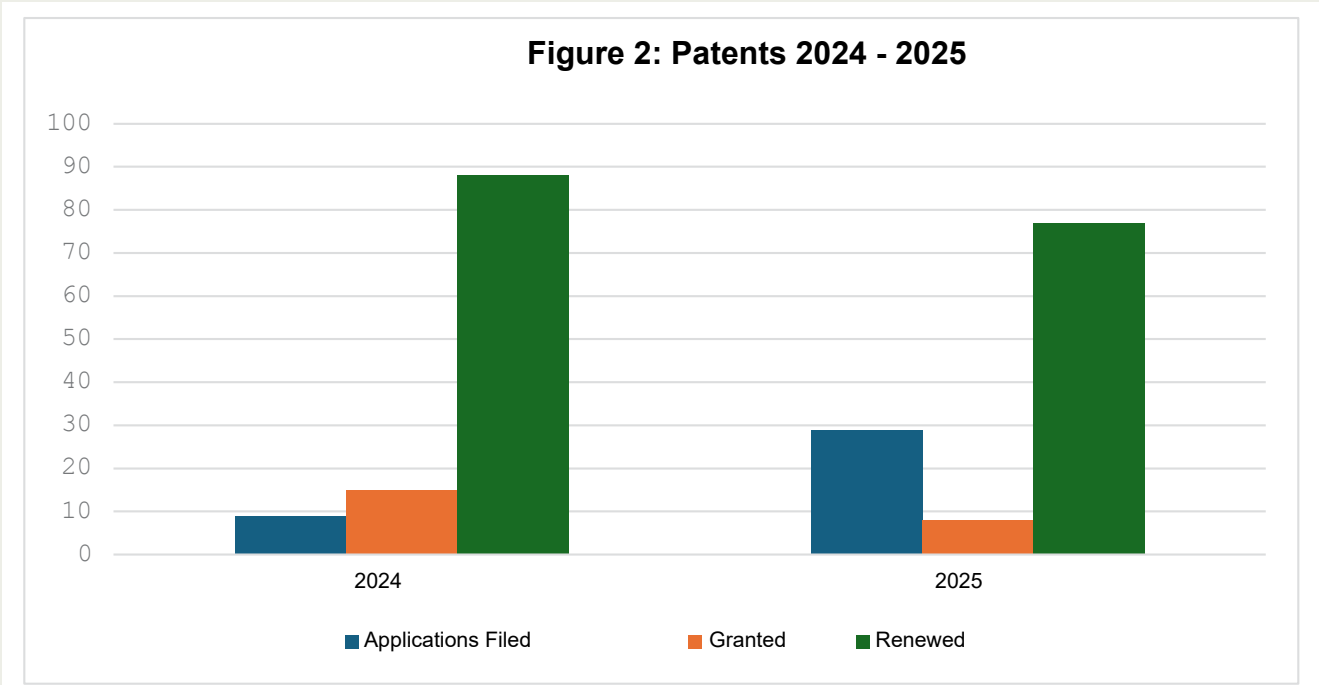
The figure below illustrates a comparative analysis of trademark statistics lodged, registered and renewed for the years 2024 and 2025.

Figure 1: Trade Marks 2024 - 2025



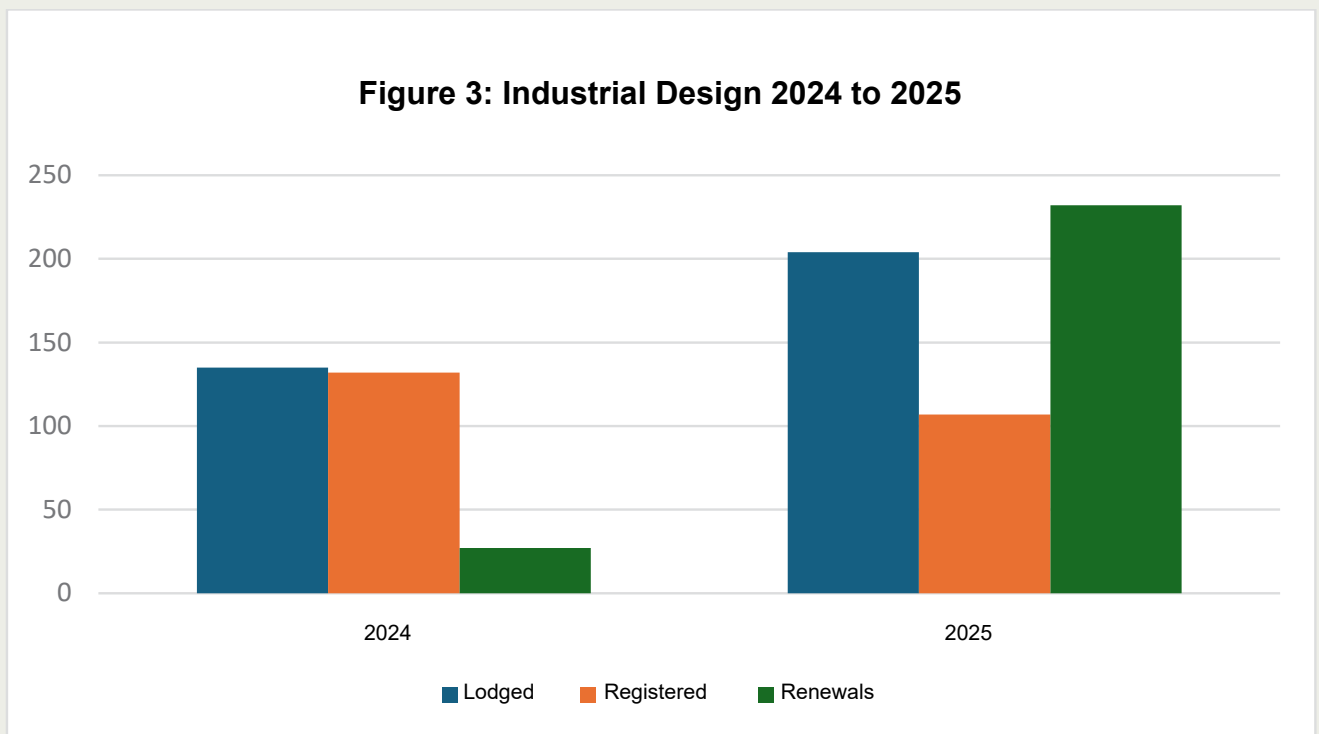
The figure below illustrates a comparative analysis of Patents statistics, applications filed, granted and renewed for the year 2024 and 2025.

Figure 2: Patents 2024 - 2025



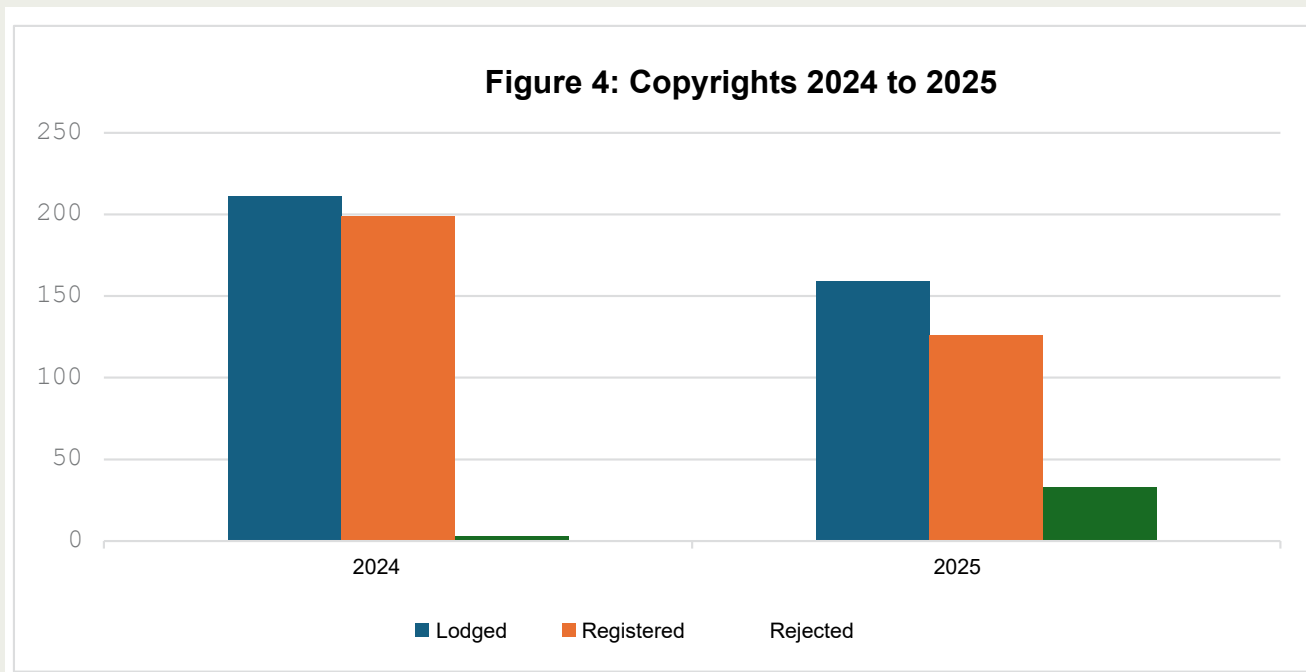
The figure below illustrates a comparative analysis of Industrial design statistics for applications filed, registered and renewed for the year 2024 and 2025.

Figure 3: Industrial Design 2024 to 2025



The figure below illustrates a comparative analysis of Copyright statistics for the applications lodged, registered and rejected for the years 2024 and 2025.

Figure 4: Copyrights 2024 to 2025



4.1.2 Business Registrations Performance Summary

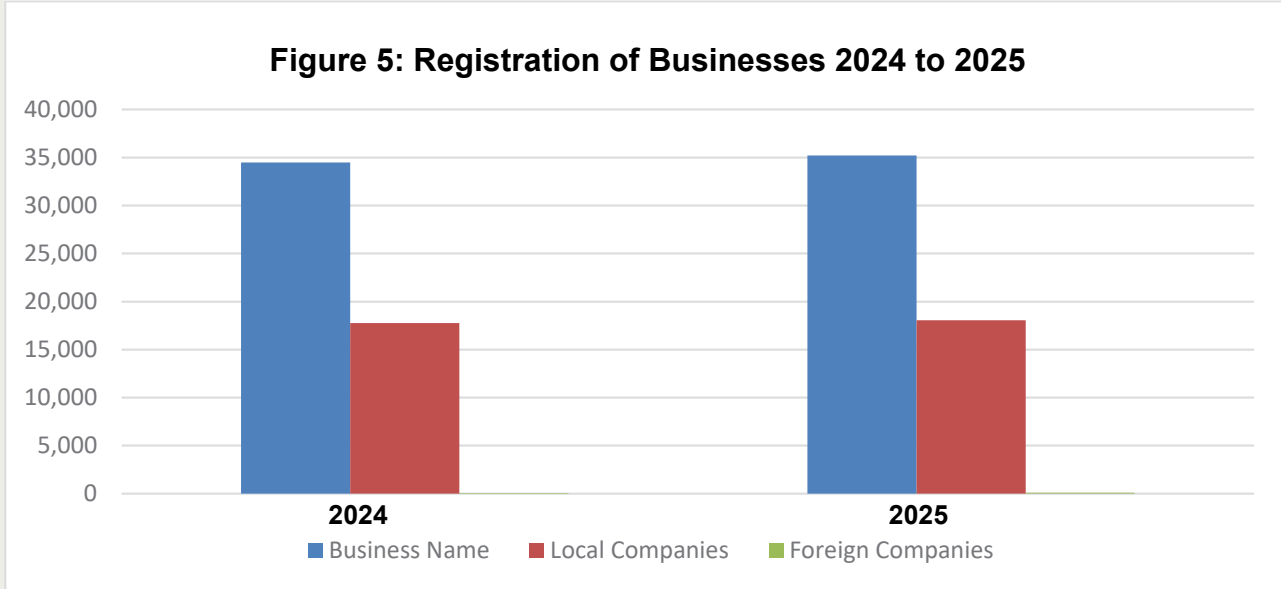
The Agency registered a total of 46,221 businesses in the year under review. Out of the 46,221 registered, 25,733 were business names, 20,488 were companies.

Table 4: Business Registration Performance Summary

Service	Actual	Target	% Performance
Business Names	25,733	37,300	69%
Companies	20,488	19,116	107%
Annual Returns-Business Names	59,407	55,539	90%
Annual Returns- Companies	63,719	55,539	97%

The figure below illustrates a comparative analysis of Business names, Local Companies, and Foreign Company statistics registered for the years 2024 and 2025.

Figure 5: Registration of Businesses 2024 to 2025



4.1.3 Business Registrations by Sector

The 53,328 registered local and foreign businesses were across various sectors of the economy. The Wholesale and retail trade sector accounted for the majority of the registrations. Table 5 below shows a breakdown of business registrations by sector.

Table 5: Business Registrations by Sector 2025

Sector	Business Name	Local Company	Foreign Company	Totals
G. Wholesale and retail trade; repair of motor vehicles and motorcycles	8,284	5,771	18	14,073
A. Agriculture, forestry and fishing	3,399	1,212	4	4,615
S. Other service activities	2,827	785	2	3,614
F. Construction	1,323	1,925	13	3,261
K. Financial and insurance activities	941	1,463	10	2,414
H. Transportation and storage	1,538	698	1	2,237
I. Accommodation and food service Activities	1500	722	7	2,229
C. Manufacturing	133	1,901	12	2,046
B. Mining and quarrying	863	882	7	1,752
P. Education	1,059	523	3	1,585
N. Administrative and support service activities	635	883	10	1,528
M. Professional, scientific and technical activities	701	689	13	1,403
J. Information and communication	647	728	2	1,377
Q. Human health and social work activities	550	652	2	1,204
R. Arts, entertainment and recreation	603	313	0	916

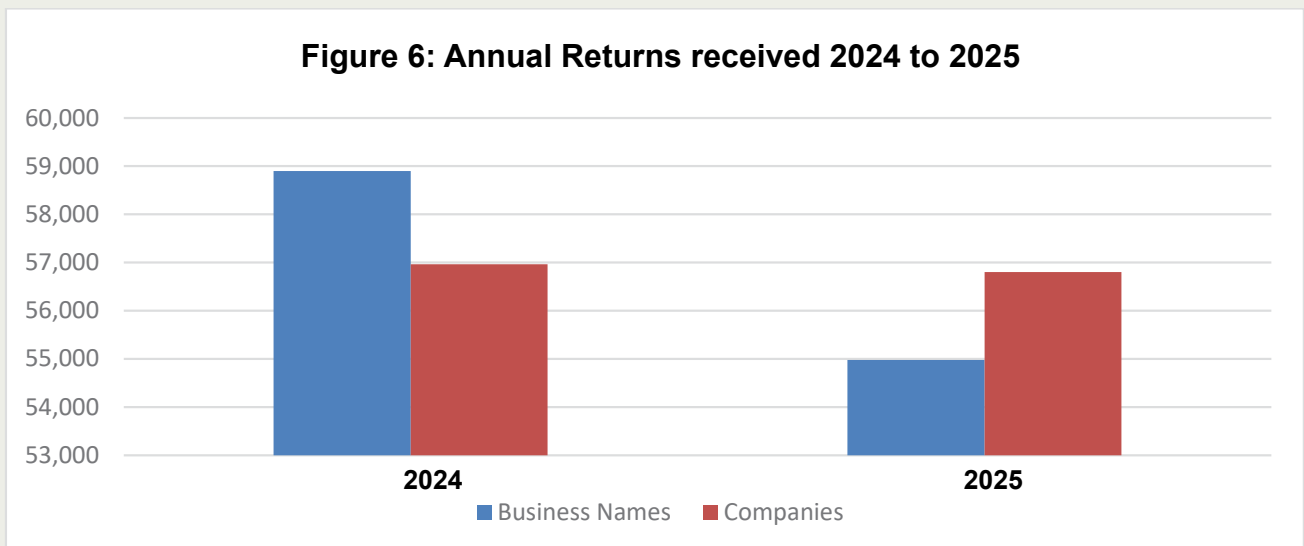
Sector	Business Name	Local Company	Foreign Company	Totals
D. Electricity, gas, steam and air conditioning supply	185	577	7	769
L. Real estate activities	248	436	1	685
E. Water supply; sewerage, waste management and remediation activities	108	98	2	208
T. Activities of households as employers; undifferentiated goods- and services- producing activities of households for own use	141	23	1	165
O. Public administration and defense; compulsory social security	29	41	0	70
U. Activities of extraterritorial organisations and bodies	3	21	0	24

4.1.4 Annual Returns

In the year 2025, the Agency received 123,127 annual return filings against the set target of 131,656. Out of the 123,126 Annual Return filings, 63,719 were for companies while 59,407 were for business names.

The chart below illustrates annual returns received for the years 2024 and 2025.

Figure 6: Annual Returns received 2024 to 2025

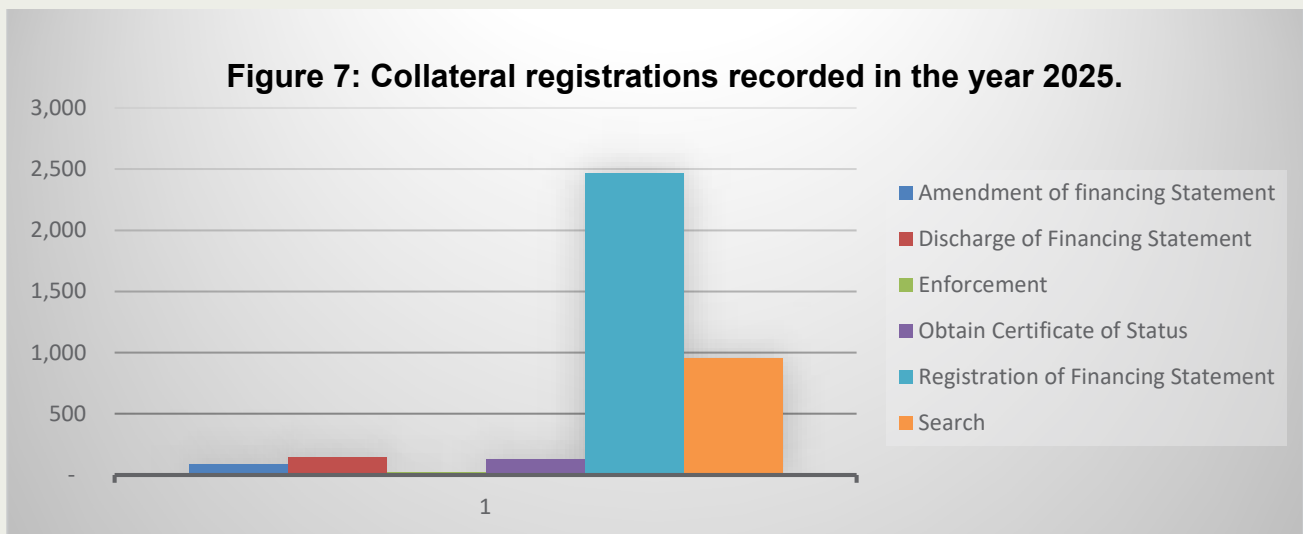


4.1.5 Collateral Registrations

The Agency recorded 2,460 collateral registrations on the Movable Property Registration System (MPRS). Collateral registrations are filed with the Agency as evidence that a particular movable property has been pledged as security for the financing facility offered by a lender.

Table 6: Collateral Registrations

APPLICATION	2024		2025	
	Target	Actual	Target	Actual
Registration of financing Statement	1,260	2,340	2,389	2,460
Discharge of Financing Statement	N/A	165	N/A	144
Search	N/A	1,382	N/A	953

Figure 7: Collateral registrations recorded in the year 2025.

4.1.6 Accreditation of Insolvency Practitioners

The Corporate Insolvency Act No. 9 of 2017 provides for the accreditation of insolvency practitioners. During the year under review, 144 Insolvency Practitioners were accredited by the Agency.



CREATIVITY

is our core value

We will embrace and nurture new and progressive ideas in offering our services.

STRATEGIC OBJECTIVES, PROGRAMMES AND ACTIVITIES



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5.0 STRATEGIC OBJECTIVES, PROGRAMMES AND ACTIVITIES



Improve Customer Service

Enhance Financial Capacity



Enhance Operational Systems

Improve Work Culture



Develop Human Capital

Improve Infrastructure and Equipment



During the year under review, the Agency undertook the following programmes and activities in accordance with the implementation plan of the Strategic Plan 2021-2026 which is anchored on six (6) main Strategic Objectives as follows:

5.1 Strategic Objective 1- Improve Customer Service

The aspiration of the Agency is to make its services responsive to the needs of the customers through continuous improvement in service delivery.

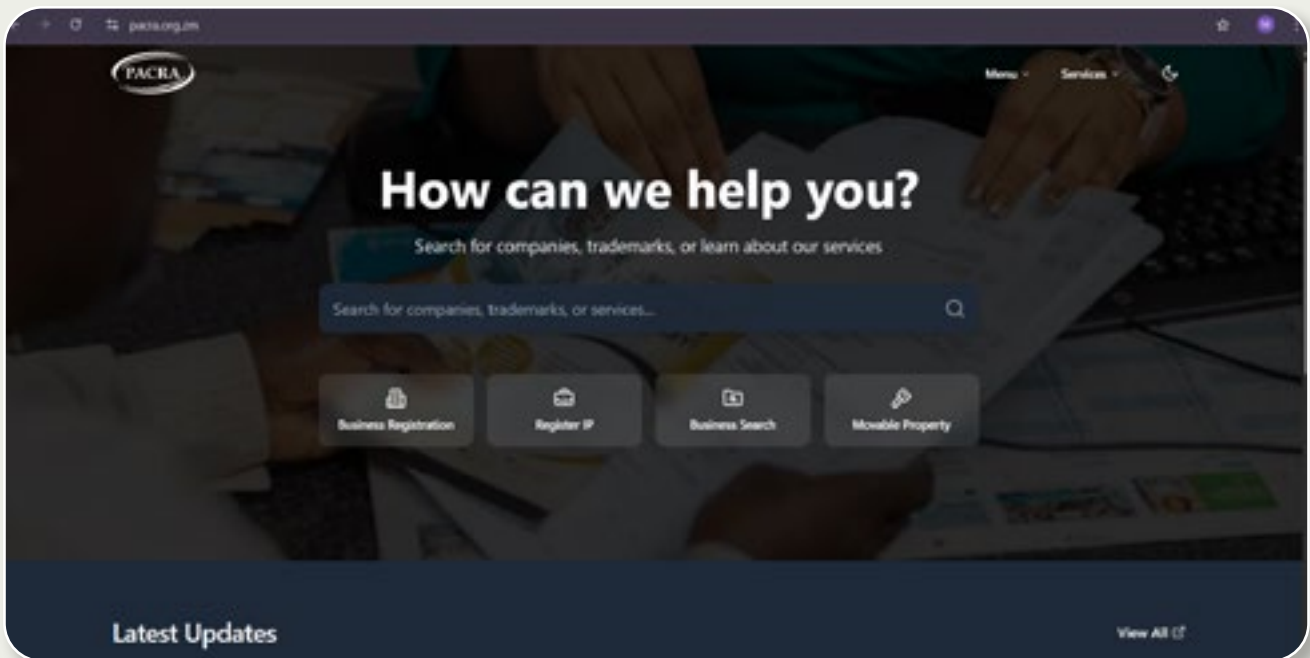
5.1.1 Enhancing Service Delivery Channels

The Agency enhanced its client engagement platforms through the launch of a redesigned corporate website, which improved accessibility, navigation, and the dissemination of public information.

In addition, a dedicated call centre system was introduced to strengthen customer support management, enhance reporting mechanisms, and improve response times to client inquiries.

Further, Client Online Desks were established across all service centres to promote digital inclusion and ensure equitable access to the Agency's online services.

5.1.2 Launch of the New Website



During the period under review, the Agency successfully launched a new website system aimed at enhancing service delivery and stakeholder engagement. The upgraded platform significantly improves upon the former website by incorporating new and enhanced features designed to provide a more user-friendly experience. Key improvements include improved navigation, clearer and more structured access to information on the Agency's services and relevant resources. The new website also strengthens accessibility and responsiveness, enabling users to easily obtain accurate and timely information, thereby supporting transparency, efficiency, and improved customer satisfaction.

5.1.3 Awareness and Sensitisation

During the year under review, the Agency undertook a wide range of awareness and sensitisation programmes in collaboration with various partners. These initiatives targeted diverse groups including students, creatives, entrepreneurs, and institutions, with the aim of promoting business formalisation, intellectual property protection, and compliance.

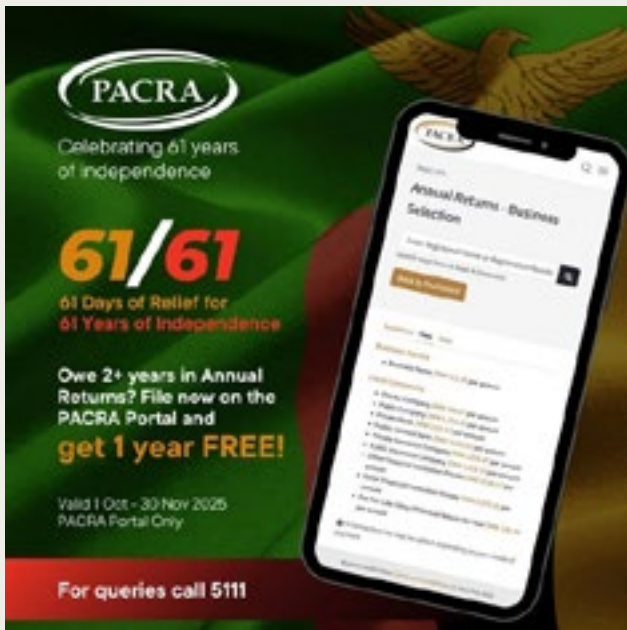
Key programmes included:

- Presentation on Business Formalisation and Services hosted by the Ministry of Youth, Sport and Arts at the Lusaka Youth Resource Centre, targeting students.
- Training for Women in the Creative Arts Sector organised by Women in Arts, focusing on the importance of formalising businesses and safeguarding Intellectual Property Rights (IPRs).
- Training on the Movable Property Registration System (MPRS) conducted by J. Chisanga Associates, highlighting the benefits and processes of the MPRS.
- Seminar on Intellectual Property Rights held at Mulungushi University under the theme “Leveraging Intellectual Property Rights for Financial Inclusion and Sustainable Business Practices for Growth.”
- Presentation of Agency Functions and Services delivered at Chikwa Lodge in Chilanga during a meeting convened by the Ministry of Technology and Science, engaging Board Chairpersons and principals of TEVET institutions.
- Invest in Zambia International Conference (IZIC2025) organised by the Zambia Development Agency at Mulungushi Conference Centre, where PACRA exhibited its services to over 1,000 local and 600 foreign investors.
- Training on Business and Intellectual Property Registrations conducted by the Zambia Association of Fashion Designers at the Zanaco Training Hub, educating designers on the importance of business and IP registrations.
- Trade Policy Analysis Workshop organised by the Ministry of Commerce, Trade and Industry in collaboration with the International Trade Centre, attended by MCTI officials, statutory bodies, and the Zambia Revenue Authority (ZRA).
- Session on Non Conviction Based Forfeiture hosted by the National Prosecutions Authority and the Basel Institute, engaging MCTI officials, law enforcement agencies, and other stakeholders.

Through these diverse programmes, PACRA reached a wide spectrum of stakeholders across education, creative industries, trade, and law enforcement. The initiatives strengthened awareness of business formalisation and intellectual property protection, enhanced collaboration with partner institutions, and reinforced the Agency’s role in promoting compliance and sustainable business practices. By engaging both local and international audiences, PACRA contributed to building a more inclusive, innovative, and resilient business environment in Zambia.

5.1.4 Compliance Matters

5.1.4.1 61/61 Compliance Campaign



In commemoration of Zambia's 61st Independence Anniversary, the Agency launched the 61/61 Campaign on 1 October 2025, aimed at enhancing compliance with annual returns requirements. Under the campaign, the Agency waived one year of outstanding annual returns for businesses in arrears for two years or more. The campaign ran for a period of 61 days, from 1 October to 30 November 2025.

5.1.4.2 Inspections

During the period under review, the Agency undertook physical business compliance inspections across selected provinces, with a particular focus on sensitising Small and

Medium Enterprises (SMEs) on the requirements relating to the alteration of nominal capital and the timely filing of annual returns.

In Southern Province, the inspections were complemented by intellectual property (IP) awareness activities conducted at High Destiny School in Monze, which reached learners from Grade 1 to Grade 12. In Lusaka Province, compliance inspections and sensitisation activities were undertaken within the Central Business District, as well as in other busy trading areas and shopping malls.

In Western Province, the Agency conducted intellectual property awareness sessions for students at Barotse University in Mongu. Similarly, in Northern and Muchinga Provinces, IP awareness sessions were held for students at Kapasa Makasa University in Chinsali District. These outreach activities were aimed at educating students on the importance of intellectual property and its critical role in promoting creativity, innovation, and economic development.

5.1.4.3 Deregistration of Non-Compliant Entities

On 31st December 2025, the Agency conducted a deregistration exercise during which 58,611 dormant and defunct entities were struck-off the business register for failure to comply with statutory requirements. This action demonstrates the Agency's commitment to maintaining regulatory compliance, ensuring that only active and compliant entities remain on the register, and safeguarding the integrity and credibility of the national business registry.

5.2 Strategic Objective 2 - Enhance Financial Capacity

5.2.1 Strengthening Internal Controls and Risk Management

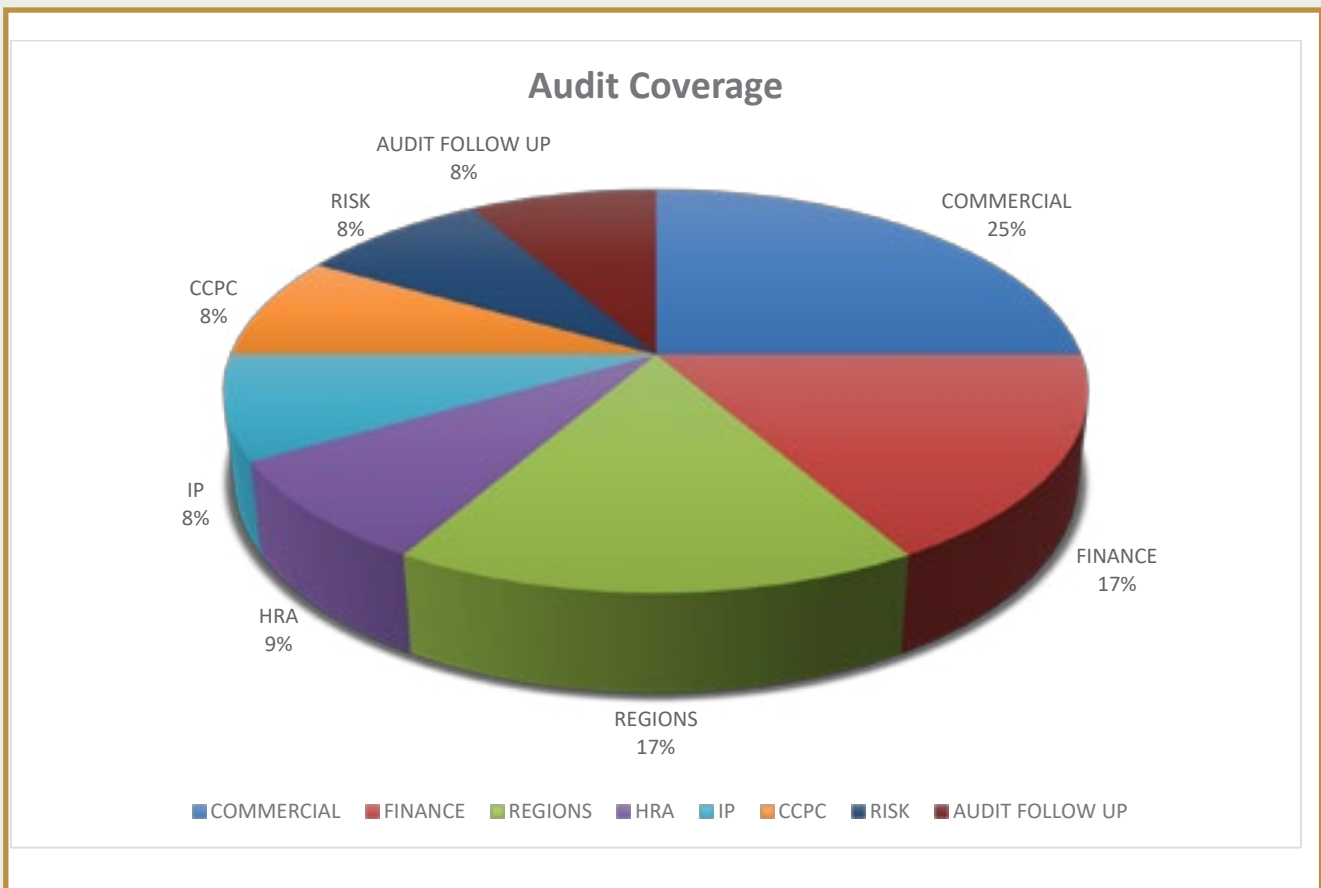
To strengthen internal controls and risk management processes, the Agency through its Internal Audit Department conducted audits, assessments, and consulting activities as per the approved Audit Plan. These engagements resulted in recommendations aimed at mitigating

identified control deficiencies. The audits covered key operational areas, including Commercial, Compliance, Human Resources, Finance, and Regional Offices.

Additionally, the department reviewed the implementation status of previous audit findings, carried out risk management assessments, and worked closely with Management to update both departmental and corporate risk registers.

The audit coverage across operational areas is illustrated in Figure 8.

Figure 8: Audit Coverage by Operational Area

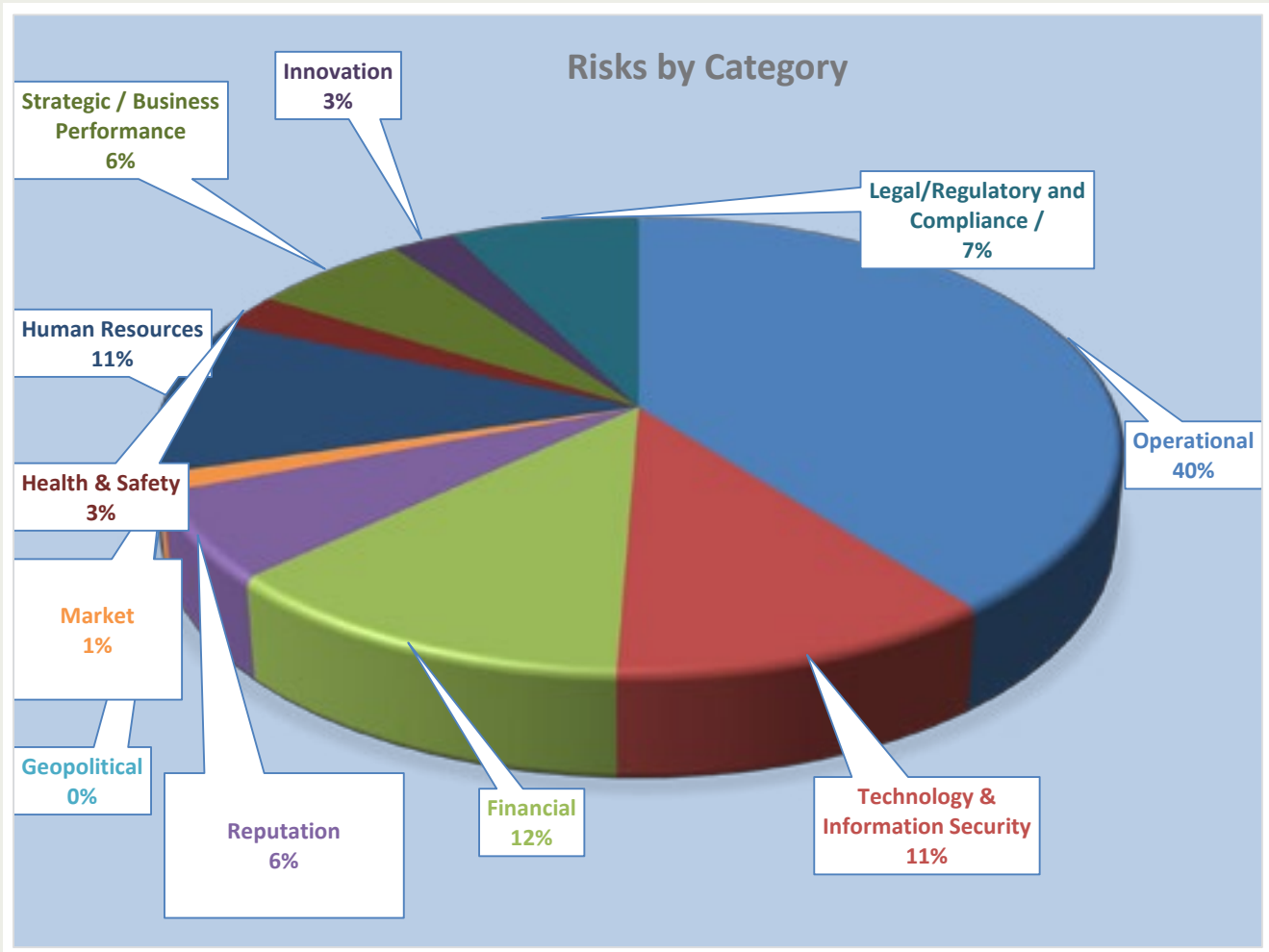


5.2.2 Enterprise Risk Management

To strengthen the Agency’s risk management framework, the Agency continued to administer the Enterprise Risk Management (ERM) programme. A total of 83 risks were documented in the Risk Register. Of these, Operational risks constituted the largest share at 40%, followed by Financial risks at 12%, Technology and Human Resource risks at 11%, Legal, Regulatory, and Compliance risks at 7%. Strategic and Reputation risks stood at 6%, whereas Health & Safety and Innovation risks each represented 3%. The remaining risk categories made up less than 1% of the total reported risks. The Agency is actively implementing measures to mitigate the identified risks.

A visual representation of the categorized risks is provided in Figure 9 below.

Figure 9: Risk by Category



5.3 Strategic Objective 3 - Enhance Operational Systems

5.3.1 Streamlining and Automation of Core Processes

In 2025, the Agency accelerated its operational modernisation agenda through targeted business process re-engineering and digital system enhancements. These initiatives were designed to strengthen efficiency, resilience, system interoperability, and service delivery capacity.

5.3.2 Modernisation of the Business Register

PACRA completed a comprehensive discovery of the existing ePACRA system, documenting workflows and defining requirements for a modernised Business Register. This exercise established the technical architecture and investment case for system redevelopment.

Subsequently, PACRA secured cooperating partner support toward the Business Register Redevelopment Programme, marking a major milestone in the Agency's digital transformation roadmap. The multi-year programme will deliver a scalable, modular, and future-ready registry platform supported by strengthened technical infrastructure.

5.3.3 Development of Modular Digital Infrastructure

To support long-term system scalability, PACRA developed foundational microservices covering Authentication, Payments, Document Management, and Notifications. These reusable components form the building blocks for current and future digital systems, including the new Business Register.

The Agency's Open API platform was further enhanced to expand system integration capabilities and strengthen partnerships with key institutions. Structured onboarding frameworks and updated governance documentation accelerated integration with financial institutions and other stakeholders, advancing data sharing and service automation across the ecosystem.

5.3.4 Strengthening Business Continuity and Infrastructure

To enhance institutional resilience, PACRA implemented Disaster Recovery environments to safeguard critical systems and ensure service continuity.

Connectivity upgrades across regional offices were also undertaken to improve system reliability, reduce downtime, and enhance coordination between Head Office and service centres.

5.3.5 Strengthening Governance and Internal Controls

Operational controls were enhanced through improved case allocation mechanisms, expanded reporting functionality, and strengthened system permissions.

Integration between financial management systems was also implemented to improve reconciliation processes, enhance audit readiness, and reduce manual intervention.

5.3.6 Innovation and Digital Incentives

PACRA piloted automated digital fee adjustments within its core system, demonstrating system flexibility and readiness to support future policy-driven incentives.

5.4 Strategic Objective 4 - Improve Work Culture

5.4.1 Staff Establishment and Attrition

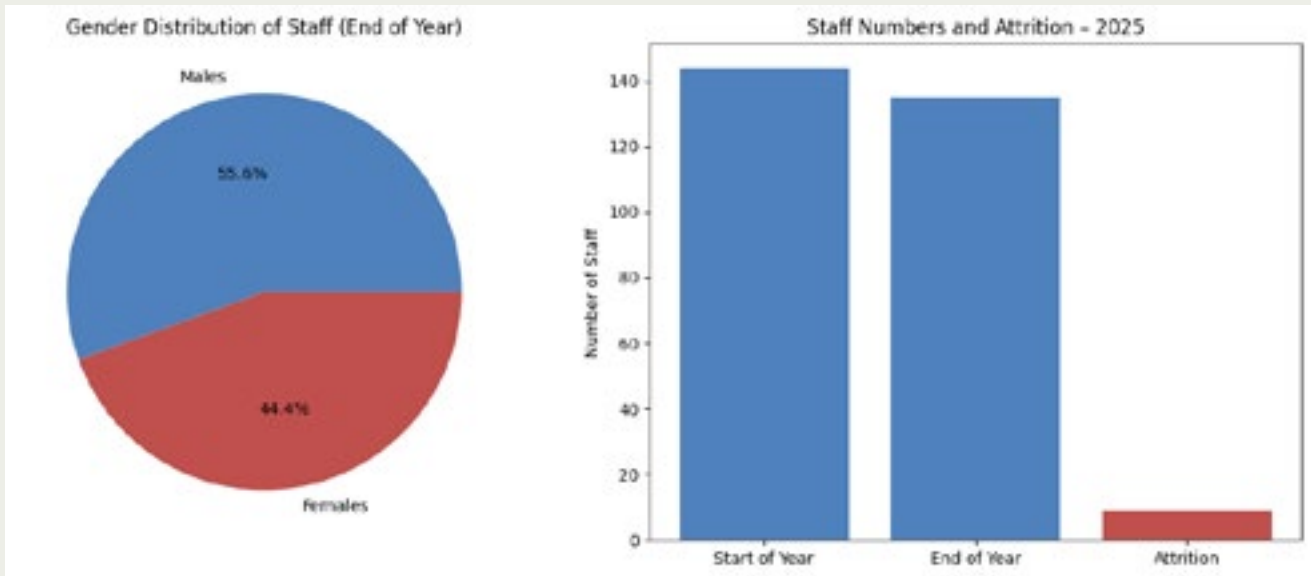
At the beginning of 2025, the Agency's total staff complement stood at 144 employees. By year-end, this had adjusted to 135 employees, comprising 75 males and 60 females. This reflects a modest reduction of nine (9) employees over the period, translating to an attrition rate of approximately 6.5%, which remains within acceptable industry benchmarks.

The relatively low attrition rate indicates workforce stability and underscores the Agency's capacity to retain skilled and experienced personnel necessary to support its operational efficiency and strategic objectives.

The gender composition reflects a male-to-female ratio of 75:60 (5:4), demonstrating balanced representation within the organisation and continued progress toward gender equity.

The figure 10 below illustrates the staff establishment and corresponding attrition rate, while the accompanying pie chart presents the proportional distribution of attrition.

Figure 10: Staff Establishment and Attrition



Additionally, the Agency achieved a fill rate of 85%, which aligns with the Board-approved benchmark of 85% and is considered within acceptable limits. This reflects the Agency’s ability to maintain adequate staffing levels to effectively support its operational and strategic priorities, thereby sustaining a stable and capable workforce to deliver on its mandate.

5.4.2 Employee Recognition Through Labour Day Awards

The Agency continued to foster a culture of professionalism, exemplary conduct, and high performance through the 2025 Labour Day Awards. A total of thirty-two (32) employees drawn from various departments were formally recognised across multiple award categories in acknowledgment of their outstanding contributions to the Agency’s mandate.

The respective award categories and corresponding number of recipients are presented in table 7 below:

Table 7 Labour day Awardees

	Award Categories	Employee(s)
1	CEOs Award	2
2	Most Hardworking and Most Disciplined	13
3	Most Improved and Most Dependable	17
	Total	32

The Chief Executive Officer’s Award was presented to an officer who demonstrated exceptional dedication and reliability under challenging and understaffed conditions, ensuring operational continuity and sustained high performance.

Awards under the Most Hardworking, Most Disciplined, and Most Improved and Most Dependable categories recognised officers for outstanding productivity, integrity and professionalism, as well as notable growth, reliability, and commitment to duty.

Collectively, the awards underscored the Agency’s commitment to promoting excellence, accountability, teamwork, and continuous improvement.

5.4.3 Review of Organisational Structure

During the review period, the Agency conducted a comprehensive review of the organisational structures for selected departments to enhance operational efficiency and effectiveness. This process also included the establishment of the Beneficial Ownership Transparency Unit, aimed at ensuring full compliance with international standards on beneficial ownership administration. The review led to the creation of key positions aligned with the operational needs of the Agency, while certain positions were abolished where necessary. Overall, the organisational structural review sought to align the Agency's structure with its strategic objectives and operational requirements.

5.4.4 Staff Welfare and Industrial Relations

The Agency enhanced staff welfare through a 10% across-the-board salary adjustment and improvements to pension contributions, gratuity, and other allowances. These measures helped maintain a harmonious relationship with unionised staff, ensuring a stable workplace environment with no industrial unrest.

5.5 Strategic Objective 5 - Develop Human Capital

5.5.1 Staff Capacity Building

In 2025, the Agency continued to prioritise staff development to enhance organisational effectiveness and service delivery. Training initiatives focused on strengthening technical skills, professional competencies, and awareness of emerging trends.

Key programs included internal courses on Customer Service Skills and Cyber Security Awareness, alongside specialised knowledge-sharing sessions in collaboration with regional and international bodies such as ARIPO, WIPO, and IFRRO. Staff also participated in targeted international trainings, including Intellectual Property Rights Policy-Level training in Hyderabad, India, and sessions on Name Clearance and Document Verification, improving understanding of global IP systems and best practices.

These initiatives reflect the Agency's commitment to equipping employees with the skills and knowledge necessary to deliver high-quality services and respond effectively to emerging operational and regulatory challenges.



6.0 LAW REFORMS

6.1 Operationalisation of the Trade Marks Act No. 11 of 2023

The Trade Marks Act No. 11 of 2023 was operationalised on 26th December 2025, bringing into effect a modern legislative framework that repealed and replaced the Trade Marks Act chapter 401 of the Laws of Zambia, enacted in 1958. The operationalisation of the Act marked an important milestone in the modernisation of the country's intellectual property system, as it introduced updated procedures for the registration and protection of trademarks and service marks, and aligned national law with contemporary international intellectual property standards.

The coming into force of the Act strengthened the legal and administrative framework for brand protection, improved the efficiency and clarity of registration processes, and enhanced protection for businesses operating in Zambia. This development has contributed to increased confidence in the intellectual property system and supports the growth of commerce, innovation and investment in line with national development objectives.

6.2 Amendment of the Companies Act

On 30th December 2025, the Companies (Amendment) Act No. 23 of 2025 was enacted. The amendments modernize corporate governance provisions and streamline compliance requirements, ensuring that company regulation remains aligned with evolving business practices and international standards.

6.3 Amendment of the Registration of Business Names Act

The Registration of Business Names (Amendment) Act, No. 24 of 2025 was enacted in December 2025 to strengthen transparency by requiring firms that are corporations to disclose their beneficial ownership, thereby ensuring that the natural persons behind the corporations exercising ultimate effective control are identified. In addition, the amendment enhanced recordkeeping obligations through the introduction of mandatory submission of financial statements and imposed a statutory duty on the Agency to maintain records or books of closed business names for a period of ten years. This reform is expected to modernise Zambia's business registration framework and aligned it with international standards on accountability and antimoney laundering compliance.





OTHER ACTIVITES

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7.0 OTHER ACTIVITIES

7.1 Meetings

7.1.1 Sixty-Sixth Series of Meetings of the WIPO Member States



In July 2025, Zambia participated in the Sixty-Sixth Series of Meetings of the Assemblies of the Member States of the World Intellectual Property Organization (WIPO), held in Geneva from 8 to 17 July 2025. The Zambian delegation took part in plenary deliberations and discussions under the WIPO General Assembly and related Union Assemblies. Among the key matters considered were governance issues, implementation of the Development Agenda and the adoption of the WIPO Programme of Work and Budget for the 2026–2027 biennium. Participation in the Assemblies provided an important platform for Zambia to advance national priorities, strengthen international cooperation and reaffirm its commitment to leveraging intellectual property as a tool for innovation, economic diversification and sustainable development.

7.1.2 Administrative Council Meeting of ARIPO

The Agency participated in the 49th Session of the Administrative Council and the 20th Session of the Council of Ministers of the African Regional Intellectual Property Organization (ARIPO), held in Accra, Ghana, from 17th to 22nd November 2025.

The high-level meeting brought together heads of Intellectual Property offices, technical experts, and policymakers from across ARIPO Member States. Deliberations reviewed progress in the administration of intellectual property, strengthened regional cooperation, and shaped decisions on the future of IP governance in Africa.

Key matters discussed included industrial property, copyright and related rights, plant variety protection, digital transformation, capacity building, and human capital development within national IP offices. The meeting also considered regional strategies aimed at expanding access to IP services, harmonising protocols, and ensuring that African creators, researchers, entrepreneurs, and businesses benefit from a strong, reliable, and forward-looking IP framework. During the Council of Ministers session, Zambia confirmed its acceptance of ARIPO's request to host the Organisation's 50th Anniversary commemoration and the 50th Session of the Administrative Council in 2026.

For Zambia, participation underscored PACRA's commitment to strengthening the country's IP ecosystem, supporting innovation-driven economic growth, and ensuring that laws, systems, and institutions remain aligned with regional and international standards.

7.1.3 WIPO Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC 50)

The Agency participated in the Fiftieth Session of the Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC), convened by the World Intellectual Property Organization (WIPO) in Geneva, Switzerland, from 3 to 7 March 2025. The session continued negotiations aimed at developing international legal instruments for the protection of genetic resources, traditional knowledge and traditional cultural expressions. Zambia's engagement was particularly important given the country's rich biodiversity and cultural heritage, as well as its policy interest in ensuring equitable benefit-sharing, preventing misappropriation and strengthening the protection of community-held knowledge systems. Participation in the Committee supports Zambia's efforts to align national intellectual property and biodiversity frameworks with emerging international standards while safeguarding the interests of local communities.

7.1.4 Thirty-Eighth Session of the WIPO Program and Budget Committee (PBC)

Zambia participated in the Thirty-Eighth Session of the WIPO Program and Budget Committee (PBC), held in Geneva from 19 to 23 May 2025. The Committee plays a central role in overseeing WIPO's financial management and reviewing the Organization's programme performance and proposed budget allocations. The session considered key elements of WIPO's programme planning and financial governance, including preparations for the Programme of Work and Budget for the 2026–2027 biennium. Zambia's participation in the Committee ensured that the country remained actively engaged in the financial and strategic governance of the global intellectual property system while contributing to discussions on resource allocation and development-oriented initiatives within WIPO.

7.1.5 WIPO ICT Leadership Dialogue (WILD) 2025

The Agency participated in the inaugural WIPO ICT Leadership Dialogue (WILD) 2025, held from 14 to 16 April 2025 at the World Intellectual Property Organization (WIPO) Headquarters in Geneva, Switzerland. The Dialogue convened senior ICT leaders from intellectual property offices worldwide to discuss the role of digital technologies in modernising IP administration, including digital transformation strategies, cybersecurity resilience, artificial intelligence, blockchain, and cross-border data interoperability.

Participation in the dialogue provided a valuable platform for exchanging best practices, exploring collaborative approaches to ICT modernisation, and gaining insights into global

digital standards for secure and interoperable IP systems. The Dialogue also underscored the importance of international cooperation in leveraging technology to strengthen service delivery and support a robust global intellectual property ecosystem

7.2 Shows and Exhibitions



7.2.1 Zambia International Trade Fair

The Patents and Companies Registration Agency (PACRA) participated in the 59th Zambia International Trade Fair, held in Ndola from July 2–8, 2025, under the theme “Enhancing Business Resilience through Innovation and Trade.” The event provided the Agency with an important platform to engage clients and stakeholders, offering services such as on the spot registration of businesses and Intellectual Property (IP) rights, assistance with navigating the online portal, and support in filing annual returns.

PACRA’s stand attracted significant attention from high profile officials, including the Minister of Commerce, Trade and Industry, Hon. Chipoka Mulenga (MP), and the Minister of Small and Medium Enterprise Development, Hon. Elias Mubanga. Hon. Mulenga expressed satisfaction with the Agency’s provision of on-the-spot registration services, while Hon. Mubanga commended the effectiveness of PACRA’s online portal, noting that SMEs now have easier access to services without the need for long queues.

Through its participation, PACRA reinforced its commitment to innovation, efficiency, and accessibility in service delivery, while contributing to the broader objective of enhancing business resilience and supporting Zambia’s economic growth.

7.2.2 Northern Business Forum 2025

The Agency facilitated the participation of its regional office in Kasama at the third Annual Northern Business Forum, held from 11th to 12th December 2025.

The Forum brought together business leaders, government representatives, financial institutions, and entrepreneurs from across the Northern Province to deliberate on opportunities for regional economic growth. Discussions focused on investment promotion, enterprise development, access to finance, and the role of innovation in strengthening local industries.

7.2.3 Brand Identification Workshop

On 28th October 2025, the Agency participated in a Brand Identification Workshop organised by Spoor & Fisher, a leading intellectual property law firm from South Africa, in collaboration with the Zambia Police Intellectual Property (IP) Department.

The workshop brought together key stakeholders from government agencies, enforcement bodies, and the private sector to strengthen understanding of brand protection and enforcement mechanisms. Discussions focused on the importance of safeguarding trademarks and other brand assets against counterfeiting, piracy, and infringement, which continue to pose challenges to businesses and consumers alike.

7.2.4 Award for Digital Excellence and Innovation



In 2025, the Agency was awarded third place in the category of Digital Excellence and Innovation during the Africa Public Service Day Commemorations. The award recognised the Agency's strengthened service delivery framework through the effective deployment of digital platforms. This distinction affirms the significant progress made in leveraging technology to enhance client experience, improve operational efficiency, and contribute to reducing the cost of doing business.

7.2.5 Invest - Zambia International Conference

In 2025, the Patents and Companies Registration Agency (PACRA) participated in the inaugural Invest-Zambia International Conference (IZIC2025), organized by the Zambia Development Agency. The three-day event, held in Lusaka, attracted over 1,000 delegates from across the globe who gathered to explore investment opportunities in Zambia.

PACRA's presence at the conference underscored its role as a key facilitator of business establishment and compliance. The Agency provided onsite support to both local and foreign investors, offering guidance on business registration processes, Intellectual Property protection and regulatory compliance requirements. This engagement not only enhanced investor confidence but also demonstrated PACRA's commitment to leveraging international platforms to promote Zambia as a competitive investment destination.

Through its participation, PACRA strengthened its visibility among global stakeholders, reinforced its reputation as a modern and responsive institution, and showcased its digital platforms that enable investors to access services seamlessly. The Agency remains dedicated to supporting Zambia's investment climate by ensuring efficient, transparent, and accessible business registration services.





TRANSPARENCY

is our core value

We will be honest and open in the execution of our mandate.

COLLABORATION WITH STAKEHOLDERS



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8.0 COLLABORATION WITH STAKEHOLDERS

The Agency acknowledges and greatly values the strategic partnerships cultivated with key stakeholders during the year under review. These collaborative engagements have not only strengthened the Agency's institutional capacity, advanced legal and regulatory reforms, and accelerated digital transformation initiatives, but have also generated tangible benefits for stakeholders by promoting compliance, improving service delivery, and fostering a more transparent, efficient, and business-friendly environment.

Highlighted below are some of the key collaborative engagements undertaken during the year under review:

8.1 External Support

8.1.1 Open Ownership

The Agency benefited from both technical and financial support from Open Ownership in advancing its work on Beneficial Ownership (BO) transparency. This support has been instrumental in strengthening the legal, institutional, and operational framework for corporate transparency. In particular, the assistance facilitated:

- Legal reforms to the Companies Act, aimed at aligning Zambia's corporate governance framework with international standards on transparency and accountability. This led to the successful amendment of the Companies Act in December 2025.
- Capacity building programmes that enhanced staff knowledge and the practical application of beneficial ownership principles.
- Development of the Next Generation Business and Beneficial Ownership Register, which will overhaul the current system to enhance the collection, management, and analysis of beneficial ownership information. Under this initiative, Open Ownership is providing technical support and facilitating resource mobilisation. Although the system is not yet operational, implementation of the project has commenced.

This collaboration has significantly strengthened the Agency's capacity to promote corporate transparency and support national and international efforts to combat illicit financial flows.

8.1.2 German Agency for International Cooperation

In December 2025, the Agency secured financial support from German Agency for International Cooperation (GIZ), which enabled the commencement of the redevelopment of the Business Register. This initiative represents a major step toward modernizing Zambia's business registration systems. By strengthening digital infrastructure, the redevelopment will improve efficiency and transparency in service delivery, simplify access for entrepreneurs, and enhance data management to support better policy formulation and monitoring. Through this investment, the Agency is positioning itself to deliver a more accessible, reliable, and innovation driven business environment that contributes to national economic growth.

8.1.3 International Monetary Fund

PACRA collaborated with the International Monetary Fund (IMF) to strengthen Zambia's corporate governance framework through amendments to the Companies Act. The IMF, through

its technical assistance programs, provided diagnostic assessments and legislative recommendations that guided PACRA in drafting reforms aligned with international best practices. This support focused on enhancing transparency, accountability, and beneficial ownership disclosure, while also addressing risks associated with shell companies and illicit financial flows. The collaboration was instrumental in shaping the Companies (Amendment) Bill, 2025, which introduced significant changes to the Companies Act of 2017, modernizing Zambia's corporate law, improving investor confidence, and reinforcing the country's commitments under international antimoney laundering and anticorruption frameworks.

8.1.4 World Intellectual Property Organisation

8.1.4.1 Modernisation of Records Management Systems

The World Intellectual Property Organization (WIPO) provided financial and technical support for the modernisation of the Agency's records management systems, aimed at strengthening intellectual property administration through digital transformation.

Key outcomes of this initiative include:

- Digitisation of physical records, ensuring long-term preservation and improved accessibility.
- Scanning and indexing of documents to create a comprehensive electronic archive.
- Integration of digitised records into the Industrial Property Automation System (IPAS), facilitating efficient retrieval and management of information.

This modernisation has significantly enhanced operational efficiency, reduced reliance on manual processes, and improved service delivery to stakeholders across the intellectual property ecosystem.

8.1.4.2 Project on Enhancing IP Education in Creative Institutions

Zambia was selected as one of the pilot countries under the World Intellectual Property Organization's Development Agenda Project on Enhancing IP Education Capacities of Artistic and Creative Academic Institutions to Foster Creativity. The project aims to strengthen the capacity of post-secondary creative and artistic institutions to integrate intellectual property education into their curricula. Under this initiative, a comprehensive mapping of existing intellectual property education practices in Zambia will be undertaken, followed by the development of a context-relevant curriculum and supporting teaching resources, including toolkits and e-learning materials tailored to the needs of the creative sector. By equipping young artists, designers, musicians and other creators with practical knowledge on the protection and commercialisation of their works, the project is expected to contribute to the growth of Zambia's creative industries and support the broader objective of harnessing intellectual property as a driver of innovation and economic development.

8.1.4.3 Development of Geographical Indications in Zambia

PACRA, in collaboration with the World Intellectual Property Organisation (WIPO), is reviewing local products such as Miombo/Forest Honey and Kasama Coffee for Geographical Indications (GI) protection.

A recent study conducted in Mwinilunga and Kasama Districts revealed that these products demonstrate strong potential for immediate GI or collective-mark protection, with readiness scores above 80%. The study also highlighted Chama Rice, Mongu Rice, and Kawambwa

Tea as products with meaningful reputational value that could be further strengthened through producer organisation, improved traceability systems, and clearer product specifications.

Geographical Indications are intellectual property rights used to identify products whose quality, reputation, or characteristics are linked to their geographical origin. Unlike ordinary trademarks, GIs reflect the land, climate, skills, and traditions of the communities behind the product.

PACRA's initiative underscores Zambia's potential to build a competitive, origin-based identity for agrifood products. With unique agricultural products, traditional foods, crafts, minerals, and cultural practices, the country is well positioned to benefit from GI protection. This will support smallholder farmers, strengthen branding, promote value addition, and preserve cultural heritage.

8.1.4.4 Signing of the WIPO Treaty on Intellectual Property, Genetic Resources and Associated Traditional Knowledge

On 4th March 2025, Zambia signed the WIPO Treaty on Intellectual Property, Genetic Resources and Associated Traditional Knowledge. The treaty was signed in Geneva by Ambassador Eunice M. Tembo Luambia, Permanent Representative of Zambia to the United Nations and other International Organizations in Geneva, in the presence of WIPO Director General Mr. Daren Tang. The treaty represents a significant milestone in the international intellectual property system by introducing disclosure requirements relating to genetic resources and associated traditional knowledge in patent applications. Zambia's signature reflects the country's commitment to promoting transparency in the patent system, protecting biodiversity-related resources, and strengthening safeguards against the misappropriation of traditional knowledge.

8.1.4.5 Accession to the Riyadh Treaty on Industrial Design Protection



On 20th October 2025 Zambia signed the Riyadh Treaty on the Protection of Industrial Designs, marking a significant milestone in strengthening the country's Intellectual Property framework.

The Treaty establishes a modern and harmonised legal system for the protection of industrial designs, providing creators and innovators with enhanced and predictable rights across member states. Zambia's signing demonstrates the Government's continued commitment to supporting innovation, creativity, and industrial competitiveness.

Once domesticated, the Treaty will deliver several benefits, including simplified registration procedures for protecting designs nationally and internationally, stronger and longer protection of design rights to ensure fair reward for creativity, and increased market opportunities for local designers and manufacturers to commercialise their innovations abroad.

PACRA will work closely with stakeholders to facilitate the domestication and implementation of the Treaty, ensuring that Zambian designers fully benefit from its provisions.

8.1.5 African Regional Intellectual Property Organisation

8.1.5.1 IP School Clubs Competition

Zambia was selected by the African Regional Intellectual Property Organization (ARIPO) to participate in the Intellectual Property (IP) School Clubs Competition, an initiative aimed at promoting awareness and understanding of intellectual property among young learners in member states. The competition forms part of the broader IP School Clubs Project, which seeks to nurture creativity, innovation and respect for intellectual property rights at an early stage of education. Through this initiative, learners are encouraged to explore intellectual property concepts and apply them in practical and creative ways. Zambia's participation in the competition provides an important opportunity to strengthen intellectual property education in schools while inspiring learners to appreciate the value of protecting ideas, inventions and creative works. The Agency will coordinate the participation of selected schools and support learners and teachers in preparing entries for the competition, thereby contributing to the development of a future generation that is knowledgeable about and respectful of intellectual property.

8.1.5.2 Patent Drafting Capacity

The Agency facilitated the participation of officials from Technology Transfer and Commercialisation, at the University of Zambia's Research and Innovation Hub in a Patent Drafting Training held at the headquarters of the African Regional Intellectual Property Organization (ARIPO) and organised by the World Intellectual Property Organization (WIPO). The training provided practical and theoretical knowledge on the drafting of patent claims and specifications, which are essential for securing effective protection of inventions. By supporting the participation of the University of Zambia's Technology Transfer and Commercialisation function, the Agency sought to strengthen the institution's capacity to identify, protect and commercialise research outputs through the patent system. This initiative is expected to enhance the translation of academic research into patentable innovations and future patent filings, thereby contributing to the development of Zambia's innovation ecosystem.

8.2 Internal Support

8.2.1 JETS Programme to Support Young Innovators



The Agency signed a Memorandum of Understanding (MoU) with the Ministry of Education through the Directorate of the National Science Centre during the 2025 Junior Engineers, Technicians and Scientists (JETS) Fair held in Lusaka from 11 to 15 August 2025. The MoU was concluded to strengthen collaboration in promoting the protection and commercialisation of innovations emerging from the JETS programme.

This partnership is significant as it provides a structured platform for identifying promising student innovations and guiding young innovators on how to secure intellectual property protection for their creations. Through this collaboration, the Agency will provide awareness, technical guidance and support to students, researchers and coordinators, thereby fostering a culture of innovation and ensuring that promising ideas developed by learners can be protected, developed and potentially commercialised for national socio-economic benefit.

8.2.2 Engagement with the House of Chiefs on Protection of Traditional Knowledge

The Agency engaged the House of Chiefs to raise awareness and strengthen collaboration on the protection of Traditional Knowledge, Genetic Resources and Expressions of Folklore. The

engagement focused on the implementation of the Protection of Traditional Knowledge, Genetic Resources and Expressions of Folklore Act, No. 16 of 2016, and highlighted the important role of traditional leaders as custodians of community knowledge and cultural heritage. Members of the House of Chiefs actively participated in the discussions and expressed strong support for measures aimed at preventing the misuse or misappropriation of community knowledge, while promoting fair and equitable benefit sharing.

Members of the House of Chiefs expressed strong support for measures aimed at preventing the misuse or misappropriation of community knowledge, while promoting fair and equitable benefit sharing. The engagement laid a foundation for continued cooperation between the Agency and traditional authorities, including future sensitisation and documentation initiatives, and complemented Zambia's broader commitment to protecting traditional knowledge following the country's signing of the WIPO Treaty on Intellectual Property, Genetic Resources and Associated Traditional Knowledge.

8.2.3 Awareness and Capacity Building on Intellectual Property Rights

The Agency in collaboration with the Ministry of Commerce, Trade and Industry, conducted a three-day stakeholder awareness and capacity-building workshops on intellectual property rights in Chilanga and Kabwe in March 2025. The workshops brought together representatives from key institutions including the Ministry of Finance, the House of Chiefs, ZAMCOPS, ZABS, academia and other statutory bodies, with the aim of strengthening understanding of the role of intellectual property in national development. The engagement also provided a platform for stakeholders to discuss potential geographical indications and traditional knowledge deserving protection, while highlighting the importance of continued public awareness and community organisation to safeguard Zambia's indigenous knowledge and cultural expressions.

8.2.4 Equipping Teachers with Knowledge on Intellectual Property



The Patents and Companies Registration Agency (PACRA) has continued its engagement with teachers on Intellectual Property (IP) Rights as part of the rollout of IP Schools Clubs. In October, the Agency conducted a training session aimed at equipping teachers with essential knowledge on IP. Ten teachers drawn from Lusaka Girls, Kasisi Girls, David Kaunda Technical, Highland School, and Rhodes Park Secondary Schools participated in the program. The training is expected to empower teachers to pass on valuable IP knowledge to their students, fostering awareness and appreciation of Intellectual Property among young learners.

8.2.5 Boot Camp on FATF Standards and Methodology

The Agency attended a Capacity-Building Boot Camp on FATF Standards in Mazabuka, hosted by the Department of Registrar for Non-Governmental Organisation under the Ministry of Community Development and Social Services. The training strengthened officers' knowledge of Anti-Money Laundering/Countering the Financing of Terrorism compliance and Zambia's alignment with Financial Action Task Force (FATF) Recommendation 8, protecting NPOs from terrorist financing. Officers from the Commercial Unit also presented on the Companies Act, highlighting its role in promoting governance, compliance, and transparency in registered entities.

8.2.6 The Belt Road Initiative

In October 2025, the Patents and Companies Registration Agency (PACRA) participated in the Belt and Road Initiative (BRI) Partner Countries Stakeholder Engagement held in China. The event, organized and sponsored by the Chinese Chamber of Commerce, provided a platform for partner countries to share experiences and strengthen collaboration in trade, investment, and innovation.

PACRA delivered key presentations highlighting reforms undertaken in business registration and intellectual property (IP) administration, as well as the rollout of digital platforms designed to enhance service provision and improve accessibility for clients.

Through its participation, PACRA reinforced its commitment to international collaboration, digital innovation, and the promotion of Zambia as a competitive destination for business and investment.

8.2.7 MSME Business Development Programmes

PACRA continued to strengthen its awareness programs through partnerships with various organizations, engaging over 850 budding entrepreneurs in December 2025.

On 12th December, PACRA partnered with the Digital Opportunity Trust (DOT) to interact with 600 Micro, Small and Medium Enterprises (MSMEs) who had completed a six-week training in Business Development. The Agency guided participants on business registration, Intellectual Property (IP) protection, and compliance requirements such as filing annual returns.

A similar engagement was held on 19th December in Lusaka's Kanyama Township, where over 250 youth entrepreneurs graduated after a six-week training under Generation Alive. PACRA provided insights on business registration procedures, types of businesses, compliance obligations, and the importance of IP rights in safeguarding innovations.

8.2.8 Strategic Support to the Mid-Term Review of the 2021-2026 Strategic Plan

The Management Development Division of the Cabinet Office provided strategic and technical support during the mid-term review of the Agency's 2021–2026 Strategic Plan, ensuring

continued alignment with national development priorities and responsiveness to emerging policy and operational demands. Key areas of support included:

Strategic Realignment: Facilitating the repositioning of Agency priorities in line with evolving national policy objectives and global trends.

Performance Assessment: Supporting the evaluation of progress against set targets, identifying strengths, and highlighting areas requiring improvement.

Capacity Strengthening: Enhancing internal competencies in evidence-based planning, monitoring, and evaluation through structured workshops and consultative engagements.

Integration of Best Practices: Introducing modern public sector management practices in governance, accountability, and service delivery.

Stakeholder Engagement: Promoting inclusive consultations to ensure that the Strategic Plan remained responsive to stakeholder expectations.

This collaboration significantly reinforced the Agency's strategic planning and performance management frameworks, underscoring its commitment to transparency, accountability, and results-driven service delivery.

Photo FOCUS



Ambassador Eunice Luambia (left) with WIPO Director General Daren Tang at the signing of the Design Law Treaty.



PACRA staff pose for a photo during independence day celebrations



Musician Brian Bwembya (left) popularly known as B'Flow with PACRA Deputy Registrar - Intellectual Property (IP) during his visit to learn more on intellectual property



PACRA Manager-International Affairs and Copyright Mr. Kenneth Musamvu attending the Standing Committee on Copyright and Related Rights in Geneva, Switzerland.



PACRA Registrar and CEO Mr. Benson Mpalo (second left) with other delegates at the Knowledge Exchange on Advancing Business Entry Reforms in Riyadh, Saudi Arabia



Mrs. Grace Mubanga PACRA Copyright Officer (second right) at the Regional Seminar on copyright and audio visual rights in Kampala, Uganda.



PACRA Officers attending to members of the public at the Zambia International Trade Fair in Ndola



PACRA Deputy Registrar - IP Chewe Chilufya (left) and First Secretary - Trade, Permanent Mission of the Republic of Zambia to the United Nations McPherson Munsanje at the Standing Committee on the law of Trademarks in Geneva, Switzerland

Photo FOCUS



PACRA ladies donate various items to under privileged children at Mapode Community School in Lusaka's Mtendere Township.



PACRA Manager-Trademarks Taonga Njolomba (right) and Mcpherson Mpande at the Intergovernmental Council on Traditional Knowledge, Genetic Resources and Expressions of Folklore (IGC) in Geneva, Switzerland.



PACRA Board Chairman Allan Chungu Mwaba (left) and PACRA Registrar and CEO Benson Mpalo at WIPO Assemblies 2025, Geneva, Switzerland.



Statutory Bodies under MCTI pose for a photo at the Copperbelt Agricultural, Mining and Industrial Expo (CAMINEX) in Kitwe



Her Honour the Vice President Mrs. W.K. Mutale Nalumango touring the PACRA stand at the 2025 YouthConnekt National Summit at Government Complex, Lusaka.



PACRA staff and students pose for a photo at the Generation Alive Business Development training in Kanyama Lusaka



Ambassador Eunice Luambia (left) with WIPO Director General at the signing of the Traditional Knowledge (TK) Treaty



PACRA staff and ARIPO delegates host Patent Search Seminar in Lusaka

Photo Focus



ACCOUNTABILITY

is our core value

We will accept responsibility for our own actions and omissions.

REPORT ON FINANCIAL STATEMENTS

Patents and Companies Registration Agency
Report and Financial Statements
For the Year ended 31st December 2025



www.pacra.org.zm

Patents and Companies Registration Agency
Report and Financial Statements
For the year ended 31st December 2025

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Patents and Companies Registration Agency
Director's Report
For the year ended 31st December 2025

The directors have the pleasure of presenting their report and audited financial statements for the year ended 31st December 2025.

1. Background

The Patents and Companies Registration Agency ("PACRA") is a Statutory Body established under Patents and Companies Registration Agency Act, No 4 of 2020.

- a) The Agency has the principal mandate of providing Business Registration and Intellectual Property protection services.
- b) The Agency administers Intellectual Property Rights and serves as a legal repository for Business Registration and Intellectual Property information.

2. The Registered office and principal place of business

Patents and Companies Registration Agency,
PACRA House, Longacres,
Haile Selassie Avenue,
Plot 8471
P.O Box 32020,
LUSAKA.

3. Functions of the Agency

- a) **Administer**
 - The Companies Act No. 10 of 2017
 - The Corporate Insolvency Act No. 9 of 2017
 - The Registration of Business Names Act No. 16 of 2011
 - The Patents Act No. 40 of 2016
 - The Trademarks Act Cap. 401
 - The Registered Designs Act No. 8 of 2010
 - The Companies (Certificate Validation) Act Cap. 401
 - The Moveable Property (Security Interest) Act No. 3 of 2016;
 - The Protection of Traditional Knowledge, Genetic Resources and Expressions of Folklore Act No. 16 of 2016
 - The Copyright and Performance Rights Acts Cap.406
 - The Layout Designs of Integrated Circuits Act No. 6 of 2016
- b) Receive and Investigate complaints of alleged or suspected breach of the Acts referred to in part (a) and subject to the directives of the Director of Public Prosecutions prosecute offences under those acts as the case may be.
- c) Collect, collate and Disseminate information on the law relating to the Acts referred to in part (a).
- d) Advise Government on all matters pertaining to the Acts referred to in part (a).
- e) Do all such other things as are necessary or incidental to the performance of its functions under the PACRA Act.

Patents and Companies Registration Agency
Director's Report
For the year ended 31st December 2025

4. Services

The following are the services currently provided by the Agency:

- Registration of industrial designs
- Registration of Trademarks
- Granting of Patents
- Registration of copyright and related rights
- Incorporation of companies
- Registration of business names
- Registration of security interests in movable property
- Establishment of business regulatory services centres
- Registration of integrated circuits
- Accreditation of corporate insolvency practitioners
- Registration of traditional Knowledge, genetic resources and expression of folklore.

5. Those Charged with Governance("TCWG")

a) Composition

The Agency is subject to legislative requirements regarding the composition, powers, functions, committee structure and responsibilities of those charged with governance ("TCWG"). TCWG are accountable to Parliament through the ministry of commerce, Trade and Industry ("MCTI"). TCWG are responsible for providing strategic direction to the Agency and ensure that it is managed in an effective and efficient manner. TCWG consist of the following non-executive directors who are appointed by the Minister responsible for Commerce, Trade and Industry in accordance with section 6 of the Patents and Companies Registration Agency Act No. 4 of 2020:

- A representative of the Ministry of Commerce, Trade and Industry
- A representative of the Attorney General
- An accountant registered with the Zambia Institute of Chartered Accountants
- A representative of the Zambia Association of Chambers of Commerce and Industry.
- One person with expertise in matters of intellectual property
- Two other persons with experience and knowledge in matters relevant to the Patents and Companies Registration Agency Act No. 4 of 2020.

b) TCWG in Place

A new board of directors were appointed by the Ministry of Commerce, Trade and Industry on 16th March 2023. The following are the board members:

Mr Allan Chungu Mwaba	- Board Chairperson
Mr Blessed Nkunika	- Vice Chairperson
Ms Lois Kapeza	- Member
Mrs Margaret Chikuba (MCTI)	- Member
Mrs Nalukena Mutti	- Member
Mr Mohammed Umar	- Member
Mr Mwelwa Chilundika	- Member
Mr. Benson Mpalo	- Registrar and CEO

Their key responsibilities are set out in the Patents and Companies Registration Act No. 4 of 2020.

Patents and Companies Registration Agency
Director's Report
For the year ended 31st December 2025

5. Those Charged with Governance("TCWG") (continued)

c) Interests in Capital Resources

None of TCWG held an interest in the Agency's capital resources during the year.

d) Emoluments for TCWG

Emoluments or expenses for TCWG during the year amounted to **ZMW 1,513,791** (2024: ZMW 1,326,920).

6. Key Management

The Senior Management team consisted of the following during the year under review:

Benson Mpalo	-	Registrar & CEO
Thomas Thindwa Kaunda	-	Deputy Registrar Commercial
Chewe Peter Chilufya	-	Deputy Registrar-Intellectual property
Nancy Chola Sikazwe	-	Board Secretary and Legal Counsel
Chinyemba Kaseke	-	Director-Inform. & Comm. Technology
Masuzyo Muleya	-	Director Internal Audit
Aaron Mpembamoto	-	Director-HR & Administration
Sunduzwayo Zimba	-	Director-Planning & Compliance
Chanda Elias Fulo	-	Director-Finance

7. Capital and Resources

The Agency has no subscription capital; its capital resources comprise accumulated funds and unamortised deferred credits relating to capital and deferred revenue grants.

8. Adoption of International Public Sector Accounting Standards

From 1st January 2022, the entity started applying IPSAS in preparation of its financial statements. IPSAS are a set of accounting standards issued by the International Public Sector Accounting Standards Board ("IPSASB") with specific focus on the accounting and financial reporting requirements of governments, other public sector entities and Not-For-Profit Organisations. The development of the IPSAS has its origin in the accounting profession as a way to enhance the accountability and transparency of public sector financial reporting and strengthen the public confidence in public sector financial management. The IPSASB is an independent standard setting Board supported by the International Federation of Accountants ("IFAC"). The IPSASB issues IPSAS, guidance and other resources for use by the public sector around the world.

9. Financial and Operational Highlights

a) Basis of Preparation

- (i)** The Agency's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS).
- (ii)** The financial statements are presented in Zambian Kwacha, which is the functional and reporting currency of the agency and all values are rounded to the nearest Kwacha.

Patents and Companies Registration Agency
 Director's Report
 For the year ended 31st December 2025

9. Financial and Operational Highlights (continued)

b) Operating Results

The Agency's financial year is from 1st January to 31st December.

During the financial year ended 31st December 2025, the Agency recorded a deficit of **ZMW 1.140 million** as compared to a deficit of ZMW 0.128 million during the year ended 31st December 2024.

c) Income

Total Incoming resources for the year amounted to **ZMW 95.112 million** (2024: ZMW 81.520 million).

d) Expenditure

Expenditure totalled **ZMW 96.253 million** (2024: ZMW81.647 million). The main operating costs were depreciation and amortisation costs **ZMW 2.132 million** (2024: ZMW 1.868 million), Costs of Personnel **ZMW75.870 million** (ZMW 66.965 million) and recurrent expenditures **ZMW15.882 million** (2024: ZMW 12.331 million).

e) Capital Expenditure

Capital expenditure amounted to **ZMW 1.361 million** (2024: ZMW0.750 million).

10. Risk Factors

The Agency faces several operational, legal and financial risks in its operations:

(a) Operational Risk

Operational risk is the risk of losses from inadequate or failed internal processes and systems, caused by human error or external events. It has a broad scope and includes:

- transaction authorisation and processing
- Completeness of income recording
- Payments Processing and the management of information
- Data quality and records.

The following are the main risks noted under this classification:

- (i) Financial Crime Risk – Financial crime risk is the risk that the Agency suffers losses as a result of internal and external fraud or intentional damage, loss or harm to people, premises or its movable assets.
- (ii) Technology Risk – Technology is a key business enabler in the Agency and requires an appropriate level of control to ensure that the most significant technology risks are effectively managed. Such risks include the non-availability of testing and calibration systems, inadequate design and testing of new and changed solutions and inadequate system security.

Patents and Companies Registration Agency
Director's Report
For the year ended 31st December 2025

10. Risk Factors (continued)

- (iii) People Risk – People risk arises from failures of the Agency to manage its key risks as an employer, including lack of appropriate people resource, failure to manage performance and reward, unauthorized or inappropriate employee activity and failure to comply with employment related requirements.

(b) Legal Risk

The Agency is subject to a comprehensive range of legal obligations, mostly covered by the *Patents and Companies Registration Act No. 4 of 2020*. As a result, it is exposed to many forms of legal risk, which may arise in a number of ways: its business may not be conducted in accordance with the requirements of the *Act*; contractual obligations may either not be enforceable as intended or may be enforced against the Agency in an adverse way; the Agency may face a risk where legal proceedings are brought against it, in the course of carrying out its mandate, etc. Regardless of whether such claims have merit, the outcome of legal proceedings is inherently uncertain and could result in financial loss. Defending legal proceedings can be expensive and time-consuming and there is no guarantee that all costs incurred will be recovered, even if the Agency is successful.

(c) Reporting Risk

- (i) Financial Reporting Risk

Financial reporting risk arises from a failure or inability to comply fully with regulations or codes in relation to the preparation, presentation or disclosure of financial information. Non-compliance could lead to damage to reputation or, in extreme cases, withdrawal of external funding.

- (ii) Accounting Risks

The Agency's future performance and results could be materially different from expected results depending on the outcome of certain potential risks and uncertainties, details of which are discussed above. The reported results of the Agency are also sensitive to the accounting policies, assumptions and estimates that underlay the preparation of its financial statements. Details of its critical accounting policies and key sources of accounting judgments are included on pages 16 to 37.

- (iii) Financial Risks

The Agency through its normal operations is exposed to a number of risks on its financial instruments, the most significant of which are *credit and liquidity*. *Market (currency and interest) risks* are generally low. The two main risks on its financial instruments are generally deemed to be within manageable limits.

The Agency's financial risk exposures are discussed on pages 38 to 40 in Note 29 to the financial statements.

Patents and Companies Registration Agency
Director's Report
For the year ended 31st December 2025

12. Risk Management and Control

The Agency through its normal operations is exposed to a number of risks, the most significant of which are *operational*, *legal* and *financial risks*. TCWG of the Agency are responsible for establishing and ensuring maintenance of adequate internal controls over financial reporting. However, all internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

13. Corporate Governance

With continued Board guidance and oversight, Management continued to be committed to high standards of corporate governance, which was fundamental to discharging their leadership responsibilities. Management applied integrity and other principles of good governance.

14. Pension Scheme

The Agency also has a pension scheme for all permanent and pensionable staff. It is a defined contribution plan for all qualifying employees, and is held separately from the Agency. The Agency has no liability other than in meeting monthly contributions into the scheme. TCWG were not entitled to any form of defined pension benefits from the Agency.

15. Related Party Transactions

The Agency has a common enterprise relationship with Government of the Republic of Zambia ("GRZ") and its departments. Other related party relationships and material balances that the Agency has with its related parties are listed in Note 30 to the financial statements.

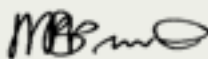
16. Post Balance Sheet Events

There have been no significant events between the year-end and the date of approval of these financial statements.

17. Auditors

In accordance with the provisions of the Patents and Companies Registration Act No 4 of 2020, the auditors, Messrs Mark Daniels Chartered Accountants, having expressed their willingness to continue in office, a resolution for their re-appointment will be proposed and considered by the Board – TCWG.

On behalf of the TCWG:

A handwritten signature in black ink, appearing to be "MB" followed by a flourish.

Registrar and CEO

20th April 2026

Date

Patents and Companies Registration Agency
Statement of Directors' Responsibilities
For the year ended 31st December 2025

Statement of Responsibilities for the Financial Statements

The following statement, which should be read in conjunction with the Auditors' report on page 8-10, is made with a view to distinguishing the respective responsibilities of the Board of the Agency ("the Board") and of the Auditors in relation to the financial statements for the year to 31st December 2025.

Statement of Responsibility for Financial Statements

In conformity with *International Public Sector Accounting Standards ("IPSAS")*, the Board is required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Agency and of the operating result for that year. *IPSAS* provide, in relation to such accounts, that references to accounts giving a true and fair view are references to fair presentation. The Board considers that, in preparing the financial statements on pages 15 to 28, and the additional information contained on pages 29 to 39, the Agency has used appropriate accounting policies, supported by reasonable judgements and estimates, and all accounting standards which it considers to be applicable.

The Board has responsibility for ensuring that the Agency keeps accounting records which disclose with reasonable accuracy the financial position of the Agency and which enable it to ensure that the financial statements comply with generally accepted reporting standards. The Board has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Agency and to prevent and detect fraud and other irregularities. The Board and executive management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with *IPSAS*. In preparing such financial statements, the officers are required to: select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; state whether the applicable accounting standards have been followed; and comply with *IPSAS*.

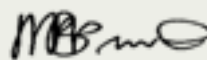
In the opinion of the Agency:

1. The Statement of Financial Performance is drawn up to give a true and fair view of the results of the Agency for the year ended 31st December 2025;
2. Based on current records that it holds:
 - (a) The Statement of Financial Position is drawn up to give a true and fair view of the state of affairs of the Agency as at 31st December 2025; and
 - (b) There are reasonable grounds to believe that the Agency will be able to pay its debts as and when they fall due.

The financial statements set out on pages 11 to 14 were approved on 20th April 2026 and signed by:



Board Chairperson



Registrar and CEO

**Report of the Independent Auditors
To the Minister of Commerce, Trade and Industry**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Patents and Companies Registration Agency (PACRA), which comprise the Statement of Financial Position as at 31st December 2025, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of the Patents and Companies Registration Agency as at 31st December 2025 and of its financial performance and cash flows for the year ended and have been properly prepared in accordance with the International Public Sector Accounting Standards (IPSAS) as issued by the Public Sector Accounting Standards Board (IPSASB).

Separate Opinion in Relation to IPSAS Issued by the IPSASB

The Agency has prepared Financial Statements that comply with IPSAS as Issued by the IPSASB. In our opinion, the Financial Statements comply with IPSAS as Issued by the IPSASB.

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

Key Audit Matters

Key audit matter are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. Key audit matters are selected from the matters communicated with those charged with governance, but are not intended to represent all matters that were discussed with them. Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of the key audit matters, and we do not express an opinion on these individual matters.

There were no key audit matters to report.

Other information

Directors and Management are responsible for the other information. 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 respect.

INDEPENDENT AUDITOR'S REPORT To the Minister of Commerce, Trade and Industry (Continued)

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

Directors and Management are responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Agency or to cease operations, or have no realistic alternative but to do so. Those charged with Governance are responsible for overseeing the Agency's reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls 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 Agency's internal controls.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency'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 Agency 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Agency to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Agency audit. We remain solely responsible for our audit opinion.

**INDEPENDENT AUDITOR'S REPORT
To the Minister of Commerce, Trade and Industry (Continued)**

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

Report on other Legal and Regulatory Requirements

In our opinion, the financial statements of **Patents and Companies Registration Agency** as of 31st December 2025 have been properly prepared in accordance with the PACRA Act, and the accounting and other records and registers have been properly kept in accordance with the Act.

**Chartered Accountants
Lusaka**

20th April 2026

WKKK Kasongo

Winston Kasongo AUD/F003127
Partner signing on behalf of the firm

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

STATEMENT OF FINANCIAL PERFORMANCE

	Notes	2025 ZMW	2024 ZMW
Revenue from Non-Exchange Transactions			
Grant income	19	77,272,207	75,757,065
Revenue from Exchange Transactions			
Other income	20	17,840,375	5,762,535
		95,112,582	81,519,600
Expenditure			
Direct costs	21	2,368,790	482,524
Depreciation on property and equipment	22	2,019,532	1,755,464
Depreciation on right of use assets	23.2	112,934	112,934
Employee costs and benefits	Appendix I	75,869,844	66,965,459
Recurrent costs	Appendix II	15,881,864	12,330,797
		96,252,965	81,647,178
Operating Results		(1,140,382)	(127,578)

There were no items of other comprehensive income.

Patents and Companies Registration Agency
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Statement of Financial Position

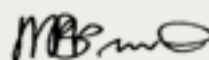
	Notes	2025 ZMW	2024 ZMW
ASSETS			
Non-current assets			
Property and equipment	22	17,948,853	18,606,897
Right of use assets	23.2	5,872,546	5,985,480
		23,821,400	24,592,377
Current assets			
Inventory	24	305,238	199,227
Other financial assets	25	9,936,344	9,459,378
Cash and cash equivalents	26	19,197,863	19,936,553
		29,439,445	29,595,158
Total assets		53,260,845	54,187,535
FUNDS AND LIABILITIES			
Funds			
Revenue Reserves		30,168,625	30,627,249
General reserve		2,349,716	-
Revaluation Reserves		9,941,097	12,972,571
		42,459,438	43,599,820
Current Liabilities			
Trade and other payables	27	6,144,689	5,944,115
Employee-Related Payables	28	4,656,718	4,643,600
		10,801,407	10,587,715
Total Equity and Liabilities		53,260,845	54,187,535

The notes on pages 15 to 37 form an integral part of these financial statements

The financial statements on pages 11 to 37 were approved by the Board on
17th March 2026 and signed on its behalf by:



Board Chairperson



Registrar and CEO

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Statement of Changes in Funds

<i>Amounts are Stated in Zambian Kwacha</i>					
	Note	Revaluation Reserve	General Reserves	Revenue Reserves	Total Reserves
Balance as at 1 January 2024		16,004,045	-	27,723,353	43,727,398
Amortization of Revaluation Reserve		(3,031,474)	-	3,031,474	-
Deficit for the year			-	(127,578)	(127,578)
At 31 December 2024		12,972,571	-	30,627,249	43,599,820
Balance as at 1 January 2025		12,972,571	-	30,627,249	43,599,820
Amortization of Revaluation Reserve		(3,031,474)		3,031,474	
Transfer to General reserve	33		4,500,000	(4,500,000)	
Actual expenditure out of the General reserve	33		(2,150,284)	2,150,284	
Deficit for the year				(1,140,382)	(1,140,382)
At 31 December 2025		9,941,097	2,349,716	30,168,625	42,459,438

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Statement of Cash flows

	Notes	2025 ZMW	2024 ZMW
Cash Inflow from Operating Activities			
Deficit for the year		(1,140,382)	(127,578)
Interest Received		(1,599,782)	(1,328,551)
Depreciation on property and equipment	22	2,019,532	1,755,464
Depreciation on right of assets	23.2	112,934	112,934
Gain on Disposals		-	(113,050)
Change in Inventory		(106,011)	160
Changes in Other Financial Assets		(476,966)	(2,507,118)
Change in Amounts Payables, Accruals and Provisions		200,574	2,310,802
Change in Employee-Related Obligations		13,118	(167,074)
Net Cash Outflow on Operating Activities		<u>(976,983)</u>	<u>(64,012)</u>
Returns on Investment and Servicing of Finance			
Interest Received		1,599,782	1,328,551
Net cash inflow from investment and servicing of finance		<u>1,599,782</u>	<u>1,328,551</u>
Investing Activities			
Actual Payments to Acquire Tangible Fixed Assets	22	(1,361,487)	(750,000)
Proceeds from Disposal of Assets		-	113,050
Net Cash Outflow on Investing Activities		<u>(1,361,487)</u>	<u>(636,950)</u>
Net (decrease)/increase in cash and cash equivalents		(738,688)	627,589
Cash and Cash Equivalents at start of year		<u>19,936,552</u>	<u>19,308,963</u>
Cash and Cash Equivalents at end of year	26	<u>19,197,863</u>	<u>19,936,552</u>
Represented By:			
Cash at Bank and in Hand		8,544,436	10,635,598
Short-Term Bank Deposits		10,653,427	9,300,954
		<u>19,197,863</u>	<u>19,936,552</u>

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Summary of Significant Accounting Policies

1. Basis of preparing financial statements

The financial statements of Patents and Companies Registration Agency (PACRA) have been prepared on the going concern basis and in accordance with the International Public Sector Accounting Standards (IPSAS) and comply with the Agency Act. They have been prepared under the historical cost convention, unless stated otherwise. The financial statements are presented in Kwacha (ZMW) except where otherwise indicated.

2. Basis of preparation

The *entity's* financial statements have been prepared in accordance with and comply with *International Public Sector Accounting Standards (IPSAS)*. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. Historical cost is generally based on the fair value of the consideration given in exchange for assets. 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 financial statements comprise a statement of performance, a statement of comprehensive income, a Statement of Financial Position, a statement of changes in funds, a statement of cash flows, and notes. Income and expenses, excluding the components of other comprehensive income, are recognised in the statement of revenue and expenditures.

Other comprehensive income is recognised in the statement of comprehensive income and comprises items of income and expenses (including reclassification adjustments) that are not recognised in the statement of revenue and expenses, as required or permitted by IPSAS. Reclassification adjustments are amounts reclassified to revenue and expenses in the current period that were recognised in other comprehensive income in the current or previous periods. Transactions with the owners of the *entity* in their capacity as owners are recognised in the statement of changes in equity.

The financial statements are prepared on accrual basis.

The *entity* presents the statement of revenue and expenditure using the classification by function of expenses. The *entity* believes this method provides more useful information to the users of its financial statements as it better reflects the way operations are run from a business point of view.

The Statement of Financial Position format is based on a current/non-current distinction.

The cash flow statement is prepared indirect method.

The accounting policies have been consistently applied to all the years presented. This implies that the prior year has been restated where necessary as it was previously presented under the International Financial Reporting Standards (IFRS). The financial statements have been prepared on the basis of historical cost, unless stated otherwise.

Patents and Companies Registration Agency
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Summary of Significant Accounting Policies (continued)

3. Basis of Measurement

Historical cost is generally based on the fair value of the consideration given in exchange for assets. 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. When measuring the fair value of an asset or a liability, the entity uses market observable data to the extent possible. If the fair value of an asset or a liability is not directly observable, it is estimated by the entity (working closely with external qualified valuers) using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

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

Transfers between levels of the fair value hierarchy are recognised by the entity at the end of the reporting period during which the change occurred.

4. Statement of Compliance

The financial statements have been prepared in accordance with *International Public Sector Accounting Standards ("IPSAS")* applicable for the reporting period to 31st December 2025.

5. Application of new and revised International Public Sector Accounting Standards (IPSAS)

- (a) Application of New IPSAS

As explained above, the financial statements have been prepared in accordance with *International Public Sector Accounting Standards* for the first time for the financial year beginning on or after 1st January 2022.

- (b) Statement of Compliance

As explained above, the financial statements have been prepared in accordance with *International Public Sector Accounting Standards* for the reporting period to 31st December 2025.

Patents and Companies Registration Agency
 Financial statements
 For the year ended 31st December 2025

Summary of Significant Accounting Policies (continued)

5. Application of new and revised International Public Sector Accounting Standards (IPSAS) (continued)

(a) New standards and amendments-applicable 1 January 2025

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2025.

Title	Key requirements	Effective date*
IPSAS 45 – Property, Plant and Equipment	Replaces IPSAS 17; introduces current operational value as a measurement basis; provides guidance on heritage and infrastructure assets.	1 Jan 2025
IPSAS 46 - Measurement	Consolidates measurement guidance; introduces fair value and current operational value; requires initial measurement at transaction price plus/minus transaction costs.	1 Jan 2025
IPSAS 47 – Revenue	Replaces IPSAS 9, 11, and 43; aligned with IFRS 15 but adapted for public sector; introduces binding arrangement model and compliance obligations.	1 Jan 2025
IPSAS 48 – Transfer Expenses	Provides guidance for transactions where resources are transferred without direct return; distinguishes between binding and non-binding arrangements.	1 Jan 2025
IPSAS 49 – Retirement Benefits	Establishes accounting/reporting for retirement benefit plans; introduces prudence guidance and updated materiality considerations.	1 Jan 2025

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Summary of Significant Accounting Policies (continued)

5. Application of new and revised International Public Sector Accounting Standards (IPSAS) (continued)

(b) Forthcoming requirements

There are a number of standards, amendments to standards, interpretations which have been issued by the IPSASB that are effective in future periods and the entity has decided not to adopt early.

Title	Key requirements	Effective date*
IPSAS 51 – Tangible Natural Resources held for Conservation	Provides recognition, measurement, and disclosure requirements for natural resources managed for conservation purposes.	1 January 2026
IPSASB SRS 1 – Climate – related Disclosures	Provides recognition, measurement, and disclosure requirements for natural resources managed for conservation purposes.	1 January 2026
Presentation of financial statements (Amendments)	Updates presentation requirements, including categorisation of revenue and expenses for improved transparency.	1 January 2026
IFRIC Alignment – Narrow Scope Amendments	Clarifies the application of existing IPAS principles by aligning with IFRIC interpretations.	1 January 2026
Materiality Amendments	Adds “obscuring” information to misstating/omitting as factors in materiality judgments.	1 January 2026

(f) Early Adoption of Standards

The Entity did not early – adopt any new or amended standards in year 2025. The Agency does not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Agency in future periods.

(g) New Standards and Interpretations

There are no other *IPSAS* that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Summary of Significant Accounting Policies (continued)

6. Significant Judgments and Sources of Estimation Uncertainty – IPSAS 1

(a) Judgments

The preparation of the Agency's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. Areas of judgement that have the most significant effect on the financial statements:

- (i) Grant accounting and amortisation
- (ii) Estimation of asset lives and carrying values
- (iii) Determination of fair values of non-current assets
- (iv) Provisions and contingencies

(b) Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Agency based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Agency. Such changes are reflected in the assumptions when they occur. Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are

- (i) Review of asset carrying values and impairment charges and reversals
- (ii) Estimation of employee related provisions and post-retirement benefits

(c) Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- (i) The condition of the asset based on the assessment of experts employed by the Agency;
- (ii) The nature of the asset, its susceptibility and adaptability to changes in technology and processes;
- (iii) The nature of the processes in which the asset is deployed.
- (iv) Availability of funding to replace the asset
- (v) Changes in the market in relation to the asset

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Summary of Significant Accounting Policies (continued)

6. Significant Judgments and Sources of Estimation Uncertainty – IPSAS 1

(d) Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material. Assumptions were used in determining the provision for rehabilitation of landfill sites. Landfill areas are rehabilitated over years and the assumption was made that the areas stay the same in size for a number of years.

7. Changes in Accounting Policies and Estimates – IPAS 3

The Agency recognises the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

8. Foreign Currency Transactions – IPSAS 4

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the Statement of Financial Position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognised as income or expenses in the period in which they arise.

(9) Revenue

(a) Revenue from Non-Exchange Transactions – IPSAS 23:

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

- (i) Grant income represents funds received from the Government based on an approved budget. The grant income is recognised on an accrual basis. An inflow of resources from a non-exchange transaction recognised as an asset shall be recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow. As the Agency satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it shall reduce the carrying amount of the liability recognised and recognise an amount of revenue equal to that reduction.
- (ii) Revenue from non-exchange transactions shall be measured at the amount of the increase in net assets recognised. A present obligation arising from a non-exchange transaction that meets the definition of a liability shall be recognised as a liability when, and only when it is probable that an outflow of resources embodying future economic benefits or a service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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Summary of Significant Accounting Policies (continued)

(9) Revenue (continued)

- (iii) **Transfers from Other Government Entities:** Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes. Revenues from non-exchange transactions with other government entities are measured at fair value and recognised on obtaining control of the asset if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Agency and can be measured reliably.

b) Revenue from Exchange Transactions – IPSAS 9

Exchange transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange:

- (i) **Rendering of services:** The Agency recognises revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. Where the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are recoverable.
- (ii) **Sale of goods:** Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and the revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Agency.
- (iii) **Interest income:** Interest income is accrued using the effective yield method. The method applies this yield to the principal outstanding to determine interest income each period.

10 Administrative Costs

Operating and administrative costs are accrued as incurred.

11 Taxation

No allowance is made for income or deferred taxes as the Agency is exempt from taxation.

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 For the year ended 31st December 2025

Summary of Significant Accounting Policies (continued)

12 Property, Plant and Equipment – IPSAS 17

(a) Cost and Valuation

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Agency recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value. All other repair and maintenance costs are recognised in surplus or deficit as incurred.

(b) Subsequent Expenditure

The Agency recognises, in the carrying amount of a tangible fixed asset, the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Agency and the cost of the item can be measured reliably. All other costs are recognised in the income statement as an expense as incurred.

(c) Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, with full year depreciation being charged in the year of acquisition. Depreciation rates are:

Buildings	2%
Motor Vehicles	25%
Office Equipment	25%
Furniture and Fittings	25%
Computer Equipment	25%

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

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Summary of Significant Accounting Policies (continued)

12 Property, Plant and Equipment – IPSAS 17 (continued)

(d) De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year the item is de-recognised.

(e) Impairment

At each reporting date, the Agency assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Agency makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the higher of an asset's or cash-generating unit's 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. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

13 Intangible Assets –IPSAS 31

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Amortisation is based on the estimated useful life of the intangible assets, which can be assessed as either finite or indefinite.

14. Inventories – IPSAS 12

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. After initial recognition, inventory is measured at the lower of cost and net realizable value. Inventories are recognised as an expense when deployed for utilisation or consumption in the ordinary course of operations of the Agency.

15. Financial Instruments

(a) Composition

The Agency's financial instruments consist of cash and equivalents, accounts and sundry receivables, accounts payables, employee benefits provision, accrued liabilities and provisions due to sundry suppliers and government departments and/or authorities to whom statutory deductions are due. Cash and cash equivalents, accounts receivable, payables, and accrued liabilities are reflected in the Statement of Financial Position at cost, which approximates to fair value due to the short-term nature of these instruments.

Patents and Companies Registration Agency
Financial statements
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Summary of Significant Accounting Policies (continued)

15. Financial Instruments (continued)

(b) IPSAS 29: Financial Assets

(i) Classification

The Agency's principal financial assets are cash and cash equivalents and accounts receivable from revenue arising from rendering of services and sundry receivables from administrative advances, prepayments and deposits:

- **Cash and cash equivalents** include cash in hand and deposits held at call with banks, including bank overdrafts. Bank overdrafts are shown as net of cash balances within current assets on the Statement of Financial Position.
- **Accounts receivables and sundry receivables** are stated in the balance sheet at original amount less an allowance for any uncollectible amounts. An estimate for impairment is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

The Agency's financial assets are measured subsequently at either amortised cost or fair value.

(ii) Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held- to maturity investments or available-for-sale financial assets, as appropriate. The Agency determines the classification of its financial assets at initial recognition.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognised in the surplus or deficit.

(iv) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

Patents and Companies Registration Agency
Financial statements
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Summary of Significant Accounting Policies (continued)

15. Financial Instruments (continued)

(b) IPSAS 29: Financial Assets (continued)

(v) Impairment of Financial Assets

The Agency assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Agency of financial assets that can be reliably estimated.

Evidence of impairment may include the following indicators:

- (i) The debtors or a entity of debtors are experiencing significant financial difficulty;
- (ii) Default or delinquency in interest or principal payments;
- (iii) The probability that debtors will enter bankruptcy or other financial reorganization;
- (iv) Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults).
- (v) The Agency recognises a loss allowance for expected credit losses on receivables and contract assets.
- (vi) The expected credit losses on these financial assets are estimated using a provision matrix based on the Agency's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

(vi) De-recognition

The Agency derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

(c) IPSAS 29: Financial liabilities

(i) Classification and Measurement

Financial liabilities are classified according to the substance of the contractual arrangements entered into:

- **Payables and accruals** are stated at their nominal value.
- **Provisions** are recognised when the Agency has a present legal or constructive obligation as a result of a past event, and it is probable that the Agency will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Patents and Companies Registration Agency
Financial statements
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Summary of Significant Accounting Policies (continued)

15. Financial Instruments (continued)

(c) IPSAS 29: Financial liabilities (continued)

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

(ii) Recognition

Initial recognition and measurement financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Agency determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

(iii) Provisions – IPSAS 19

Provisions are recognised when the Agency has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation and a reliable estimate can be made of the amount of the obligation. Where the Agency expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Financial Performance net of any reimbursement.

(iv) Employee Benefits – IPSAS 25 Retirement Benefit Plans

- (a) The Agency provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which an Agency pays fixed contributions into a separate Agency (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.
- (b) **Pension Schemes** –Employees of the Agency are members of the government-managed defined contribution scheme, the *National Pension Scheme*. The Agency is required to contribute to the scheme 10% of each employee's compensation, split evenly between the employer and the employee. The only obligation of the Agency with respect to the retirement benefit plan is to make the specified contributions.
- (c) **Other Employee Benefits** - The estimated monetary liability for employees' accrued gratuity pay entitlement at the balance sheet date is recognised as an expense accrual.

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Summary of Significant Accounting Policies (continued)

15. Financial Instruments (continued)

(c) IPSAS 29: Financial liabilities (continued)

(d) **Gratuity obligations**

The estimated monetary liability for employees' accrued gratuity pay entitlement at the balance sheet date is recognised as an expense accrual.

(v) **Contingent Liabilities**

The Agency does not recognise a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote. Contingent liabilities are initially measured at fair value.

(vi) **De-recognition**

The Agency derecognises financial liabilities when, and only when, the Agency's obligations are discharged, cancelled or they expire.

(vii) **Offsetting of Financial Assets and Liabilities**

Financial assets and liabilities are offset and net amounts reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(viii) **Fair Values of Financial Assets and Liabilities**

The carrying amounts of financial assets and liabilities are, in the opinion of the Board Members, not significantly different from their respective fair values due to generally short periods to maturity dates. Liabilities in respect of retirement benefit contributions, which are of a long-term nature are reflected at cost as the benefit plan operated by the Agency is a defined contribution scheme, under which the Agency's liability is limited to shortfalls between total contributions paid and amounts payable as at the reporting date.

(ix) **Contingent Assets**

The Agency does not recognise a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Agency in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognised in the financial statements of the period in which the change occurs.

(x) **Financial Risks**

The Agency's activities expose it to a variety of financial risks. The most important types of risk are *credit risk*, and *liquidity risk*. Policies and exposures on risks and financial instruments are discussed in Note 10 to the financial statements.

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Summary of significant Accounting Policies (continued)

16. Capital Maintenance

Capital resources comprise accumulated funds and unamortised portions of grant balances. The Agency's objectives for the management of capital are to safeguard its ability to continue as a going concern. The Agency considers its cash and cash equivalents to be the manageable capital from its financial resources. The Agency's policy is to maintain sufficient cash balances to cover operating and administration costs over a reasonable future period. The Agency currently has no externally-imposed capital requirements except to maintain sufficient cash balances. It creates and maintains reserves in terms of specific requirements and only maintains accumulated funds as its reserves.

17. Comparative figures

Where necessary, comparatives have been reclassified to fit with presentations in the current period.

18. Budget information – IPSAS 24

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the Agency. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or Agency differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts. *IPSAS 24* applies to entities that require or elect to make publicly available their approved budget. The Agency is not required and does not make its budget publicly available.

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Notes to the financial statements

	2025	2024
	ZMW	ZMW
19. Appropriation in Aid		
Appropriation in Aid	<u>77,272,207</u>	<u>75,757,065</u>
Appropriation from GRZ	<u>77,272,207</u>	<u>75,757,065</u>
 (a) Revenue Grants		
Revenue grants from GRZ represents Appropriation in Aid received from Government, charged to income in the period of receipt.		
20. Other income		
Interest Received	1,352,472	1,084,969
Interest on Staff Loans	247,310	243,581
Madrid funds	10,210,136	-
ARIPO Funds	6,458,849	3,910,962
Profit on Disposal	-	113,050
Interest Received - Call Accounts	169,627	262,759
Exchange (losses)/gains	(598,019)	147,214
	<u>17,840,375</u>	<u>5,762,535</u>
21. Costs of Operating Activities		
Inspections	289,085	51,000
Monitoring of Regional Offices	119,910	158,845
Prosecutions and Collaborations	48,227	67,462
Review and Development of Laws	1,155,067	1,457
Regional Office Audits	98,838	68,684
Transfers	657,663	135,076
	<u>2,368,790</u>	<u>482,524</u>

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Notes to the financial statements (continued)

22. Property, Plant and Equipment

	Buildings ZMW	Motor Vehicles ZMW	Furniture Equipment ZMW	CWIP ZMW	Totals ZMW
At 1 January 2025	19,169,308	3,250,000	2,717,259	454,243	25,590,810
Additions	-	-	1,361,487	-	1,361,487
Balance at 31 December 2025	19,169,308	3,250,000	4,078,746	454,243	26,952,297
Depreciation					
At 1 January 2025	4,268,146	1,625,000	1,090,767	-	6,983,913
Charge for the Period	404,274	812,500	802,758	-	2,019,532
Balance at 31 December 2025	4,672,420	2,437,500	1,893,525	-	9,003,445
Net Book Value					
Balance at 31 December 2024	14,901,162	1,625,000	1,626,492	454,243	18,606,897
Balance at 31 December 2025	14,496,888	812,500	2,185,221	454,243	17,948,853
Cost					
At 1 January 2024	19,169,308	3,250,000	1,967,259	454,243	24,840,810
Additions	-	-	750,000	-	750,000
Balance at 31 December 2024	19,169,308	3,250,000	2,717,259	454,243	25,590,810
Depreciation					
At 1 January 2024	3,863,872	812,500	552,077	-	5,228,449
Charge for the Period	404,274	812,500	538,690	-	1,755,464
Balance at 31 December 2024	4,268,146	1,625,000	1,090,767	-	6,983,913
Net Book Value					
Balance at 31 December 2023	15,305,436	2,437,500	1,415,182	454,248	19,612,361
Balance at 31 December 2024	14,901,162	1,625,000	1,626,492	454,243	18,606,897

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Notes to the financial statements (continued)

2025 2024
ZMW ZMW

23 Leases

23.1 The Agency holds leases for properties used in its operations. The Agency has separately accounted for land and buildings. As a result, all land has been classified as a lease, with a recognition of a right of use asset and no lease liability has been recognised as the lease rentals are minimal and are directly expensed.

The properties subject to long-term leases are as follows:

No	Property Description	No. of years end of lease
1	Sub division B of ' stand no. 8471, PACRA, Lusaka	53
2	Stand No / Lusaka 3169.685	93
3	Stand No.1962, Chinsali	95

23.2 Right of use assets

(a) **Cost/ valuation**

At 1 January	6,211,348	6,211,348
Additions	-	-
At 31 December	<u>6,211,348</u>	<u>6,211,348</u>

(b) **Depreciation**

At 1 January	225,868	112,934
Charge for the year	112,934	112,934
At 31 December	<u>338,802</u>	<u>225,868</u>

Net book value	<u>5,872,546</u>	<u>5,985,480</u>
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24. Inventory

Office Consumables	<u>305,238</u>	<u>199,227</u>
	<u>305,238</u>	<u>199,227</u>

25. Other Financial Assets

Trade Receivables	1,101,681	36,523
PAYE Receivable	503,761	1,002,679
Staff Receivables	8,286,486	8,420,176
Sundry Receivables	44,416	-
	<u>9,936,344</u>	<u>9,459,378</u>

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Notes to the financial statements (continued)

	2025	2024
	ZMW	ZMW
26. Cash and Cash Equivalents		
Cash at bank	8,113,474	9,821,510
Petty cash	30,616	13,874
Mobile money	400,345	800,214
Short term deposits	10,653,427	9,300,955
	<u>19,197,863</u>	<u>19,936,553</u>
27. Trade and other payables		
Trade Creditors	2,549,977	1,632,150
Other payables	3,594,712	4,311,965
	<u>6,144,689</u>	<u>5,944,115</u>
28. Employee benefit obligations		
Current liability		
Leave Days	4,656,718	4,643,600
	<u>4,656,718</u>	<u>4,643,600</u>

Patents and Companies Registration Agency
 Financial statements
 For the year ended 31st December 2025

Notes to the financial statements (continued)

2025 2024
ZMW ZMW

29. Financial instruments

The Agency faces exposure to the following financial risks:

- (a) Total financial instruments

31 December 2025				
	Receivables	Assets at Amortized Cost		Total
<u>Assets as per Statement of Financial Position</u>				
Loans and Receivables:				
-Other financial assets	9,936,344			9,936,344
-Cash and Equivalents	8,544,436	10,653,427		19,197,863
Total	18,480,780	10,653,427		29,134,207
		Liabilities at Fair Value through P & L	Other Financial Liabilities at Amortized Cost	Total
<u>Liabilities as per Statement of Financial Position</u>				
Other Financial Liabilities	4,656,718			4,656,718
Trade and Other Payables	6,144,689			6,144,689
Total	10,801,407			10,801,407
31 December 2024				
	Receivables	Assets at Fair Value through P & L	Assets at Amortized Cost	Total
<u>Assets as per Statement of Financial Position</u>				
Loans and Receivables:				
-Other financial assets	9,459,378	-	-	9,459,378
-Cash and Equivalents	10,635,598	-	9,300,955	19,936,553
Total	20,094,976	-	9,300,955	28,768,341
		Liabilities at Fair Value through P & L	Other Financial Liabilities at Amortized Cost	Total
<u>Liabilities as per Statement of Financial Position</u>				
Other Financial Liabilities		-	5,944,115	5,944,115
Trade and Other Payables		-	4,643,600	4,643,600
Total		-	10,587,715	10,587,715

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Notes to the financial statements (continued)

2025 2024
ZMW ZMW

The Agency faces exposure to the following financial risks:

(b) Credit Risk

The Agency takes on exposure to credit risk, which is the risk that a counterparty will cause a financial loss to the Agency by failing to pay amounts in full when due. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. As shown below, exposure to credit risk is represented by cash balances and amounts due on accounts receivables:

	2025	2024
Cash and bank balances	19,197,863	19,936,553
Receivables	9,936,344	9,459,378
	29,134,207	29,395,931

The Agency's primary credit exposure from illiquidity of cash and cash equivalents amounted to **ZMW 19.198 million** (2024: ZMW 19.937 million). At the balance sheet date, other significant concentrations of credit risks lay in sundry receivables, which at the reporting date amounted to **ZMW 9.936 million** (2024: ZMW 9.459 million), gross of provisions. The nature of services offered by the Agency means it does not have significant credit risk exposure to a single counterparty.

For receivables, the Agency has applied the simplified approach to measure the loss allowance at lifetime ECL. The Agency determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix.

At the balance sheet date, other significant concentrations of credit risks lay in receivables, which at the reporting date amounted to. The nature of services offered by the Agency means it does not have significant credit risk exposure to a single counterparty.

(c) Currency Risk

The Agency is not exposed to foreign currency exchange risks on its bank balances and unspent portion of capital grant balances in deferred revenue.

(d) Liquidity Risk and Interest Rate Risk

The Agency's activities expose it to a variety of financial risk: market risk (including interest and liquidity risk). This is monitored on a daily basis by management and controlled as far as reasonably possible to minimise the risk of mismatches between current liabilities and current assets. The table below summarises the Agency's interest and liquidity risks:

Patents and Companies Registration Agency
 Financial statements
 For the year ended 31st December 2025

Notes to the financial statements (continued)

	2025				2024
	ZMW				ZMW
	Up to	1-3	4-12	1-5	Total
	1 Month	Months	Months	years	
As at 31 December 2025					
Non-interest bearing	1,582,957	4,646,744	12,408,338		18,638,039
As at 31 December 2024					
Non-interest bearing	1,583,954	4,751,861	12,671,628	-	19,007,443
	1,583,954	4,751,861	12,671,628	-	19,007,443

(e) Fair Value Estimation

The different levels of determining fair value, by valuation method, have been defined as follows: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly prices) or indirectly derived from prices); and Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). The Centre had no financial instruments carried at fair value, by valuation method.

30. Related parties

(a) Identity of related parties

The Agency has a common enterprise relationship with Government of the Republic of Zambia. Related parties include members of the Agency's Board and key Management team.

(b) Control and governance of the Agency

The Agency has a common enterprise relationship with Government of the Republic of Zambia and falls under the auspices of the Ministry of commerce, Trade and Industry. Internal supervision of its management and control of the affairs of the Agency, however, is vested in the Board.

(c) Key management of the Agency

The key management of the Agency i.e. officers other than Board members with the ability, directly or indirectly, to control or exercise significant influence over the Agency in making financial and operating decisions, are listed on Corporate and Administration Information and their remuneration is shown below.

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Notes to the financial statements (continued)

(d) Transactions with related parties

None of the Board members, key executives or parties related to them has undertaken any material transactions with the Agency. However, the GRZ and its departments are regarded as single related party, the list of related party transactions in these financial statements is summarised below.

	2025 ZMW	2024 ZMW
i) Government Funding received	<u>77,272,207</u>	<u>75,757,066</u>
ii) Board Expenses	<u>1,513,791</u>	<u>1,326,920</u>
iii) Key management remuneration	<u>12,277,345</u>	<u>11,171,152</u>

31. Capital Management

The Agency's objectives when managing capital are to safeguard the Agency's ability to continue as a going concern to provide returns to controlling interests and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Agency monitors capital based on the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the balance sheet plus net debt.

32. Capital Management (continued)

The gearing ratios as at 31 December 2025

	2025 ZMW	2024 ZMW
Debt	-	-
Cash	<u>(19,197,863)</u>	<u>(19,936,553)</u>
Net debt	<u>(19,197,863)</u>	<u>(19,936,553)</u>
Equity	42,459,438	42,041,669
Net debt to equity ratio	<u>-45.21</u>	<u>-47.42%</u>

33. Appropriations from reserves

Revenue reserves were appropriated to establish a general reserve to support operations and fund the Solar power project. The amounts approved for this purpose was ZMW 4,500,000 out of which ZMW 2,150,284 was spent. This appropriation was approved by the Board on 4th December, 2024 at its 47th Ordinary Meeting.

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Notes to the financial statements (continued)

34. Capital Commitments

The Agency had no capital commitments at the year end.

35. Contingent liabilities

As at the reporting date, there were no known contingent liabilities.

36. Events occurring after balance sheet date

IPSA 14 requires the Agency to disclose the date on which the accounts are authorised for issue by the Board. The annual report and accounts were authorised by the Board for issue on the date of the signature of the directors and the date of the auditor's report.

The Agency has evaluated subsequent events through to the date the financial statements were available for issuance, and has determined that there has not arisen since the end of the period any transaction or event of a material and unusual nature likely, in the opinion of management, to affect substantially the operations of the Agency, the results of those operations or the state of affairs of the Agency in subsequent financial periods.

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Appendix I**Employee Costs and benefits**

	2025	2024
	ZMW	ZMW
<u>Wages and Salaries</u>		
Basic Pay	32,684,780	31,097,429
Acting Allowance	1,455,179	835,713
Car Allowance	1,697,775	1,627,905
Entertainment Allowance	-	22,390
Fuel Allowance	4,758,156	4,203,950
Housing Allowance	11,182,940	10,796,763
Overtime Allowances	243,067	234,403
Transport Allowance	4,337,178	4,453,634
	<u>56,359,075</u>	<u>53,272,187</u>
 <u>Benefits</u>		
Gratuity	6,336,487	4,403,049
Leave Pay	3,938,701	3,269,735
Medical Scheme	1,713,802	1,253,883
NAPSA Employer Contributions	2,224,103	2,083,337
NHIS	322,008	310,981
Pension	4,279,338	1,878,850
Subscriptions-Professional	544,570	358,265
	<u>19,359,009</u>	<u>13,558,100</u>
 <u>Other Employee Costs</u>		
Staff Training and Welfare	151,760	135,172
	<u>151,760</u>	<u>135,172</u>
	<u>75,869,844</u>	<u>66,965,459</u>

Patents and Companies Registration Agency
Financial statements
For the year ended 31st December 2025

Appendix II**Recurrent expenditure**

<i>Amounts are Stated in Zambian Kwacha</i>	2025 ZMW	2024 ZMW
Advertising & Promotions	170,176	82,165
Audit Fees	135,440	128,944
Bank Charges	218,696	203,651
Board and Committee Expenses	1,513,791	1,326,920
Budget Preparation	572,305	2,439
Cleaning Expenses	563,283	288,546
Committee Expenses	15,176	30,881
Donations and Promotions	79,257	30,035
Electricity and Water	521,741	263,841
Expended Assets	380,062	-
VAT on assets acquired	-	103,448
ICT Spares and Accessories	166,132	122,802
Insurance	706,237	700,888
International Day Celebrations	22,650	18,395
IT Systems Maintenance and Back Up	92,102	135,297
Motor Vehicle Expenses	907,978	564,291
Office Administration	196,992	264,901
Postage, Telephone & Internet	1,216,377	1,448,123
Print & Stationery	385,959	929,643
Refreshments	307,808	210,189
Regional Preventive Maintenance	82,868	108,763
Rent and Rates	992,010	912,998
Repairs & Maintenance	215,967	206,375
Security Expenses	455,019	342,179
Software Licenses	1,775,752	1,028,698
Stakeholder Engagement & Workshops	2,594,057	101,171
Strategic Planning	36,918	6,430
Trade Fairs and Shows	592,908	240,527
Website and Data Links	848,807	323,635
ARIPO Funded IP Promotion Activities	-	2,157,679
Workers Compensation	115,396	46,944
	<u>15,881,864</u>	<u>12,330,797</u>

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Distribution of Registered Companies by Province – Zambia

Total Registrations by Province (2025)





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**PATENTS AND COMPANIES
REGISTRATION AGENCY**

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Plot No. 8471, PACRA House
Haile Selassie Avenue, Longacres, P.O. Box 32020, LUSAKA
Tel: (+260) 211 255127/255151
Email: pro@pacra.org.zm

LUSAKA ONE STOP SHOP

Kwacha House Ground Floor
Cairo Road, Lusaka
Email: pacralusakaoss@pacra.org.zm

EASTERN PROVINCE

Second Floor Natsave/ZESCO building
Behind ZANACO branch, Off Pererenyatwa
Road, Chipata
Telephone: +260 06222274
Email: pacrachipata@pacra.org.zm

SOUTHERN PROVINCE

LIVINGSTONE REGIONAL OFFICE
One-Stop-Shop Building (Tourism Centre)
BRRR Regulatory Services Centre
Next to Livingstone Museum, Livingstone
Telephone (+260) 213-324236
Email: pacralivingstone@pacra.org.zm

CHOMA REGIONAL OFFICE

Butala House 1st Floor Room 116 ZSIC
Building, Choma
Telephone: +260 213 221440 Email:
pacrachoma@pacra.org.zm

COPPERBELT PROVINCE

KITWE ONE STOP SHOP

First Floor West Wing
BRRR Regulatory Services
Nchanga House
Corner Enos Chomba Road & President
Avenue, Kitwe
Telephone: +260 212 221580
Email: pacrakitwe@pacra.org.zm

NDOLA REGIONAL OFFICE

Mpendwa House Second Floor President
Avenue, Ndola
Telephone: +260 212 – 611225
Email: pacrandola@pacra.org.zm

MUCHINGA PROVINCE

Chinsali Regional Office
Municipal Council New Building Nambuluma
Road, Chinsali
Telephone: +260 214 565090

Email: pacramuchinga@pacra.org.zm

WESTERN PROVINCE

Mongu Regional Office Plot No. 304, Lusaka
Road Directly Opposite Catholic
Diocese Administrative Offices, Mongu
Telephone: +260 211 221126
Email: pacramongu@pacra.org.zm

NORTH WESTERN PROVINCE

Old Civic Centre Building
Independence Avenue, Solwezi Telephone:
+260 218 821743 Email:
pacrasolwezi@pacra.org.zm

NORTHERN PROVINCE

Compensation House, Ground Floor Room
G3, Zambia Road, Kasama
Telephone: +260 214 221292
Email: pacrakasama@pacra.org.zm

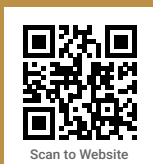
CENTRAL PROVINCE

Kabwe Regional Office ZSIC House Ground
Floor, Kabwe
Telephone: +260 215221042
Email: pacrakabwe@pacra.org.zm

LUAPULA PROVINCE

NAPSA Building, 1st Floor Room 2201,
2202 and 2209
Provident House,
Kawambwa Road, Mansa
Telephone: +260-212-821762
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