FBC Holdings Limited

You Matter Most

2025

ANNUAL REPORT

Contents

Contents

About This Report

This integrated annual report was prepared for FBC Holdings Limited and its subsidiaries.

This annual report can be viewed at **www.fbc.co.zw**

Group Structure

FBC Holdings Limited

Consumer and Investment Banking Services

- FBC Bank Limited — 100%
  - Commercial Banking + Advisory Services + Factoring Services + Custodial Services + Mortgage Finance
- MicroPlan Financial Services (Pvt) Limited — 100%
  - Micro Finance Services
- FBC Securities (Private) Limited — 100%
  - Equities Trading + Sponsoring Broker

Wholesale Banking Services

- FBC Crown Bank Limited — 100%
  - Commercial Banking + Advisory Services + Factoring Services + Custodial Services

Insurance Services

- FBC Reinsurance Limited — 100%
  - FBC Re (Botswana) Pty Ltd — 100%
    - Short Term Reinsurance + Life & Health Re-Assurance
- FBC Insurance Company Limited — 95%
  - Non-Life Insurance + Medical Insurance
- OutRisk — 100%
  - Insurance Broking

FBCH Footprint

Our Pillars of Strength

CORE VALUES	GOVERNANCE	OUR TEAM	SOCIAL IMPACT AND FINANCIAL INCLUSION
Integrity	9 Boards of Directors in the Group	792 Permanent Employees	+ 550 000 Mobile Banking Subscribers
Teamwork	Independent Chairpersons	69% of Staff < 45 years	+99 Construction Jobs
Commitment	39 Non-Executive Directors	46% Female Employees	32 Micro-Finance Institution branches nationwide including agencies
Communication	14 Executive Directors	356 Contract Employees	
Life-long learning and Entrepreneurship			

Our Vision and Mission Statement

Vision

Nurture sustainable solutions that enable the financial well-being of the communities we serve.

Mission

Deliver a unique customer experience through value adding relationships, simplified processes and relevant technologies.

General Information

Registered Office
6th Floor FBC Centre
45 Nelson Mandela Avenue
P.O. Box 1227, Harare
Zimbabwe
Telephone : +263-0242-700312/797770
: +263-0242-708071/2
Telex : 24512 FIRSTB ZW
Swift : FBCPZWHA
Fax : +263-0242-700761
E-mail : info@fbc.co.zw
Website : http://www.fbc.co.zw

Transfer Secretaries
First Transfer Secretaries (Private) Limited
1 Armagh Avenue, Eastlea
P.O. Box 11 Harare
Telephone : +263-0242-782869
Mobile : +263 772146157/8

Independent Auditors
Axcentium
West Block
Borrowdale Office Park
Borrowdale Road
P O Box 267 Harare
Zimbabwe
Telephone : +263 (0) 8677000261

Attorneys
DMH Legal Practitioners
4 Fleetwood Road
Alexandra Park
Harare
P.O. Box CR 36, Cranborne, Harare
Telephone : +263-0242-250909-13

Costa & Madzonga Legal Practitioners
Block E, Delken Complex
6 Premium Close, Mt Pleasant Business Park
Harare
P.O. Box CY1221, Causeway, Harare
Telephone : +263-08644133638/9

FBC Bank Limited

Belgravia Private Banking Branch
No. 2 Lanark Road, Belgravia
P.O. Box A852, Avondale, Harare
Telephone : +263-0242-251975
: +263-0242-251976
Fax : +263-0242-253556

Chinhoyi Branch
Stand Number 14 Robson Manyika
P.O. Box 1220, Chinhoyi
Telephone : +263-067-24086
Fax : +263-067-26162

Bulawayo Avenue Branch
Asbestos House
Jason Moyo Avenue
P.O. Box 2910, Bulawayo
Telephone : +263-029-76079
: +263-029-76371
Fax : +263-029-67536

Masvingo Branch
FBC Centre
179 Robertson Street, Masvingo
Telephone : +263-039-264118-9
: +263-039-264415-6
: +263-039-262671
Fax : +263-039-262912

Gweru Branch
71 Sixth Street
P.O. Box 1833, Gweru
Telephone : +263-054-26491
: +263-054-26493
: +263-054-26497
Fax : +263-054-26498

Kwekwe Branch
44a/b Robert Mugabe Way
P.O. Box 1963, Kwekwe
Telephone : +263-055-24116
: +263-055-24160
Fax : +263-055-24208

Mutare Branch
101 A Herbert Chitepo Avenue
P.O. Box 2797, Mutare
Telephone : +263-020-62586
: +263-020-62114
Fax : +263-020-60543

Leopold Takawira Branch
FBC House
113 Leopold Takawira
P.O. Box 4041, Harare
Telephone : +263-0242-756811-6
Fax : +263-0242-772747

General Information (Continued)

FBC Bank Limited (Continued)

Southerton Branch
11 Highfield Junction Shop
P.O. Box St495, Southerton, Harare
Telephone : +263-0242-759712
: +263-0242-759392
Fax : +263-0242-759567

Zvishavane Branch
98 Robert Mugabe Way
P.O. Box 91, Zvishavane
Telephone : +263-039-2176
: +263-039-2177
Fax : +263-039-3327

Samora Machel Avenue Forex Centre
Old Reserve Bank Building
76 Samora Machel Avenue
P.O. Box GD 450, Greendale, Harare
Telephone : +263-0242-700372
: +263-0242-700044
Fax : +263-0242-793799

Victoria Falls Branch
Shop 7 & 8 Sawanga Complex
P.O. Box 225, Victoria Falls
Telephone : +263-083-45995/6
Fax : +263-083-5995/6

Msasa Branch
104 Mutare Road
P.O. Box AY1 Amby, Msasa, Harare
Telephone : +263-0242-446806
Fax : +263-0242-446815

Bulawayo Private Branch
Asbestos House
Jason Moyo Avenue
P.O. Box 2910, Bulawayo
Telephone : +263-029-76079
: +263-029-76371
: +263-029-67536

Borrowdale Branch
Unit 122-125, Sam Levy's Village
Borrowdale, Harare
Telephone : +263-0242-850911
: +263-0242-850912
: +263-0242-850913

FBC Reinsurance Limited

Head Office
4th Floor, FBC Centre
45 N Mandela Avenue
P.O. Box 4282, Harare
Telephone : +263-0242-772703/7
Fax : +263-0242-772701

Bulawayo Office
FBC House
Cnr R Mugabe Way and 11th Avenue
P.O. Box 2199, Bulawayo
Telephone : +263-029-888344
Fax : +263-029-888560

FBC Insurance Company Limited

Head Office
Eagle House
105 Jason Moyo Avenue, Harare
Telephone : +263-0242-708212
Fax : +263-0242-797135

Mutare Branch
Manica Chambers
2nd Avenue Road, Mutare
Telephone : +263-020-65723
Fax : +263-020-63079/65722

Bulawayo Branch
1st Floor, Asbestos House
Corner 11th and Jason Moyo Street, Bulawayo
Telephone : +263-029-71791/4
Fax : +263-029-76224

OutRisk Underwriting Management Agency (Private) Limited

Head Office
Ground Floor, FBC Centre
45 Nelson Mandela Avenue, Harare

General Information (Continued)

FBC Crown Bank

Head Office
1st Floor, Africa Unity Square Building,
68 Nelson Mandela Ave,
Harare, Zimbabwe
Telephone: +263 242 253801-7, 752864/8, 752852/9
Africa Unity Square: +263 8677 015 026

Bulawayo Branch
Corner 8th Avenue and Fife Street
Bulawayo, Zimbabwe
Telephone: +263 8677015026

FBC Securities (Private) Limited

2nd Floor, Old Reserve Bank Building
76 Samora Machel Avenue, Harare
Telephone : 263-0242-797761-6 / 700373

Microplan Financial Services (Private) Limited

Head Office
4th Floor, FBC House
113 Leopold Takawira, Harare
Telephone : +263-0242-772745/772729
Fax : N/A

Bulawayo Branch
1st Floor, Asbestos House
Corner 11th and Jason Moyo Street, Bulawayo
Telephone : +263-029-61650

Chiredzi Branch
349 Chilonga Drive, Chiredzi
Telephone : +263 31 2752/2820
Mobile : +263 731 772 750 / +263 772 527 147

Mutare Branch
101 A Herbert Chitepo Avenue
Mutare
Telephone : +263-020-65895
: +263-020-62949

Mutoko Branch
Shop Number 1 Stand 46/47 BJ
Mall Oliver Newton Road
Chinzanga Township, Mutoko
Mobile : +263-065-2722859

Masvingo Branch
1st Floor, FBC Centre
179 Robertson Street, Masvingo
Mobile : +263-736462940
Telephone : +263-039-262912

Gwanda Branch
Stand 623 Nkala Complex
Soudan Street, Gwanda
Telephone : +263-084-24296

Microplan Financial Services (Private) Limited (Continued)

Gweru Branch
Office Number 15, Moonlight Building,
5th Street, Gweru
Mobile : +263 732 772 745
Landline : +263-054-224524

Bindura Branch
846 Chenjerai Hunzvi Street, Bindura
Telephone : +263-066-6581

Chinhoyi Office
14 Robson Manyika, Chinhoyi
Landlines : +263-067-21034
Mobile : +263 73 177 2730 / ++263 775 802 514

Lupane Office
Stand Number 12, Lupane
Cell : +263 731 772 731

Chipinge Office
294A Ferreira Street, Chipinge
Cell : +263 731 772 732

Kadoma Office
Office No 5, Mtetwa Family Trust Complex
6/7 Cilling Street
Kadoma

Rusape Office
Stand 9 Robert Mugabe Avenue, Rusape
Telephone : +263 731 772 734

Mt Darwin Office
Stand 206, Mount Darwin Township, Mt Darwin
Telephone : +263 731 772 733
: +263 773 396 657

Hauna Office
Stand 107, Hauna Growth Point, Mutasa
Telephone : +263 731 772 735

Guruve Office
Stand 1409, Guruve Business Centre, Guruve
Telephone : +263 731 772 736

Hwange
Shop Number 101D, 22-23 Coronation Drive, Hwange
Direct : +263 731 772 747
Cell : +263 778 942 055

Zvishavane Office
Office 14 Makairos Building, 97 R. G Mugabe Way,
Zvishavane
Phone : +263 774 381 574

Beitbridge Branch
NSSA Complex, Beitbridge, Zimbabwe
Direct line : +263 286 22197 / +263 778 203 776
+263 713 492 811 / +263 731 772 748

Report Profile

FBC Holdings Limited is once again pleased to present its integrated annual report including sustainability reporting on the Group's non-financial performance for the period ended 31 December 2025. The reporting cycle is annual with the last recent report having been prepared for the year ended 31 December 2024.

The sustainability report is FBC Holdings Limited's seventh report prepared with guidance from the Global Reporting Initiative (GRI) Standards and IFRS sustainabilty standards S1 and S2. The report captures the Group's material issues for the business and its stakeholders in the following impact categories: social, environmental and economic performance. The Group will continue to improve and strengthen its sustainability strategy and reporting framework in accordance with the Group's broader strategic objectives that seek to promote a sustainable business model and unlock long term value for its stakeholders and future generations.

The Group welcomes the opinions of all its stakeholders both within and outside the Group and believes in proactive stakeholder engagement in order to appreciate fundamental stakeholder needs and desires. This approach enhances its ability to proffer tailored market leading service delivery solutions to its diverse stakeholders. Engagements with our stakeholders are done through various platforms including client networking events, customer surveys, formal meetings and text chats via Facebook, WhatsApp and Twitter.

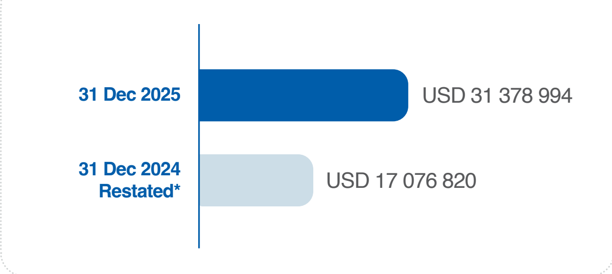
If you would like to provide the Group with further feedback regarding the contents of this report please feel free to contact the company secretary Tichaona Mabeza via email on: **tichaona.mabeza@fbc.co.zw.**

Financial Highlights

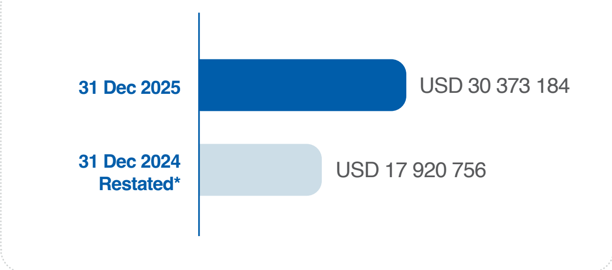
For the year ended 31 December 2025

Consolidated statement of profit or loss

Profit before income tax

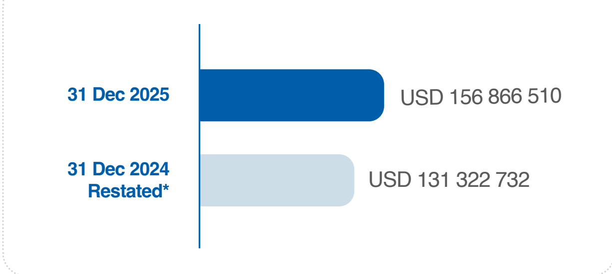


Profit for the year

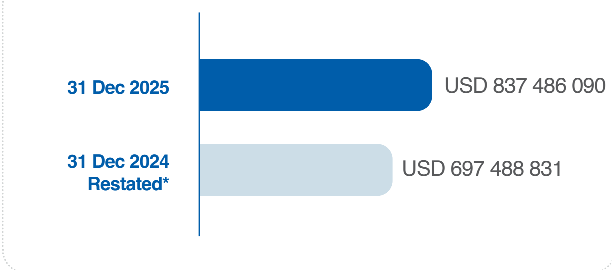


Consolidated statement of financial position

Total equity



Total assets



Share statistics	2025	2024
Shares in issue - actual	671 949 927	671 949 927
Shares in issue - weighted	611 369 877	610 501 135
Basic earnings per share - (USD cents)	4.96	2.92
Diluted earnings per share - (USD cents)	4.96	2.92
Headline earnings per share - (USD cents)	5.03	2.93
Dividend per share - ordinary (USD cents)	0.32	0.25
Dividend per share - ordinary (ZWG cents)	3.90	3.90
Closing share market price - (ZWG cents)	1 245.00	1 085.00

Ratios	2025	2024
Return on shareholders equity	19%	14%
Cost to income ratio	78%	82%

*The prior period financial statements were previously reported in ZWG. The numbers were restated by converting to the Group's new presentation currency, USD. Further, the prior period amounts were restated as a result of prior period adjustment (refer to note 2.1 for further details).

Group Chairman’s Statement

Total Net Income
USD 145 million

FY2024	USD 219 million
% Change	**-34%**

Profit Before Tax
USD 31.4 million

FY2024	USD 17.1 million
% Change	**84%**

Profit After Tax
USD 30.4 million

FY2024	USD 17. 9 million
% Change	**69%**

Total Assets
USD 837.5 million

FY2024	USD 697.5 million
% Change	**20%**

Loans & Advances
USD 410.8 million

FY2024	USD 338.5 million
% Change	**21%**

Shareholders Equity
USD 156.7 million

FY2024	USD 131.1 million
% Change	**19%**

Cost-Income Ratio
78%

FY2024	82%
% Change	

Earnings Per Share
USD 4.96 cents

FY2024	USD 2.92 cents
% Change	**70%**

Dividend Per Share
Final (USD 0.32 cents - ZWG 3.9 cents)

Interim	USD 0.32 cents

Group Chairman's Statement (Continued)

Financial Performance Review

The Group delivered a solid financial performance in 2025, benefiting from the diversified business model and the stability attained in the operating environment which was characterised by relative price stability, fiscal discipline and tight monetary policy measures. Strong revenues were recorded across all the business segments, supported by an increase in business volumes. This solid financial performance was driven by growth in core trading activities such as lending, transaction and payment processing, alongside strong cost management measures. Income from core activities increased by 34% and now accounts for over 80% of our revenue, which is a significant shift from prior years when revaluation and fair value gains contributed substantially to revenue performance. The Group views this as a positive development. As a result of the sharp drop in revaluation and fair value gains, the Group's total net income decreased by 34% .

Net interest income increased by 4%, reaching USD 56.5 million. Net fee and commission income rose by 24% to USD 59.0 million, driven by higher transaction volumes across various delivery channels. The Group's insurance subsidiaries recorded a positive insurance result of USD 4.2 million, a significant improvement from a loss of USD 1.9 million in 2024. This was attributable to disciplined underwriting, claims management and client education.

Operating expenses amounted to USD 101.7 million, compared with USD 176.4 million in the prior year, reflecting cost savings from automation initiatives and robust cost control. This Group's cost-to-income ratio improved to 78% from 82% for the comparable period as a result.

Overall, the profit before tax increased by 84% to USD 31.4 million, up from USD 17.1 million in the prior year, while profit after tax improved by 69% to USD 30.4 million.

The Group's financial position remains healthy, with a 20% increase in the statement of financial position. The statement of financial position increased to USD 837.5 million from USD 697.5 million, driven by a 65% rise in customer deposits. Loans and advances rose by 21%, reflecting the Group's continued support for customers' funding requirements. Shareholders' funds increased to USD 156.9 million from USD 131.1 million, representing 19% growth. The Group's subsidiaries are sufficiently capitalized from both a regulatory and economic capital standpoint.

These results underscore the Group's resilience in a fluid, complex environment. Diversified revenue streams, disciplined risk management, and expanding transactional services position the Group to continue delivering value to our shareholders.

Operating Context

Zimbabwe's economy continued its recovery trajectory in 2025, with Gross Domestic Product (GDP) growth estimated at 6.6%, following a slower 1.7% growth rate in 2024. The growth acceleration was largely driven by improved agricultural output and a strong performance in the mining sector. The operating environment was stable, supported by a tight monetary policy and other restrictive monetary policy measures which helped reduce inflation and stabilise the exchange rate. The external sector remained relatively strong, with foreign-currency receipts surging to a record high of USD 16.2 billion, thereby boosting the country's foreign-currency reserve position. The Group, in response, is actively positioning itself in the growth sectors to deliver value to its stakeholders.

The outlook remains positive, albeit under threat from the downstream effects of the geopolitical tensions in the Middle East. The economy is projected to grow by 5% in 2026. Inflation is expected to remain stable, anchored by monetary and fiscal discipline and exchange rate stability. The recent fuel price increase however, if not contained in the short term, presents a significant threat to inflation projections. Growth drivers remain unchanged and include increased activity in the mining and agriculture sectors. Ongoing policy reforms under the IMF-led Staff Monitored Programme (SMP) are further expected to support macroeconomic stability.

Sectoral Performance Overview

Banking Sector

The banking sector remained stable and sound according to the Reserve Bank of Zimbabwe. Credit to the private sector continued to expand, supporting economic activity. The sector is also undergoing significant transformation, particularly through the adoption of new digital solutions and technologies. Transaction volumes continue to increase, as innovation and digitisation takes centre stage. These developments are expected to reduce the cost of financial products and services, thereby enhancing affordability and promoting financial inclusion.

The downside however, is the current tight monetary and fiscal policy stance. Funding constraints continue to limit the industry's ability to carry out its financial intermediation role. The payment of interest to depositors has to a certain extent, improved deposit retention, and in this regard, banking institutions are securing foreign lines of credit in addition to boosting funding for lending activities.

The sector remains profitable despite a significant reduction in fair value gains and foreign exchange dealing income during the current year. Asset quality is satisfactory, with non-performing loans standing at 3.47% as at 31 December 2025. The Group continues to adapt its strategies to mitigate high credit and liquidity risk.

Group Chairman's Statement (Continued)

Insurance Sector

The insurance sector experienced some recovery during the period under review, supported by rising gross written premiums and a structural shift towards foreign-currency-denominated business. This comes on the back of mixed fortunes in 2024. Product innovation and micro-insurance continue to shape the industry's response strategies, given the generally low insurance uptake, which currently stands at approximately 1%. The regional average is currently around 3%.

On the regulatory front, the Insurance and Pensions Commission (IPEC) introduced new minimum capital requirements to promote stability in the insurance industry and underwriting discipline. These measures promote stakeholder confidence and further contribute to the industry's growth. All the Group's insurance subsidiaries are compliant with these new capital requirements. The low insurance penetration on the other hand, presents a significant opportunity for the Group to expand its market share through innovative products and improved product access across the country, particularly within underserved segments.

Property Market

The property sector continued to demonstrate resilience, with activity largely driven by strong demand in the residential segment and increased diaspora participation. Commercial real estate investments however, remain low due to huge capital outlay and cost optimisation by businesses, which has reduced demand for office space. Emerging opportunities in retail, warehousing and industrial spaces, together with growing interest in Real Estate Investment Trusts (REITs), are supporting portfolio diversification. This positive outlook and property sector opportunities resulted in the Group reorganising its business model and setting up FBC Properties to fully explore opportunities in this sector and improve performance.

Capital Markets

Equity markets recorded positive performance. The Zimbabwe Stock Exchange (ZSE) All Share Index gained 27.7% while the Victoria Falls Stock Exchange (VFSE) index gained 70.18% on account of improved trading activity and investor sentiment. ZSE turnover surged by 146.6% whilst VFEX turnover increased significantly by 95.02%. A notable trend has however emerged, which has seen a few counters opting to delist or migrate from the ZSE. The continued migration of listings to the VFEX and growth in USD-denominated trades highlight a shift in stakeholder and investor preferences. The Group is invested in both markets and benefited from the price rally, recording commendable gains on its listed portfolio.

Group Restructuring

The Group reorganised its banking portfolio, which culminated in the merger of FBC Bank Limited and FBC Building Society banking operations during the year under review. As a result of the merger, FBC Building Society surrendered its license to the Reserve Bank of Zimbabwe. The objective was to improve capital allocation efficiency, operational efficiency and shareholder value in the medium to long term. The Group simultaneously set up FBC Properties Private Limited in 2025, to continue with property and housing development activities, which were previously undertaken by FBC Building Society. FBC Properties Private Limited will further expand its mandate to offer a wide range of property management services in addition to property development. This will further diversify revenues as the Group explores opportunities in the real estate sector.

Sustainability

Sustainability remains central to the Group's strategy, with continued progress made in embedding sustainable practices across the business. In 2025, this commitment was reinforced through five strategic pillars, which include sustainable finance, partnerships, governance, capacity building and community development, ensuring that value creation is both resilient and inclusive. The integration of a comprehensive Climate Risk Framework, supported by technical partnerships, has strengthened alignment with global best practices and enhanced the resilience of the Group's operations.

Our Societal Impact

The Group continues to deliver meaningful societal impact through its corporate social responsibility initiatives, investing over USD900,000 across health, education, sports and community development programmes. These interventions reflect the Group's commitment to shared value creation, supporting inclusion and contributing to national development priorities, while positively impacting the communities it serves.

Digital Transformation and Innovation

Digital transformation and innovation are a necessity in the modern-day era to remain competitive. The financial services sector is transforming, as evidenced by the increase in technological investments and the churn out of digitally backed products. The Group is aligned with this industry transformation and continues to allocate resources to ensure efficient operations and an excellent customer experience. Core systems upgrades were undertaken in 2025, and resources have been allocated in 2026 to continue this initiative. The Group has also invested in in-house development of solutions to complement the outsourcing of technology solutions. Processes and operations have been streamlined and consolidated. A measurable success has been the reduction in paper consumption across the Group, which has reduced by 50% during the year under review. Product development and deployment have been scaled up to increase customer satisfaction, particularly micro-related products

The Group is also advancing the adoption of artificial intelligence (AI) through a measured approach focusing on workflow optimisation, customer insights, and risk management. These initiatives position the Group competitively through lower cost structures and a broader product range.

Group Chairman's Statement (Continued)

Compliance

The Group operates within a robust governance and compliance framework, underpinned by strong board oversight and a commitment to ethical leadership. Comprehensive risk management practices, regulatory compliance and financial crime controls are integral to safeguarding stakeholder interests and maintaining public confidence. The Group remains steadfast in its commitment to integrity, transparency and continuous improvement in governance standards. Compliance training is done at all levels to ensure stakeholders are well-equipped to fulfil compliance objectives.

Directorate

The Board of Directors ("the Board") of FBC Holdings Limited ("the Company") advises that Mr Franklin Kennedy and Mrs Chipo Mtasa, both long-serving members of the Company, resigned from the Board effective 30 June 2025, upon expiry of their term of office. Each of the directors served with distinction and diligence during their tenure. The Board expresses its gratitude to the retiring directors for their service during the past thirteen years and wishes them well in their future endeavours.

FBCH Share Price Performance

The FBCH share price closed the year at ZWG12.45 (USD0.48) after gaining 14.75% from ZWG 10.85 (USD0.42) at the beginning of the year. Subsequently, the Group's market capitalisation improved from ZWG7.29 billion (USD0.28 billion) to ZWG8.36 billion (USD0.32 billion). During the year, 8.26 million shares were traded at a weighted average price of ZWG 8.02. The Group remains committed to preserving and growing shareholder value through the sustainable growth of the business.

Dividend

I am pleased to advise that the Company has declared a final dividend of US0.32 cents and ZWG 3.9 cents per share. The dividend will be payable to shareholders registered in the books of the Company at the close of business on 17 April 2026. The Company's shares will trade cum dividend on the Zimbabwe Stock Exchange up to 15 April 2026 and ex-dividend from 16 April 2026. Dividend payments will be made to shareholders on or about 29 April 2026. The full-year dividend distribution for 2025 amounted to USD 4.3 million and ZWG 26 million. In comparison, dividends paid in 2024 were USD 3.4 million and ZWG 26 million, acknowledging the Group's strong capital generation capacity.

Outlook

Looking ahead, the Board is optimistic about the Group's prospects and is encouraged by the stable operating environment and economic growth opportunities. The Group is well-positioned to leverage its diversified business model to grow and preserve shareholder value. The Board remains committed to sound governance and prudent risk management practices, while continuing to support strategic investments in technology, product innovation and customer service.

Appreciation

The performance of FBC Holdings Limited reflects the collective commitment of those who support and drive our business. I extend my sincere appreciation to our customers for their continued support and loyalty to the Group. We also acknowledge our shareholders, regulators and business partners for their commitment and collaboration, which are essential to our operations.

I wish to formally thank my colleagues on the Board for their sound counsel and diligent oversight throughout the year. To the Group's management and staff members, I commend your commitment and resilience. Your contributions remain pivotal as the Group navigates a dynamic operating environment in pursuit of its objectives.

Herbert Nkala
Group Chairman

31 March 2026

Group Chief Executive's Report

I am pleased to present the financial results of FBC Holdings Limited ("the Group") for the financial year ended 31 December 2025. These results reflect the Group's resilience and ability to adapt and navigate a dynamic environment. They demonstrate our resolve to sustain shareholder value through unique, relevant financial services and value-driven customer relationships.

Operating environment

The operating environment was characterized by gradual macroeconomic stabilisation under tight monetary conditions, supported by improved inflation dynamics and relatively stable exchange rates. GDP growth estimated at 6.6% in 2025 was underpinned by strong performance in mining, particularly gold and agriculture, which continue to drive foreign currency inflows, alongside resilient diaspora remittances. Inflation has slowed significantly to single digits, reflecting strong money supply management, which continues to constrain credit growth and private-sector borrowing while anchoring inflation. The external sector remains supportive due to commodity exports, although vulnerabilities persist around geopolitical conflicts, climate shocks, fiscal pressures and confidence in the domestic currency.

The financial services sector remains resilient. The operating landscape is, however, constrained by high interest rates, statutory reserve requirements and limited long-term funding, all of which suppress lending activity and balance-sheet expansion. This environment requires agility, business model adaptation, digital transformation, cost efficiency and revenue diversification to ensure a sustainable return for our shareholders.

Against this backdrop, the Group remains well-positioned, underpinned by a strong asset base, a diversified business model and continued investment in digital and technological capabilities. These strengths enable the Group to navigate uncertainties and capture emerging opportunities.

Group Chief Executive's Report (Continued)

Group Portfolio Restructuring

During the year, the Group consolidated the banking operations of FBC Bank Limited and FBC Building Society into FBC Bank. All property development activities were transferred to the newly established FBC Properties (Private) Limited, now operating as a specialised property development and management company. The restructuring is expected to enhance operational efficiency and unlock value across both banking and property businesses.

Our Consolidated Group performance

The Group adopted the United States Dollar (USD) as its functional currency in the year under review, transitioning from the Zimbabwe Gold (ZWG) functional currency as USD denominated transactions continued to dominate in the economy.

Financial Performance and Outlook

The Group's performance remains strong, underpinned by increased transactional volumes, diversified revenue streams and disciplined risk management. Income from core trading activities, which accounted for 80% of total income, is trending positively, driven by net interest income and transaction and payment processing fees. As a result, Profit Before Tax grew by 84% to USD 31.4 million, reflecting cost discipline and expanding core trading activities. Banking-related income accounts for 80% of the Group's income, whilst insurance and investment income account for the remaining 20%.

Operating expenses declined significantly, from USD 176.4 million to USD 101.7 million, reflecting the benefits of ongoing digital transformation and automation initiatives, as well as a continued focus on cost discipline and process consolidation.

The Group's statement of financial position continues to improve, with total assets rising 20% to USD 837.5 million, driven by a 65% increase in deposits to USD 486.2 million. Loans and Advances increased by 21%, reflecting targeted growth in the lending book aligned with productive sectors of the economy. The balance sheet remained liquid, with cash and bank balances increasing by 20% to USD 208.3 million, positioning the Group to support business growth and meet customer funding requirements.

Total equity grew by 19% to USD 156.7 million, underpinned by a 31% increase in retained earnings. Growth in equity was however slowed down by a prior period adjustment following changes in currency from ZWL to ZWG in 2024 and a change in functional currency in 2025 (Refer to Note 2.1).

"The Group's performance remains strong, underpinned by increased transactional volumes, diversified revenue streams and disciplined risk management."

Looking ahead, the Group will focus on strengthening resource mobilization to support growth and evolving customer funding needs. Balance sheet optimisation, enhancing asset quality and driving lending towards high-impact sectors such as agriculture, mining and SMEs, will remain a priority. The Group will also continue to leverage digital transformation and innovation to deepen transactions, widen product offerings, improve efficiency and diversify revenue streams, guided by our risk management framework.

The performance and strategic developments across the Group's subsidiaries are outlined below:

Group Segment Reviews

FBC Bank

FBC Bank achieved a profit before tax of USD 11.6 million for the year ended 31 December 2025, driven by growth in funded income and transaction fees. Net Interest income was USD 33.3 million, whilst fees and commission income were USD 40.9 million. The lending portfolio remained robust, with loans and advances amounting to USD 296.0 million. Fees and commissions were driven by multiple service delivery channels powered by our digital banking platforms. The service offering is expanding across the country through partnerships and diverse transactional platforms, both locally and internationally. Efforts to mobilize external lines of credit to support growing client funding requirements and balance sheet expansion are ongoing.

Group Chief Executive's Report (Continued)

The Bank is under review for income tax liabilities for the period 2019 to 2024. The liabilities arise from a divergent interpretation of certain tax provisions regarding the disallowance of interest expense for tax purposes. The interest expense largely relates to foreign lines of credit obtained by the bank during the referenced period. The tax authorities have raised provisional assessments, of which USD 9.4 million and ZWG 49.4 million have not been provided for in the financial statements and are disclosed as contingent liabilities. The Bank has engaged experts on this matter, and there are ongoing discussions with tax authorities. FBC Bank believes that its interpretation of relevant tax legislation is appropriate and expects a favourable conclusion on this matter.

The Bank continues to improve its risk management framework in response to the increasing complexity of the operating environment. Business onboarding and underwriting is under continuous review to ensure alignment with risk appetite, whilst investments are being made in automating processes to improve efficiency and enhance controls.

Moving forward, the focus continues to be on generating business in new markets and increasing the share of existing markets to ensure performance targets are met. A significant amount of capital will be allocated towards system upgrades, innovation and digital transformation to strengthen the Bank's competitive edge in operational efficiency and exceptional customer service.

FBC Building Society

Prior to the merger with FBC Bank, FBC Building Society reported a profit before tax of USD 4.5 million, a significant improvement from USD 1.7 million in the prior year.

Post-merger, the consolidated balance sheet of FBC Bank reflects a strengthened asset base, including a notable increase in investment properties. This enhanced asset position provides additional capital and liquidity to support and underwrite more business for FBC Bank.

FBC Crown Bank Limited (Crown Bank)

The Group's wholesale banking subsidiary delivered a profit before tax of USD 5.1 million, representing a 22% increase on the prior year, on account of increasing revenues. An expanded risk appetite enabled the bank to increase customer base, driving lending activity and funded income. Crown Bank continues to strengthen its financial performance, executing its mandate to serve corporate, institutional, and high-value clients.

During the year, the Bank made steady progress in client acquisition and recovery, supporting growth in transactional activity. Ongoing efforts to secure external funding lines are enhancing its capacity to fund asset expansion and meet evolving client needs. Asset quality remains strong, supported by disciplined underwriting.

Microplan Financial Services

The Group's microfinance subsidiary achieved a profit before tax of USD 4.3 million, representing an increase of 8% on the prior year's USD 4.0 million, driven by growth in its lending book. Competition is intensifying, as reflected by the increase in the number of microfinance institutions registered by the Reserve Bank of Zimbabwe in the recent Monetary Policy Statement. The company serves a diverse clientele, including salaried individuals, rural farming communities and small-to-medium-sized enterprises (SMEs).

Microplan's mandate and product offering align with the Sustainable Development Goals (SDGs) 2;6 and 7, which are zero hunger, affordable and clean energy and access to clean water and sanitation. The product offering aligned to these SDG goals includes solar loans, borehole drilling and farming input facilities. These initiatives advance the SDGs' agenda and contribute to the transformation of communities. To improve product access, streamline loan underwriting processes and enhance operational efficiency, Microplan is accelerating digital transformation through system upgrades.

FBC Insurance Company

FBC Insurance recorded premium growth during the 2025 financial year. Profitability was however, constrained by an elevated claims ratio, particularly within the motor vehicle class. The business achieved a profit before tax of USD 0.6 million, compared with the prior year's USD 1.1 million.

To improve performance, the focus will be on strengthening underwriting discipline, claims management and rebalancing the portfolio towards lower-risk, higher-margin classes going forward.

FBC Reinsurance Limited

FBC Reinsurance delivered a profit before tax of USD 1.2 million, driven by premium growth and investment income. Elevated claims impacted profitability. Revenue-enhancing measures, including price adjustments and improved risk selection, are being implemented to strengthen performance. The growth focus is on the mining and agriculture sectors, subject to strict underwriting and a set risk appetite.

Regionally, FBC Re Botswana benefited from portfolio diversification, despite soft diamond prices and moderating activity in the Botswana market, resulting in a fair return to shareholders. Opening new markets and consolidating them in West Africa is expected to generate more insurance revenue.

Going forward, FBC Reinsurance is well-positioned to benefit from improving regional conditions and sustaining domestic growth, supporting profitability and reinforcing its contribution to the Group.

Group Chief Executive's Report (Continued)

FBC Securities

The capital markets in Zimbabwe recorded favourable returns on the Zimbabwe Stock Exchange (ZSE) and the Victoria Falls Stock Exchange (VFEX) in 2025. The returns compared well against inflation and other investment classes. FBC Securities remains a strategic component of the Group, providing capital markets insights and execution capabilities that support wealth management for our individual customers and delivering favourable returns not only to the Group but also for our institutional investors. The Group is well-positioned to capitalize on emerging opportunities in capital markets while continuing to deliver value to clients and to deepen financial sector development.

FBC Properties

FBC Properties was established as a strategic spin-off following the merger of FBC Bank and FBC Building Society. The company, through previous operations under FBC Building Society, has more than three decades of experience in property development and construction, drawing on a strong legacy of delivering infrastructure and real estate projects.

As a specialized property development and management entity, FBC Properties will focus on driving infrastructure and construction projects both within the Group and for external clients. The business will also pursue strategic partnerships to unlock value and support sustainable growth, positioning it as an important contributor to the Group's long-term strategy and to broader property-sector development.

Governance and Regulatory Compliance

The Group operates in a sector with extensive and complex regulatory requirements. The Group confirms that, for the period under review, it complied in all material respects with applicable laws and regulations governing financial services institutions in Zimbabwe and beyond, as the group's operations now span other regional countries. Prescribed prudential guidelines, including capital adequacy, liquidity thresholds, corporate governance standards and statutory reporting requirements, were complied with.

The Group is committed to maintaining the highest standards of corporate governance, risk management, and regulatory compliance, in line with both local regulatory frameworks and international best practices. Efforts and investments are continuously made to strengthen our compliance and control environment through policy reviews, internal audits and employee training programs to ensure alignment with evolving regulatory expectations. Furthermore, the Group has implemented robust Anti-Money Laundering (AML) and Know Your Customer (KYC) frameworks to safeguard the integrity of our operations and the broader financial system.

Technology and Digital Transformation

Technology and digital transformation are at the core of the Group's strategy to drive sustainable growth, provide product and service access, enhance customer experience, and improve operational efficiency. During the period under review, the Group continued to invest in modernising its digital platforms, strengthening core banking systems and expanding digital channels to deliver seamless, secure and convenient services to customers. Key initiatives include the integration and consolidation of our mobile banking platform, upgrade of our core banking and insurance systems and the deployment of data analytics capabilities to support customer insights and decision-making. These investments have contributed to increased transaction volumes on digital channels, reduced cost-to-serve and improved our service turnaround times.

The Group is also harnessing emerging technologies such as artificial intelligence and cloud-based solutions to streamline operations, enhance risk management and support innovation across our business units. Cybersecurity remains a top priority, with ongoing investment in systems, controls and staff awareness to protect customer data and ensure resilience against evolving threats. Looking ahead, the Group will continue to advance its digital transformation strategy, focusing on building a fully integrated, customer-centric ecosystem, expanding financial inclusion through digital solutions and establishing itself as a digitally enabled financial services provider in Zimbabwe.

Our Human Capital

Our staff are a critical pillar to our success and a key driver of the Group's performance. During the period under review, we continued to invest in talent development and retention, with a strong focus on building a high-performance, customer-centric culture. Key initiatives included targeted leadership development programmes, skills enhancement in critical areas such as digital, risk, customer service and performance management aligned with the Group's strategic objectives. The Group also strengthened employee engagement through structured communication platforms, wellness programmes and initiatives to foster collaboration, accountability and innovation across all business units.

"The Group is also harnessing emerging technologies such as artificial intelligence and cloud-based solutions to streamline operations, enhance risk management and support innovation across our business units."

Group Chief Executive's Report (Continued)

The Group is committed to upholding best practices in our human resources management, including diversity and inclusion, succession planning and robust talent pipelines to support future growth. The Group continues to align its workforce strategy with its digital transformation agenda, ensuring that employees are equipped with the capabilities required to operate in an increasingly technology-driven environment. In addition, we have reinforced our governance and compliance culture through continuous training and adherence to ethical standards. We will continue to focus on nurturing a resilient, agile and future-ready workforce capable of delivering exceptional customer experience and driving long-term value for all stakeholders.

Sustainability

Sustainability is embedded in the Group's long-term strategy, underpinning our commitment to responsible growth, stakeholder value creation and resilience in a dynamic operating environment. During the period under review, the Group continued to embed Environmental, Social and Governance (ESG) principles across its operations, with a focus on sustainable financing, responsible lending, and minimizing environmental impact. We continue to support key sectors such as energy, agriculture, and housing, contributing to national development priorities while managing environmental and social risks within our lending portfolio. Internally, the Group advanced initiatives to improve resource efficiency, reduce our carbon footprint, and promote environmentally responsible business practices.

On the social front, the Group has embraced financial inclusion, community development, and the empowerment of underserved segments of the economy through tailored financial solutions and outreach programs. We continue to invest in corporate social responsibility initiatives spanning education, sports and the environment. From a governance perspective, the Group maintains strong ethical standards, transparency, and accountability, supported by robust risk management and compliance frameworks. We will continue to deepen our sustainability agenda through local and international partnerships, align with global best practices and national development goals, ensuring that we deliver value to our customers, shareholders, employees, and society.

The Group Outlook

The Group's operations are well-diversified and positioned to navigate the evolving financial landscape and to capitalise on emerging opportunities across banking, insurance, reinsurance, securities, and microfinance. The Group will continue to strengthen its digital capabilities; enhance operational efficiency through consolidations and process streamlining; and leverage strategic partnerships to enhance client service and drive sustainable growth.

Our focus will continue to be on robust risk management, asset quality, and ESG integration to ensure sustainable performance. We are committed to delivering long-term value for shareholders, supporting community development and building a resilient, future-ready organisation capable of responding to both domestic and regional market dynamics.

Appreciation

I wish to extend my deepest and most heartfelt appreciation to all stakeholders who have been part of our journey. To our customers your trust is a privilege that we honour through every decision we make and every service we deliver. To our shareholders and investors, your continued confidence and long-term commitment to the Group provide us with the mandate and the motivation to pursue our strategic ambitions with discipline and purpose. To our Board, Management and Staff, your talent, dedication, integrity, and resilience have made the achievements reflected in this report possible. Looking ahead, we are optimistic and remain committed to continuing to deliver value to all our stakeholders.

Trynos Kufazvinei
Group Chief Executive

31 March 2026

Sustainability
Report

Sustainability Report

About this Report

This Sustainability Report presents an overview of FBC Holdings' sustainability and climate performance, progress and priorities for the reporting period ending 31 December 2025. It reflects our commitment to transparency, accountability, and integrating sustainability and climate considerations into our strategy, operations and decision-making processes. The report is intended to provide stakeholders with insights into how the Group creates long-term sustainable value.

Reporting Scope

This report covers the sustainability and climate-related activities of FBC Holdings Limited and its subsidiaries operating in Zimbabwe and Botswana for the financial year ended 31 December 2025. The scope includes material ESG impacts, risks and opportunities across our operations, products, services and value chain, unless otherwise stated.

Reporting Guidance

The report has been prepared with guidance from internationally recognised frameworks and standards, including the International Financial Reporting Standards (IFRS) Sustainability Disclosure requirements (IFRS S1 and IFRS S2), the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI) Standards. Where applicable, we have also considered relevant regulatory guidance and emerging best practices applicable to the financial services sector within our operating markets.

Report Declaration

The executive management acknowledges its responsibility for the integrity of this report and confirms that it presents a balanced, accurate and fair view of the Group's sustainability performance. The report has been reviewed and approved in line with the Group's governance structures and internal controls.

Restatements

Where necessary, prior period information has been restated to improve comparability, reflect updated methodologies, or correct previously reported data. Any material restatements are clearly disclosed within the relevant sections of this report.

Forward Looking Statements

This report contains forward-looking statements based on current assumptions and expectations. These statements are subject to risks and uncertainties, including regulatory, economic, and climate-related factors, which may cause actual outcomes to differ materially.

Sustainability Report (Continued)

Trynos Kufazvinei
Group Chief Executive

Message from the Group Chief Executive
Building on the progress reported in 2024 and prior years, our commitment to sustainability and climate finance continues to be shaped by an increasingly robust regulatory framework and enhanced supervisory engagement in both Zimbabwe and Botswana. These developments signal a clear shift from policy formulation to practical integration across governance, strategy, risk management, and reporting, ensuring that our operations consistently deliver sustainable outcomes.

Regulators have, in recent years, intensified their focus on sustainability and climate-related risks within the financial sector. In Zimbabwe, the Reserve Bank has strengthened oversight by requiring the appointment of Board Sustainability Champions and more structured integration of climate risks into governance and risk frameworks. At the same time, evolving international best practice, particularly around climate scenario analysis and stress testing, is compelling institutions to assess the potential impact of different climate pathways on portfolio performance, asset quality, and capital resilience. Collectively, these expectations reinforce the critical role of financial institutions in supporting economic growth, industrial development, and the transition to a low-carbon economy.

These regulatory shifts have been pivotal in shaping the Group's strategic direction. Engagement between the Board and Senior Management on sustainability and climate-related matters has deepened, with clearer accountability, enhanced transparency and more informed oversight. Sustainability and climate considerations are increasingly embedded in decision-making, reinforcing our commitment to sound governance, ethical conduct and long-term value creation.

In parallel, the Group continues to advance its sustainable finance agenda. We are deliberately expanding financial access to underserved and low-income segments, promoting financial inclusion and equity, while embedding environmental, social, and governance (ESG) considerations into our lending, investment, and risk management practices. Financing for renewable energy, energy efficiency, and other low-carbon initiatives remains a priority, aligned with national development objectives and the broader transition to a sustainable economy. Through innovative financial solutions, we seek to incentivise responsible business practices, strengthen community resilience, and catalyse inclusive economic growth.

Strategic partnerships remain central to our approach. We continue to engage proactively with regulators, government agencies and industry bodies to help shape policies, standards, and market practices that advance sustainable development. Collaboration with the public and private sectors enables us to align our financial services with national priorities. At the same time, participation in multi-stakeholder initiatives strengthens collective action on climate and sustainability challenges across the country, particularly in the region.

Recognising that execution depends on people, the Group has placed strong emphasis on human capital development. Sustainability and climate considerations are increasingly integrated into our learning and development programmes, ensuring that Board members, executives, and staff share a mutual understanding of emerging risks, regulatory expectations, and practical implementation tools. Our continued investment in skills development, diversity, equity and inclusion, employee well-being, and leadership capacity is enhancing organisational resilience and supporting decent work, innovation, and long-term performance.

We have observed growing momentum around sustainability and climate disclosure standards. The Public Accountants and Auditors Board has been active in championing stakeholder engagement in the early adoption of IFRS Sustainability Disclosures (S1 and S2), creating important platforms for dialogue, interpretation, and market readiness. The PAAB has also issued a road map to support compliance with these standards. These engagements have been valuable in clarifying expectations and highlighting the journey required to achieve meaningful, decision-useful disclosures. This evolving landscape is guiding how we are positioning the Group for structured and credible alignment with these requirements.

At FBC Holdings, we are preparing to align with these standards in a phased, pragmatic manner. Work is underway to strengthen data processes, refine metrics and enhance internal controls to support future reporting requirements. While full alignment will take time, our focus remains on building a credible foundation that supports transparency, consistency and regulatory confidence.

Beyond our core operations, we remain committed to community development, a key pillar of our sustainability strategy. Through investments in education, skills development, entrepreneurship and community partnerships, we aim to expand access to opportunity, strengthen local economies and build long-term social and economic resilience across the communities we serve.

Looking ahead, our priority is to deepen the progress already made. The combination of stronger regulatory oversight, improved governance, targeted capacity building and purposeful partnerships positions the Group to manage sustainability and climate-related risks more effectively, while continuing to support inclusive growth and long-term value creation in our markets.

Trynos Kufazvinei
Group Chief Executive
31 March 2026

Sustainability Report (Continued)

Materiality

Purpose of the Materiality Assessment

FBC Holdings views materiality not merely as a reporting requirement, but as a stakeholder-informed strategic compass. We conduct regular, robust materiality assessments to ensure that our sustainability and climate-related priorities remain relevant, decision-useful and aligned to long-term value creation. Through this process, the Group.

- Identifies the most significant sustainability and climate impacts, risks and opportunities across its operations and value chain
- Aligns sustainability and climate considerations with business strategy, risk appetite, capital allocation and performance management
- Anticipates and exceeds evolving stakeholder expectations and regulatory mandates in the Zimbabwe and Botswana markets
- Supports transparent, comparable and decision-useful sustainability and climate disclosures

The Double Materiality Approach

FBC Holdings applies a Double Materiality approach, conceptualising it as a unified framework for value creation and preservation. This dual perspective lens ensures that our strategic focus remains balanced between our external footprint and our financial resilience.

Under this framework, the Group simultaneously assesses the following dimensions:

Impact Materiality (The "Inside-Out" Perspective)

This dimension focuses on the Group's actual and potential impacts on the economy, society and the environment. It captures how FBC Holdings' operations, products, and value-chain relationships across Zimbabwe and Botswana influence external ecosystems. By identifying our most significant positive and negative impacts, we ensure our business model supports sustainable development and meets the expectations of our diverse stakeholder base.

Financial Materiality (The "Outside-In" Perspective)

The "Outside-In" perspective identifies sustainability and climate-related risks and opportunities that could be expected to affect the Group's financial position, operating performance and prospects. We evaluate how external sustainability and climate-related factors, such as resource scarcity, regulatory shifts, or physical climate risks, impact our assets, liabilities and access to capital. This ensures that sustainability data is translated into decision-useful financial intelligence.

The Group's materiality assessment reflects the dynamic operating landscape of a diversified financial services group in Zimbabwe, where material issues may evolve rapidly due to:

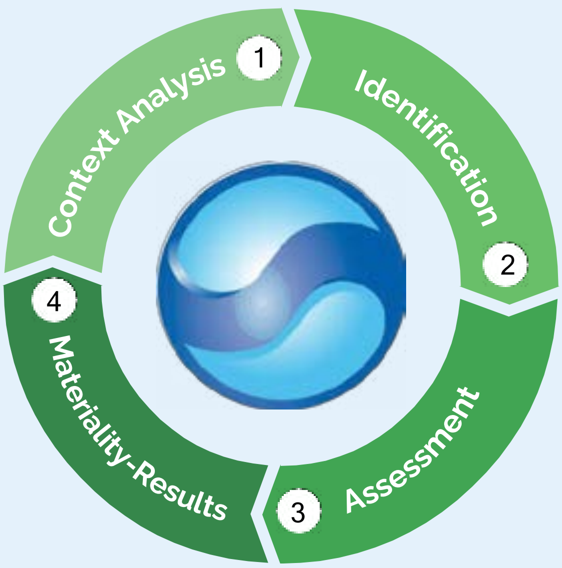
- Shifts in regulatory and supervisory expectations
- Macroeconomic and market volatility
- Evolving climate-related physical and transition risks
- Accelerating technological change and digitalisation
- Changing stakeholder and societal expectations

By treating double materiality as an ongoing, dynamic process, FBC Holdings ensures that emerging sustainability and climate-related issues are identified early, integrated into strategy and risk management and disclosed promptly, rather than only through periodic reporting cycles.

Materiality Assessment Methodology

The assessment was conducted using a structured, multi stage process aligned to GRI 3 (Material Topics) and the requirements of IFRS S1 and IFRS S2.

MATERIALITY ANALYSIS AND IDENTIFICATION OF RELEVANT TOPICS



1. Understanding the business operating environment in line with the organisation's strategic focus
2. Identification of key impacts, risks and opportunities that are relevant in the business context.
3. Assessment of impacts, risks, and opportunities as they relate to our business and our stakeholders.
4. Categorising the double materiality results based on impact on the business and relevance to stakeholders

Sustainability Report (Continued)

Environmental

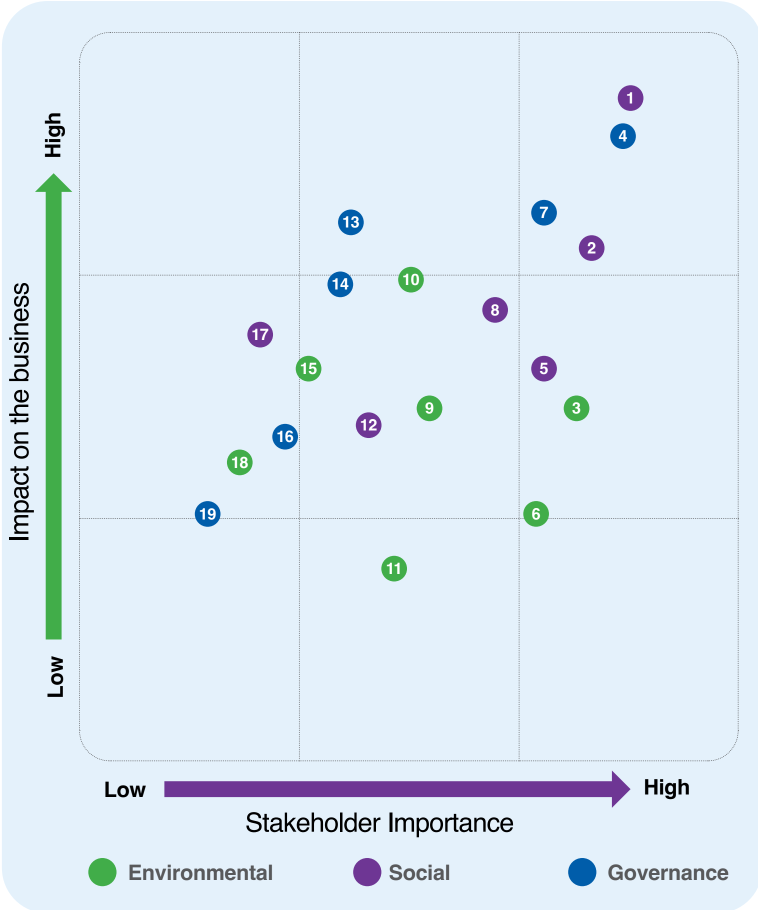
3. Water Usage and Management
6. Energy Efficiency and Renewable Energy Use
9. Climate Change and Carbon Emissions
11. Waste Management and Recycling Initiatives
16. Green Financial Products and Services
18. Biodiversity and Natural Resource Preservation

Social

1. Customer Privacy and Data Security
2. Employee Wellbeing and Labour Practices
5. Health and Safety Standards
8. Employee Training and Development
12. Community Engagement and Social Impact
17. Access to Financial Services for Underserved Communities

Governance

4. Ethical Business Practices and Anti-Corruption Measures
7. Compliance with international and national Regulations
13. Transparency and Reporting on ESG Performance
14. Accountability and Stakeholder Engagement
16. Board Diversity and Independence
19. Executive Compensation and Long-Term Value Creation



Sustainability Report (Continued)

Our Approach to Sustainability & Climate

FBC Holdings' approach to sustainability is grounded in the conviction that long-term financial performance is inseparable from sustainable economic development, social progress, and environmental stewardship. As a financial services group, operating at the centre of capital allocation, we recognise the important role that financial institutions play in advancing sustainable development and climate resilience.

Accordingly, we are committed to integrating sustainability and climate considerations into our strategy, capital allocation, governance and risk management processes to support resilient growth and enduring stakeholder value across the Group and its subsidiaries. Our approach is designed to deliver measurable impact by supporting climate action, protecting environmental integrity, strengthening social inclusion, and promoting sustainable economic development through responsible governance.

Guided by the national development priorities of the jurisdictions in which we operate, Zimbabwe and Botswana, and by the United Nations Sustainable Development Goals (SDGs), our sustainability strategy goes beyond regulatory compliance. It reflects a commitment to purposeful action and long-term value creation for our stakeholders, communities, and the environment. The Group commits to impact-driven capital allocation and to effective sustainability and climate stewardship.

1. Impact-Driven Capital Allocation

We believe capital mobilisation and deployment should be purposefully impact-driven, ensuring financial resources are directed towards activities that deliver measurable positive outcomes beyond financial returns. Through catalytic and inclusive financing, we unlock sustainable growth opportunities for our clients and contribute to national and regional development priorities. We actively pursue sustainability and climate-related opportunities that support long-term economic resilience and societal well-being. Our priority areas include:

- Promoting financial inclusion by expanding access to affordable, relevant, and inclusive financial solutions
- Supporting agricultural development and food security across key value chains
- Enabling sustainable industrialisation and infrastructure development
- Partnering with public and private stakeholders to mobilise capital and support the transition to a low-carbon economy

By embedding sustainability considerations into capital allocation decisions, we position the Group and its subsidiaries to unlock growth opportunities, strengthen resilience and create shared value for stakeholders.

2. Sustainability and Climate Stewardship

We practise effective sustainability and climate stewardship by proactively identifying, assessing, and managing sustainability and climate-related risks and opportunities across our operations and portfolios. This approach underscores preparedness, resilience, and long-term responsibility to safeguard our stakeholders, assets and the environments in which we operate.

The Group's focus is on strengthening its ability to anticipate and adapt to climate-related risks while promoting the sustainable management of environmental and social resources over the long term. Simultaneously, we are committed to ensuring that people, ecosystems and financial assets are protected from material sustainability impacts.

To maintain high standards, we align our business model and policies with international frameworks and regulatory requirements. We actively mobilise technical assistance programmes to build climate expertise across the Group and pursue strategic, independent collaborations. These partnerships enable us to review and strengthen our internal controls, ensuring that sustainability is not just a policy but a core component of our enterprise risk management and strategic planning.

Sustainability Report (Continued)

Strategy Operationalisation

To operationalise our sustainability approach, FBC Holdings focuses on five strategic pillars that guide the integration of sustainability and climate considerations across our operations, investments, partnerships and community initiatives.

Our Approach to Sustainability & Climate

Sustainable Finance
Expanding financial access and promoting responsible lending practices

Strategic Partnerships
Collaborating with regulators and industry bodies to drive sustainable development

Human Capital
Attracting, retaining and developing talent to foster innovation and inclusivity

Responsible Business Governance
Upholding high standards of corporate governance and ethical conduct

Community Development
Investing in education and entrepreneurship to enhance community resilience

Sustainability Report (Continued)

- Attract, retain, and develop talent by offering competitive career pathways and upskilling opportunities.
- Foster a culture of lifelong learning, continuous development, and innovation.
- Promote diversity, equity, inclusivity, and belonging (DEIB) to ensure an inclusive and high-performing workforce.
- Strengthen employee engagement, well-being, and leadership capacity to drive organizational resilience and social impact.
- Create employment and learning opportunities that build skills and enhance workforce readiness.

- Expand financial access to underserved and low-income populations, promoting financial inclusion and equity.
- Implement responsible lending and investment practices, integrating ESG considerations into credit, investment, audit, and risk management decisions.
- Provide financing for renewable energy, climate-smart agriculture, and other low-carbon and climate-resilient projects.
- Develop innovative products that encourage sustainable business practices and community resilience.

- Invest in education and skills development through scholarships, internships, and mentorship programs, creating pathways to sustainable livelihoods.
- Support job creation and entrepreneurship initiatives in local communities.
- Partner with community organizations to implement programs that improve social, economic, and environmental resilience.
- Drive initiatives that enhance access to essential services, strengthen local economies, and promote long-term well-being.

- Uphold the highest standards of corporate governance, ensuring accountability, transparency, and ethical conduct in all business operations.
- Embed sustainability & climate considerations into corporate strategy, risk management, and decision-making processes.
- Ensure robust systems, policies, and processes that reinforce ethical behavior, compliance, and operational resilience.
- Promote a culture of integrity, accountability, and trust with all stakeholders.

- Proactively engage regulators, government agencies, development agencies, and industry bodies to shape policies and standards that drive sustainable development.
- Advocate for ESG best practices and responsible finance principles across the financial sector.
- Participate in multi-stakeholder initiatives and partnerships to advance sector-wide sustainability and climate finance solutions.
- Collaborate with key stakeholders, such as the government and private sector, to align financial services with national priorities

Sustainability Report (Continued)

Our Value Creation Capitals

Financial Capital

Our financial capital is not just a pool of funds; it is the fuel for the future. It reflects our investors' trust and our unwavering discipline in safeguarding value.

Inputs	Achievements
• Strong balance sheet • Regional & local footprint • Shareholder support	Return on Equity 19% Dividend per share USD0.66 cents Total Assets USD837 486 090

Social & Relationship Capital

We view our relationships as a social license to operate. We do not just exist in a market; we exist within a community.

Inputs	Achievements
• Collaboration with regulators & government • Strong customer relationships • Community engagement commitment • Investor & shareholder trust	Corporate Social Investment USD987 770 36 Scholarships

Intellectual Property

Our intellectual property is our competitive edge. It is the result of an open-minded culture that embraces change and seeks to disrupt itself before the market does.

Inputs	Achievements
• Proprietary digital platforms • Strong brand reputation • Fintech integrations	System uptime 99% availability rate (Flexcube core banking system, Mastercard and Internet banking)

Human Capital

Our people are our most precious appreciating asset. We foster a culture of lifelong learning and uncompromising ethics.

Inputs	Achievements
• Digital proficiency • Ethics & Integrity • Specialised knowledge	Courses allocated targeted on performance-driven leadership, digital citizenship and customer centric growth All employees trained on artificial intelligence 100% employee participation in wellness initiatives USD564 734 Training spend

Manufactured Capital

Our physical and digital assets are the conduits of access. They are designed to bring the financial services to the people, wherever they are.

Inputs	Achievements
• Digital infrastructure • Branch and agency network • POS Ecosystem	Cloud computing interfaces facilitating 24/7 service delivery 32 on-site ATMs, 13 off-site ATMs, 5 Deposit-taking ATMs 7 251 Point-of-Sale machines deployed

Natural Capital

We recognise that there is no business on a planet that is unable to sustain life. Our natural capital inputs reflect our responsibility to safeguarding the environment.

Inputs	Achievements
• Energy Supply • Sustainable Agriculture financing	All Microplan Branches with solar back-up Established partnerships with solar installation and borehole drilling companies

Sustainability Report (Continued)

Stakeholder Engagement

Engagement Purpose and Approach

The Group recognises stakeholder engagement as a cornerstone of responsible governance, long-term value creation, and effective management of sustainability and climate risks. Our engagement approach is designed to identify, prioritise and respond to stakeholder expectations and impacts, in line with regulatory requirements and international best practice.

Stakeholder insights directly inform our enterprise risk management, strategy formulation, materiality and climate materiality assessments, target-setting, and capital allocation decisions. The Board retains oversight of stakeholder engagement outcomes, with management accountable for implementation and integration into business processes.

Stakeholder Identification and Prioritisation

Key stakeholder groups are identified based on the Group's activities, value chain relationships, regulatory obligations and potential or actual impacts on people, the environment, and the economy. Our prioritisation is informed by:

- Significance of the Group's impacts on stakeholders
- Influence of stakeholders on the Group's ability to execute strategy
- Financial and climate-related risks and opportunities
- Regulatory and societal expectations.

Stakeholder Engagement by Group

The table below summarises key stakeholder groups, engagement mechanisms, key issues raised, and the Group's responses. Where quantitative or entity-specific data is required, placeholders are indicated.

Stakeholder Group	Our Engagement Mechanisms	Key Issues Raised	How FBC Holdings Responds	Amount Invested/ Value Created
Customers	• Customer surveys • Branch and digital feedback channels • Complaints management systems • Financial literacy programmes • Social media	• Product suitability, pricing and fees. • Service quality • Data privacy and cybersecurity • Financial inclusion • Climate-aligned products	• Product reviews • Customer protection controls • Enhanced digital security • Inclusive finance initiatives • Development of sustainable finance offerings	Loans disbursed USD354 181 752
Employees	• Staff surveys • Town halls • Performance Appraisal reviews • Training programmes • Unions/representative forums • Wellness initiatives	• Fair remuneration • Skills development • Health and safety • Diversity, equity and inclusion (DEI) • Climate awareness • Organisational culture	• Talent and succession planning • Training investments • DEI initiatives • Continuous engagement	Training cost USD564 734
Equity & Debt Investors	• Annual and interim reporting • Investor meetings • Roadshows • Annual General Meetings	• Financial performance • Governance & risk management • Climate risks and opportunities • Capital allocation	• Transparent reporting with guidance from IFRS S1 & S2 • Enhanced climate disclosures • Capital discipline • Regular investor communication	Dividend Paid USD 0.45 cents per share
Regulators	• Supervisory engagements • Statutory reporting • Consultations, and onsite inspections	• Regulatory compliance • Financial stability • Consumer protection • Climate and sustainability risk management	• Proactive compliance • Regulatory reporting • Policy alignment • Participation in consultations • Strengthening risk frameworks	No breaches recorded
Academia and Media	• Research collaborations • Public briefings • Interviews • Educational partnerships.	• Economic development, innovation • Climate transition, and transparency	• Knowledge sharing • Responsible communications • Support for research and education	36 Scholarships awarded at local and regional tertiary institutions
Vendors and Suppliers	• Procurement processes • Supplier assessments • Audits • Contracts • Capacity-building	• Fair procurement • Payment terms • Ethical conduct • Environmental and social standards and climate expectations	• Supplier Code of Conduct • Local sourcing (depending on availability) • Supplier development	Total Local Procurement 60%
General Community	• Community forums • CSR programmes • Partnerships with NGOs and government arms • Grievance mechanisms	• Community development • Environmental impacts • Employment, and climate resilience	• Community investment programmes • Environmental stewardship • grievance resolution • Climate adaptation initiatives through our partners	Community Spend USD987 770

Sustainability Report (Continued)

Digital Platform Growth and Engagement Performance

Stakeholder engagement continued to strengthen through our expanding digital platforms, enabling broader and more inclusive communication with our audiences. The statistics in the table below highlight the growth of our digital community and the significant expansion in reach achieved during the period under review.

	2025	2024	Trend
Facebook	127 950	120 000	6.6%
Instagram	8 162	6 274	30.1%
LinkedIn	36 000	32 710	10.06%
X	11 984	11 500	3.43%
Impressions	20 460 690	14 560 383	33.70%

Sustainability Report (Continued)

Sustainability & Climate Governance

At FBC Holdings, we recognise that robust governance is the bedrock of sustainable value creation. Our governance framework ensures that sustainability and climate-related risks and opportunities are not merely peripheral considerations but are fully integrated into our core strategy and decision-making processes.

Governance Structure and Oversight

The Board has a standing mandate to provide overarching strategic direction and leadership on sustainability and climate change matters, defining the overall direction to be adopted across all subsidiaries. This mandate ensures that environmental, social and governance (ESG) considerations are systematically integrated into the Group's long-term strategy, risk management and value creation processes, fostering a culture of long-term resilience.

Assisting the Board on delegated authority is the Board Corporate Governance, Nominations and Sustainability Committee, which provides focused oversight of sustainability and climate-related issues on behalf of the Main Board. The Committee monitors implementation, reviews performance against targets, and ensures alignment with regulatory requirements, international best practice and stakeholder expectations.

Across all subsidiary boards, sustainability and climate issues are formally discussed quarterly at the Board level. The Board Charter clearly outlines the responsibility of all Boards to oversee the Company's sustainability strategy and to ensure that environmental, social and governance considerations are integrated throughout operations, decision-making and performance management. Sustainability and Climate is therefore a standing item on Board agendas, reinforcing accountability and consistent oversight across the Group.

FBCH Sustainability Governance Hierarchy

Sustainability Report (Continued)

Board Sustainability Champions

In line with the Reserve Bank of Zimbabwe (RBZ) regulatory requirements, FBC Holdings has designated Non-Executive Board Sustainability Champions at both the Group level and within its commercial banking subsidiaries, namely FBC Bank and FBC Crown Bank. These appointments were made with due regard to the individuals' qualifications, expertise and demonstrated commitment to sustainability, climate and development-related disciplines, including sustainable finance, development finance, environmental sciences and climate change.

The Board Sustainability Champion plays a pivotal leadership role in guiding the Group's sustainability and climate agenda, ensuring that sustainability considerations are embedded within governance, strategy and risk management frameworks.

Management-Level Governance and Risk Oversight

At the management level, the Risk and Compliance Committees at both Group and subsidiary levels are mandated to ensure that sustainability and climate-related risks and opportunities are effectively addressed within the Group's risk management and compliance frameworks. This includes integrating sustainability and climate considerations into strategic decision-making and operational practices to support long-term value creation.

The respective Terms of Reference of these Committees have been amended and formally approved to reflect this expanded mandate. During the quarterly management committee meetings, all committee members are expected to proactively initiate and contribute to discussions on sustainability and climate-related matters, ensuring that emerging risks, opportunities and potential impacts receive adequate and timely consideration. The Climate Finance and Sustainability team, which is consistently represented as a member in all relevant meetings, plays a facilitative role by translating technical sustainability and climate-related discussions into clear, practical insights, ensuring that all committee members have a shared understanding and are aligned in their deliberations and decision-making.

The Group's strong culture of continuous risk assessment enables early identification of sustainability and climate-related risks, allowing timely implementation of appropriate mitigants and minimising the likelihood of financial or reputational losses.

Capacity Building and Competency Development

Recognising that effective governance is underpinned by adequate skills and knowledge, the Group prioritised capacity building during the period under review.

IFC-FBCH Strategic Collaboration

The Group entered a paid technical partnership with the International Finance Corporation (IFC) to develop internal expertise on climate risk management. This engagement facilitated the drafting of our standalone Climate Risk Policy and defined clear roles for management in implementing climate risk frameworks. Below are the statistics for this engagement.

Senior & Junior Management Training

84% Coverage

Board & Executive Capacitation (Physical & Virtual)

62%* Coverage

Note: *The shortfall in Board training attendance was due to conflicting international schedules; make-up sessions are scheduled for Q2-Q3 2026.*

To ensure a holistic and multi-perspective understanding of climate risks, the training programme for Board members and Group Executives was jointly facilitated by the Reserve Bank of Zimbabwe (RBZ), the International Finance Corporation (IFC), and the Ministry of Environment, Climate and Wildlife. This tripartite collaboration provided a well-rounded regulatory, developmental and environmental policy perspective, equipping leadership with the requisite knowledge to embed sustainability into strategic decision-making.

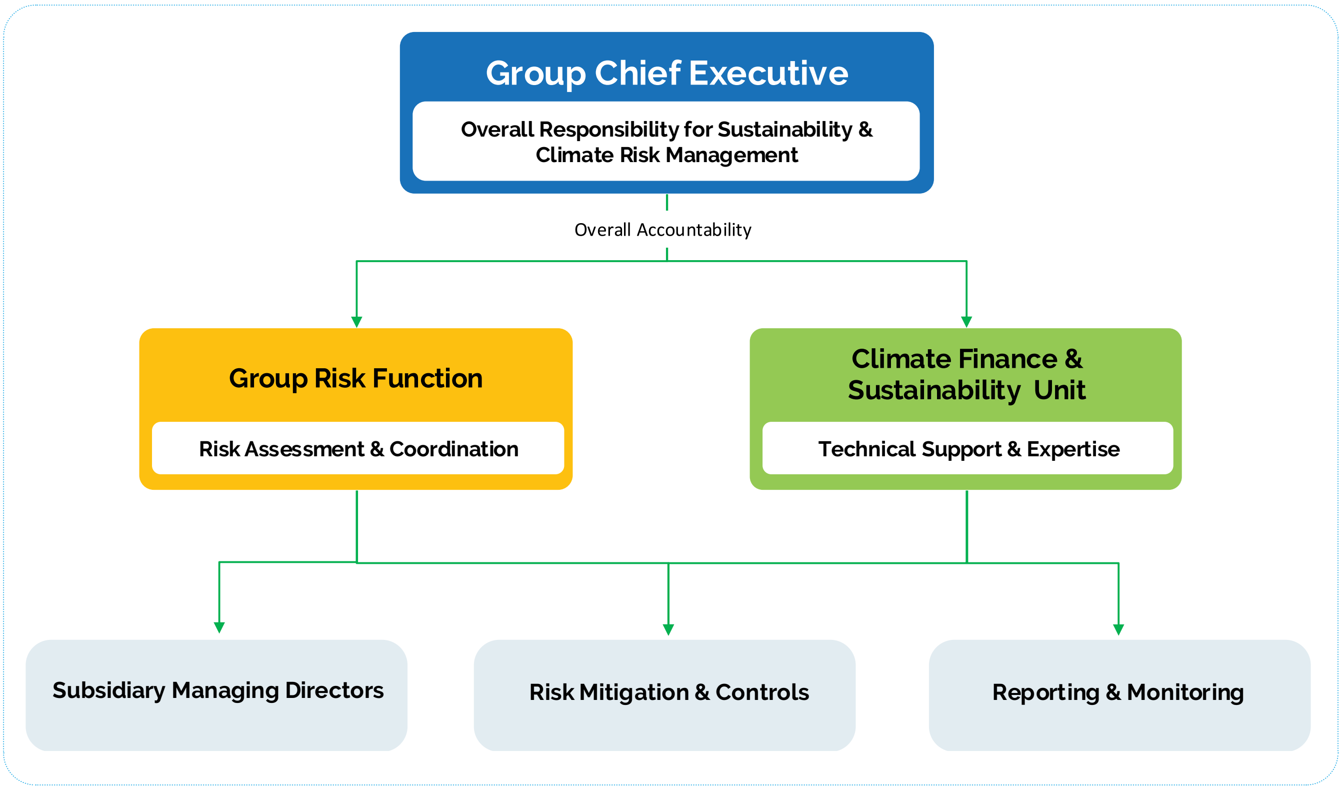
Sustainability Report (Continued)

Our Risk Management Approach

The Group recognises that sustainability and climate-related risks and opportunities can have material implications for the Group's financial performance, resilience, and long-term value creation. Accordingly, sustainability and climate considerations are integrated into the Group's enterprise risk management framework to ensure their systematic identification, assessment, monitoring and management across operations and portfolios. This approach supports informed decision-making, strategic planning, and effective oversight by management and the Board.

Sustainability & Climate Risk Ownership Structure

The diagram below outlines the Group's sustainability and climate risk ownership structure, highlighting the allocation of accountability, coordination and operational responsibilities across the organisation.



Identification and Assessment of Risks and Opportunities

The Group applies a structured, forward-looking approach to identify sustainability- and climate-related risks and opportunities that could affect financial performance, position, or long-term prospects. Key elements include:

- Continuous identification across operations, products, services, geographies, and transactions
- Integration into the transaction cycle through risk-based due diligence on lending, investment, and underwriting
- Formal quarterly consolidation and reporting across all subsidiaries

While we continue to improve and enhance our capabilities, our assessment methods integrate both qualitative and quantitative tools, including:

- Scenario analysis to evaluate potential outcomes under different transition and physical risk scenarios.
- Catastrophe modelling to assess exposure to extreme weather events (insurance and reinsurance operations).
- Portfolio-level stress testing to measure sensitivity to regulatory, market, and policy shocks.
- Trend analysis based on historical climate, operational, and loss data.

Expert judgment supplements analytical tools where data gaps exist or emerging risks are evolving. Risks and opportunities are evaluated across defined time horizons. This ensures that both immediate operational impacts and longer-term strategic and financial implications are captured, including opportunities in sustainable finance, climate-aligned investments and resilience initiatives.

Sustainability Report (Continued)

Risk Management and Mitigation

Sustainability and climate-related risks are fully embedded within the enterprise risk management framework. Key features include:

- Ongoing assessments across all subsidiaries, evaluating inherent and residual risks
- Integration with strategic planning, product design, credit, investment, and underwriting decisions
- Monitoring and escalation of material risks to executive management and the Board
- Specialist support from the Climate Finance and Sustainability Unit to ensure analytical rigour, consistency, and quality of risk management

Operational mitigation measures are implemented at the subsidiary level, with ongoing monitoring of effectiveness and timely escalation of significant issues. This approach ensures that sustainability and climate considerations are systematically embedded in both day-to-day operations and long-term value creation.

Policy Framework

The Group's policy framework underpins effective identification, assessment and management of sustainability and climate-related risks. Key policies include, but are not limited to:

Policy	Purpose
Group Sustainability (ESG) Policy	Establishes strategic direction, principles, and expectations for sustainability across all subsidiaries.
ESG Procedure Manual	Defines operational requirements for integrating environmental, social, and governance considerations across the transaction lifecycle.
Risk Management Policy & Risk Appetite Statement	Integrates sustainability and climate-related risks into enterprise risk management.
Stakeholder Engagement Policy	Guides identification, engagement, and response to stakeholder interests and concerns.
Credit Policy	Incorporates sustainability considerations into credit assessment, approval, and monitoring.
Board Code of Conduct & Board Charter	Promotes ethical leadership, integrity, and responsible governance.
Product Portfolio Management & Innovation Policy	Aligns products and services with sustainability objectives.
Terms of Reference for Risk & Compliance Committees	Clarifies oversight, monitoring, and assurance responsibilities for sustainability and climate-related risks.

This comprehensive policy suite provides consistent guidance, ensuring alignment between strategy, risk management and long-term value creation.

Reporting on Sustainability and Climate Risks and Opportunities

To inform strategic planning and operational decision-making, risks and opportunities are categorised by time horizon:

- Short-term (0–2 years): Immediate risks and opportunities with near-term financial implications
- Medium-term (3–5 years): Emerging trends and transitional risks
- Long-term (beyond five years): Structural climate impacts and strategic shifts

This framework allows the Group to assess the nature of each risk or opportunity, its impact on clients, and its broader implications for financial performance and materiality. Subsidiary and group-level summaries capture potential impacts on cash flows, strategic mitigants and enabling measures, demonstrating the Group's commitment to building a resilient, climate-conscious organisation capable of navigating a rapidly evolving global environment.

Group-Wide Sustainability and Climate Risks & Opportunities Assessment

During the period under review, we conducted a group-wide assessment of sustainability and climate-related risks and opportunities across all subsidiary operations. The assessment evaluated risks and opportunities across key business segments, considering potential effects on clients, financial position, performance and cash flows. Risks and opportunities were examined over short, medium and long-term horizons, outlining the financial materiality and mitigation measures currently in place.

By consolidating insights across subsidiaries, the Group established a foundational understanding of the linkages between sustainability and climate impacts and its financial position, financial performance and cash flows. As an initial step in our IFRS-aligned disclosure journey, this assessment provides a basis for continuous improvement, guiding strategy, product development, risk management and investor reporting in line with emerging sustainability disclosure standards.

Refer to the last page of this report for the risks and opportunities summary

Sustainability Report (Continued)

Business Ethics

Cybersecurity and Data Protection

Ensuring the confidentiality, integrity and availability of customer and institutional data is a critical responsibility for FBCH. As we continue to expand our digital footprint through mobile banking and cloud-integrated services, we recognise that robust data protection and cybersecurity practices are essential to remain aligned to the evolving technology landscape. Our enterprise-wide information management approach focuses on proactive identification, robust governance and a resilient response framework to protect both information and shareholder value.

Governance and Oversight

Oversight of cybersecurity and data protection is embedded within FBCH's governance structures, with clear accountability from the Board room to the frontline:

Role	Key Responsibilities
Board of Directors & Executive Management	• Sets global risk appetite • Approves Information Security Management System (ISMS) policies and strategies • Ensures adequate allocation of resources.
Risk & Compliance Management Committee	• Provides oversight of the ISMS • Reviews ISMS assessment reports and risk remediation plans. • Recommends policy updates to the board
Information Security Steering Committee	• A sub-committee providing direct oversight and monitoring of ISMS strategy implementation.
Head of Information Security	• Implements and maintains the cybersecurity and data privacy programme • Ensures alignment with ISO 27001:2022 and regulatory requirements. • Reports to C-level
Data Protection Officer (DPO)	• Ensures compliance with the Data Protection Act • Oversees Privacy Impact Assessments (DPIAs).
Data Privacy Champions	• 105 designated and trained staff members acting as the first point of contact for localised security and continuity incidents.

Cybersecurity and Data Privacy Risk Management

FBCH maintains a formal Information Security Risk Management Methodology, which defines the approach for identifying, assessing and treating information and technology risks across infrastructure, applications and information assets. This methodology is integrated into the Group's Enterprise Risk Management Framework, ensuring consistency in risk evaluation criteria and escalation.

Data privacy risks are further managed through Data Protection Impact Assessments (DPIAs), particularly for new systems, technologies and data processing activities.

Key cybersecurity and data privacy risks identified include:

- Phishing and social engineering attacks
- Potential data breaches arising from the use of artificial intelligence platforms
- Regulatory compliance risks associated with evolving data protection legislation
- Third-party and legacy vendor risks

Risk treatment actions are prioritised based on assessed impact and likelihood, with remediation progress monitored through management and committee reporting structures.

Data Privacy Practices and Regulatory Compliance

FBCH has appointed a Data Protection Officer (DPO) who oversees the Group's data protection programme and ensures compliance with applicable data protection laws and regulatory expectations.

Supporting policies and instruments include:

- Data Protection Policy and Charter
- Publicly available Privacy Policy / Statement
- Data Protection Impact Assessment framework
- Record of Processing Activities (ROPA)

Mandatory cybersecurity and data privacy training is conducted annually and integrated into the Group's broader cybersecurity awareness programme.

Sustainability Report (Continued)

Incident Response, Cyber Resilience and Business Continuity

FBCH maintains a documented Incident Response Plan, which is integrated into the Group's Business Continuity Management framework. Cyber resilience is tested through quarterly and ad-hoc tabletop exercises, supported by three incident response playbooks developed to date.

Independent penetration testing is conducted frequently, with additional tests performed on high-impact customer-facing systems following new deployments. Vulnerability scans are conducted quarterly and monthly during periods of heightened threat activity.

A Disaster Recovery Plan is in place and tested at least twice annually. Business units conduct annual business continuity testing, including alternate site and remote working arrangements, coordinated through Group Risk.

Key lessons learned include the importance of comprehensive stakeholder identification during incidents and the need to expand incident response playbooks and clearly assign response roles.

Climate-Related IT Resilience

No material climate-related risks to IT infrastructure were identified during the reporting period. Nevertheless, FBCH has implemented system resilience measures to safeguard critical infrastructure, including:

- Fire detection and suppression systems
- Temperature and humidity controls
- Water leak detection and raised server infrastructure
- Backup power supported by UPS systems
- Disaster recovery and cold backup sites

These controls are monitored through centralised control panels and supported by physical and environmental security procedures.

Compliance, Assurance and Certifications

FBCH operates a dedicated Compliance function responsible for monitoring adherence to applicable laws and regulations. Assurance over cybersecurity and data privacy is provided through internal and external audits, as well as regulatory reviews conducted by the Reserve Bank of Zimbabwe using accredited audit firms. The Group is in the process of fully aligning with ISO/IEC 27001, with certification targeted for the next reporting cycle.

Cybersecurity & Data Security Metrics

The following metrics reflect FBC's performance in cybersecurity and data protection for 2025. These indicators are reported regularly to the Board and are national regulatory mandates and international best practice to ensure holistic risk management.

	Metric	2025 (Baseline)
Data & security Breaches	Total number of data breaches	0
	Regulatory fines or sanctions related to data protection	0
Controls Coverage	Critical systems under security monitoring	95%
Training	Employees completing cybersecurity & data privacy training	60%
Threat Landscape	Average quarterly phishing attempts detected	1,300
Business Continuity	Cyber resilience & DR tests conducted	9
Data Privacy Governance	Data Privacy Champions	105
Climate & IT	Climate-related IT disruptions	0

We are pleased to report that there were no substantiated data breaches affecting customer and employee records.

Sustainability Report (Continued)

Whistle-blowing and Ethical Conduct

The Group maintains a zero-tolerance approach to bribery, corruption and all forms of unethical conduct. Recognising that an effective whistleblowing framework is a critical component of the Group's risk management and governance approach, FBCH provides secure and protected channels through which employees and other stakeholders may report suspected misconduct without fear of intimidation, retaliation or adverse consequence.

The whistleblowing programme covers, but is not limited to, the reporting of the following matters:

- Fraud, theft, corruption, financial crime and money-laundering related activities
- Insider trading, market manipulation, anti-competitive conduct and regulatory breaches
- Override of internal controls and collusion with internal or external parties
- Abuse or misuse of company or customer assets
- Sexual harassment, bullying, discrimination, nepotism or racism
- Non-compliance with applicable laws, regulations, internal policies or procedures

All reports received are independently assessed and investigated by the Internal Audit team in collaboration with the Human Resources Division, with oversight provided by the Board Audit Committee. Employees and whistleblowers are guaranteed total anonymity and protection against retaliation. The whistleblowing framework complies with applicable labour, banking, and corporate governance laws and regulations.

Reporting Channels & Accessibility

To ensure transparency and remove reporting barriers, FBC Holdings provides multiple channels for its valued stakeholders to voice their concerns. The multi-layered approach ensures that the "Speak Up" culture is accessible at all levels of the organization. Our key channels include:

1. Independent Ethics Line

This is a tips-off anonymous line managed by Axcentium, providing an externally hosted 24/7 reporting mechanism, to ensure maximum objectivity.

2. Specialised Support

The Group has a dedicated senior female leadership platform, the Women's Forum, which provides a safe environment for reporting sensitive matters, specifically addressing workplace bullying and sexual harassment.

3. Directive Executive Access

Our employees have the privilege of directly engaging with senior management, as guided by the FBC Holdings Open Door Policy. The policy encourages employees to approach management at any level to raise concerns, share ideas, seek guidance or report misconduct.

Anti-corruption & Anti-bribery

The Group enforces a zero-tolerance policy towards bribery, corruption, facilitation payments, kickbacks, and any other form of improper inducement, whether involving public officials or private parties. Our anti-corruption framework applies to all directors, employees, contractors, agents, and third parties acting on behalf of the Group. We strictly prohibit the offering, giving, requesting, or receiving of anything of value intended to improperly influence business decisions or obtain an undue advantage.

Key elements of the Group's anti-corruption and anti-bribery framework include:

- Clearly defined policies on anti-bribery, conflicts of interest, and gifts and hospitality
- Risk-based due diligence on third parties, suppliers, and business partners
- Internal controls designed to prevent and detect corrupt practices
- Ongoing employee training and awareness programmes on ethical conduct and financial crime prevention

Allegations of bribery or corruption are addressed through the Group's established investigation, disciplinary, and remediation processes within our Group Internal Audit Division, with oversight by senior management and the Board. The framework is periodically reviewed to ensure continued effectiveness, regulatory compliance, and alignment with international best practice.

Anti-Money Laundering (AML) & Combating the Financing of Terrorism (CFT)

We are committed to preventing the misuse of our products, services, and delivery channels for money laundering, terrorism financing and related financial crimes. The Group applies a zero-tolerance approach to money laundering and terrorist financing across all its operations.

FBCH has established a robust, risk-based AML and CFT framework aligned with applicable laws, regulatory requirements and international best practices. The framework applies to all directors, employees, subsidiaries and relevant third parties, and is embedded within the Group's broader risk management and governance structures.

Sustainability Report (Continued)

Key elements of the Group's AML & CFT framework include:

- An enterprise-wide risk assessment framework covering customers, products, delivery channels, and geographic exposure
- Customer due diligence (CDD), enhanced due diligence (EDD), and ongoing customer monitoring, including risk rating and periodic KYC reviews
- Screening of customers, counterparties, and transactions against sanctions lists, politically exposed persons (PEPs), adverse media and other watchlists at onboarding and on an ongoing basis
- Transaction monitoring systems and escalation procedures to identify, investigate and manage unusual or suspicious activity
- Clearly defined suspicious transaction reporting processes and regulatory reporting procedures
- Record-keeping controls in line with legal and regulatory requirements
- Clearly defined escalation, investigation and regulatory reporting procedures
- Independent compliance monitoring and internal audit review to assess the effectiveness of controls
- Regular oversight by Senior Management and the Board through approved policies, procedures, and reporting

FBCH places strong emphasis on employee and Board awareness as a critical control in mitigating financial crime risk. Mandatory AML & CFT training is provided to employees, with enhanced focus on high-risk roles such as front office, compliance, operations, and treasury. The Group tracks training coverage and effectiveness through the following metrics:

AML & CFT Training Metrics

Metric	Target	FY2025	FY2024
% of total employees who received AML/CFT training	100%	92%	88%
% of high-risk employees trained (e.g. front office, compliance, operations, treasury)	100%	90%	86%
% of Board members who received AML/CFT training	100%	96%	94%
Average AML/CFT training hours per employee	2 hours	1.5 hours	1.5 hours
Total AML/CFT training hours delivered	2 hours	4 hours	5 hours
Frequency of mandatory AML/CFT training	Annual	Annual	Annual

Confirmed breaches of AML and CFT requirements are subject to disciplinary action, regulatory reporting, and appropriate remedial measures. The AML & CFT framework is periodically reviewed and strengthened to respond to evolving financial crime risks, regulatory developments and changes in the operating environment, reinforcing FBCH's commitment to protecting the integrity of the financial system.

Sustainability Report (Continued)

Human Capital

Our people are fundamental to our ability to execute strategy, manage risk and deliver sustainable long-term value. We therefore regard human capital not as a support function but as a core strategic asset and a key driver of performance. Our approach is anchored in respect, integrity, accountability, and open dialogue, enabling us to attract, develop, engage and retain a high-performing, future-ready workforce.

Our human capital strategy underpins business resilience, innovation, service excellence and responsible growth. It is guided by structured governance, clear performance metrics and continuous employee engagement to ensure alignment with our strategic objectives.

Fostering a Culture of Engagement and Open Dialogue

We believe that sustained performance is underpinned by trust, transparency and meaningful employee contributions. The Group Human Resource Division is mandated to design and implement structured engagement mechanisms that enable two-way communication across all levels of the organisation.

Our key engagement channels include:

Leadership Townhall Meetings

The Group Chief Executive, Mr. Trynos Kufazvinei, hosts quarterly Group-wide leadership townhall engagements, conducted both virtually and in person. These structured 60-minute sessions are designed to provide clear updates on the Group's strategic priorities, share key organisational developments, reinforce corporate values and strengthen transparency between the leadership and the employees. The staff town hall meetings also provide an interactive platform for open dialogue, enabling employees to engage with senior leadership through live Q&A and feedback. In 2025, four such meetings were successfully conducted, achieving an average participation rate of over 85.3%, underscoring strong employee engagement and trust in leadership communication.

Open-Door Leadership Culture

The Group encourages an open-door policy under which managers and senior leaders make themselves regularly available to engage with employees. This policy is designed to remove unnecessary hierarchical barriers and promote a culture of trust, respect and inclusivity.

Employees have the privilege to raise work-related concerns, ideas, or suggestions without fear of intimidation or adverse consequences. All managers are expected to handle discussions with professionalism, confidentiality and empathy; and to take timely action or escalate matters where necessary. The open-door policy supports early resolution of issues and complements formal grievance procedures, whistleblowing and engagement mechanisms.

Continuous Performance Dialogue

We have moved from a purely traditional appraisal system to a continuous performance management model that integrates structured mid-year and annual reviews with ongoing performance conversations. This approach prioritises regular feedback, coaching and development-focused discussions, enabling timely course correction, sustained performance improvement and strong alignment between individual objectives and the Group's strategic priorities.

Employee Surveys

The Group firmly believes that human capital is a critical source of enterprise value. Accordingly, the Group conducts annual anonymous employee surveys to assess workforce-related risks, opportunities and performance. The surveys gauge employee perceptions across key human capital dimensions, including leadership effectiveness, inclusion and diversity, workload management, learning and development, physical and psychosocial wellbeing and overall employee satisfaction, to support the identification and management of human capital-related risks and opportunities.

The 2025 Employee Fulfilment, Talent Engagement and Culture Audit Survey achieved an 85.3% response rate, providing a robust, representative basis for identifying and managing workforce risks. Survey outcomes are systematically analysed and embedded in human capital action plans, informing enhancements to flexible working arrangements, targeted capability development initiatives and the expansion of mental health and employee assistance programmes. The effectiveness of these interventions is monitored continuously to support a healthy, skilled and engaged workforce, thereby strengthening organisational resilience and long-term value creation.

Sustainability Report (Continued)

FBCH Culture Transformation

During the period under review, FBC Holdings successfully delivered a Group-wide Culture Week, achieving full staff participation across all business units and locations. All employees took part in the Culture Week engagements, reinforcing a shared understanding of the Group's values, behaviours and strategic direction.

The initiative served as a unifying platform to embed the "One FBC – Unite to Ignite" culture, strengthen employee engagement and support readiness for change, following recent organisational transformations. Through structured workshops, town hall meetings and interactive sessions, employees actively engaged in discussions on collaborative leadership, employee wellbeing, inclusive growth, digital citizenship and continuous learning.

Full participation in Culture Week demonstrates the Group's commitment to investing in our people, fostering a cohesive organisational culture which builds a motivated, aligned and future-ready workforce.

Strategic Talent Attraction and Retention

Our ambition is to be an employer of choice within the financial services sector, by offering meaningful careers, growth opportunities and a values-driven culture.

Employer Value Proposition

Our value proposition emphasises professional growth through purpose, collaboration and societal impact. Recruitment initiatives showcase authentic employee experiences and our contribution to national development.

High-Performance Culture

Clear performance expectations and metrics are aligned with the Group's strategic priorities, ensuring that individual contributions are directly linked to organisational outcomes. Excellence is actively recognised and rewarded.

- Career Pathways and Internal Mobility: Talent reviews identify high-potential employees and support succession planning. The intent is to fill most of our managerial appointments through internal promotions, reinforcing our commitment to developing talent from within.
- Recognition and Reward Framework: Our comprehensive framework includes formal Excellence Awards, variable compensation for deposit mobilisation, peer-to-peer recognition platforms and performance-based incentives, reinforcing both achievement and positive behaviours.

Learning, Development and Future-Fit Capabilities

We invest in life-long learning to build the technical, leadership and digital capabilities required to navigate a rapidly evolving financial services landscape.

Learning Investment: During the reporting period, the Group invested over US$564 734 in employee training and development, with an average of 63.1 training hours per employee.

Blended Learning Model: Our digital learning platform provides access to over 200 courses covering technical, regulatory, leadership and soft-skills development. Employees also receive financial and study support for accredited professional and academic qualifications, including IOBZ, ACCA, CIS, and university programmes.

Leadership Development: The Group has a deliberate, structured leadership programme which supports emerging, middle and senior leader. This strengthens succession pipelines and enhances decision-making, people management and strategic execution capabilities

Sustainability Report (Continued)

Developing the Next Generation of Talent

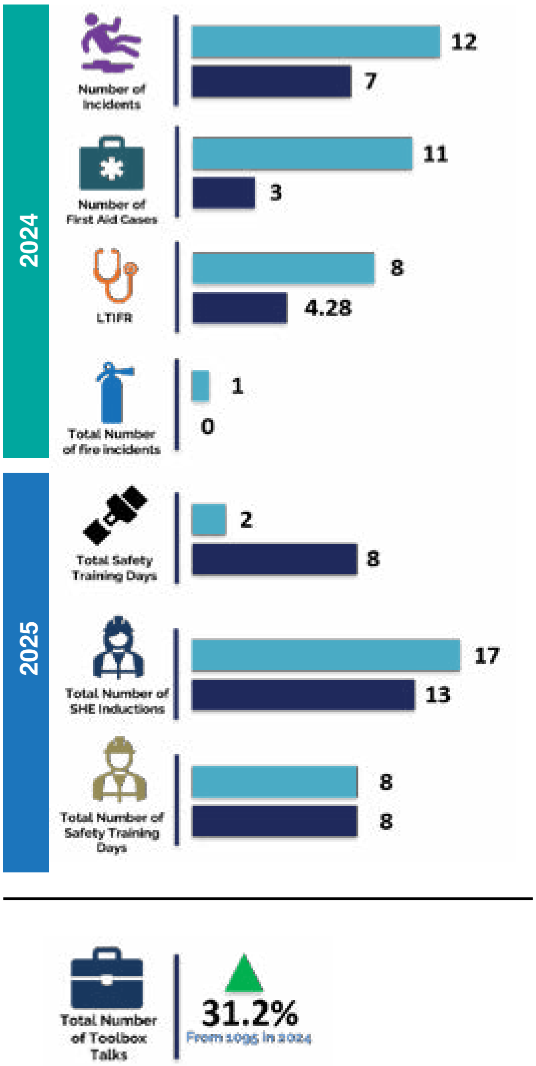
Recognising the importance of youth development to long-term sustainability, we maintain structured early-career pathways that support skills transfer and leadership continuity.

- Graduate Traineeship Programme: This is a 24-month rotational programme that recruits approximately 25 graduates annually, providing cross-functional exposure, mentorship, and formal development.
- Student Attachment: The Group currently hosts 94 university students annually, offering practical experience and creating a pipeline for future employment.
- Professional Qualification Support: The Group supports employee professional development through its Chartered Accountants of Zimbabwe (CAZ) Programme, which provides financial assistance, structured study leaves and mentorship. Since the programme's inception, a total of 33 employees have enrolled, with 14 employees actively enrolled as of 31 December 2025. In addition, 2 employees completed the programme during the 2025 financial year, strengthening internal technical capacity and long-term succession planning.
- Secondment Opportunities: FBC Holdings encourages employees to participate in cross-subsidiary and cross-functional secondments. These opportunities foster enterprise-wide thinking, broaden skill sets and enhance collaboration across the Group.

Employee Wellbeing

Our wellbeing framework recognises the interconnected nature of physical, mental, financial and social wellbeing, and its impact on productivity, engagement and retention.

- Wellness and Support Programmes: The Group provides comprehensive employee wellness support, including medical cover through FBC Health, workplace health screenings and vaccination campaigns, confidential counselling services and education on physical, emotional, mental and financial well-being.
- Flexible Working Arrangements: Since the onset of COVID-19, the Group has adopted a trust-based Work from Home (WFH) framework, enabling hybrid work, flexible hours and alternative work schedules where operationally feasible. While a 100% physical office presence was maintained during the period under review, the Group has established the requisite systems, policies and controls to support remote working. This level of preparedness ensures business continuity and provides the flexibility to transition seamlessly to work-from-home arrangements when required.

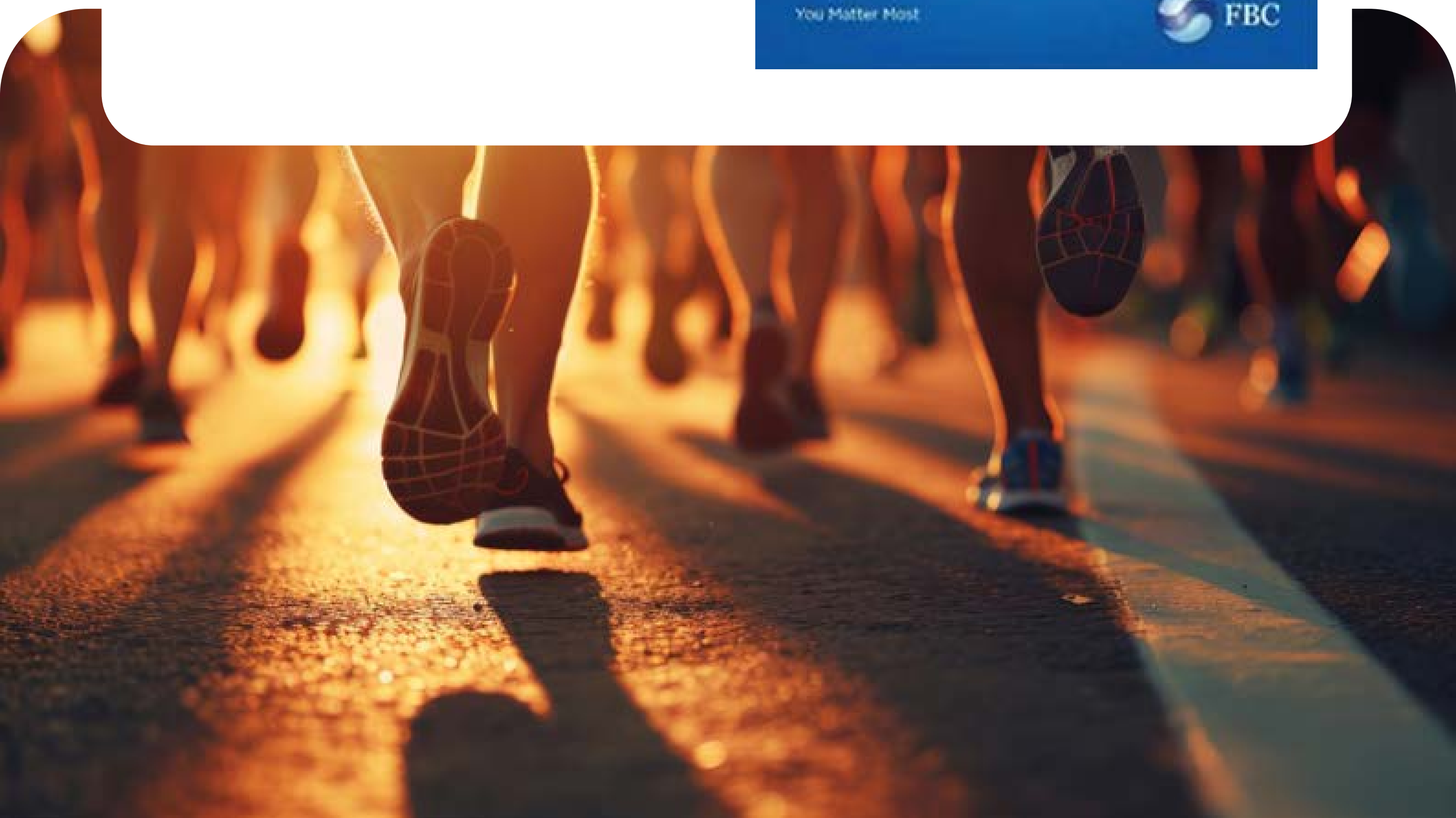


Sustainability Report (Continued)

Diversity, Equity and Inclusion

The Group is committed to building an inclusive organisation that reflects the diversity of the communities we serve. We strive to create an environment where all employees feel valued, respected and empowered to contribute fully. By promoting equal opportunity in recruitment, career development and leadership advancement, we ensure that talent and potential are recognised irrespective of gender, race, ethnicity, age, disability, or background. Our ongoing initiatives aim to foster a culture of belonging, collaboration and fairness, enabling every employee to thrive and contribute meaningfully to the Group's success.

- Youth Representation: Employees under the age of 35 comprise 38% of the workforce, strengthening innovation, digital capability, and long-term sustainability.
- Gender Diversity: The Group maintains a near-balanced gender representation of 54% male and 46% female across the workforce. Women account for 24.1% of management roles, reflecting the organisation's commitment to targeted leadership development and inclusive recruitment practices that advance gender diversity.
- Board Diversity Commitment: In line with global governance best practice, FBC Holdings has set a strategic objective to achieve 50/50 gender parity on the Group Board by 2030, supported by structured succession planning.
- Inclusive Culture: Ongoing diversity and inclusion training, supported by dedicated D&I councils, ensures equitable policies, respectful workplaces and a strong sense of belonging across the Group.



Sustainability Report (Continued)

Key Human Capital Metrics

Topic	Metric	Target	2025	Baseline (2024)	Key Mitigants in Place	Relevance to Group
Employee Turnover High turnover driven by skills shortages, emigration and competitive labour markets may disrupt service continuity and increase costs.	• Total turnover rate • Voluntary turnover	5%	• 2.3% • 1.9%	• 2.4% • 2.25%	• Employee Value Proposition • Career progression and succession planning • Flexible and hybrid working	Lower turnover reduces costs and protects service quality and customer satisfaction.
Wages & Income Security Wage pressure amid inflation and rising living costs may reduce morale, productivity and retention.	• Average wage by category • % earning minimum wage • % of employees covered by collective bargaining agreements	In line with industry standards	• In line with industry threshold • 31%	• In line with industry threshold • 30%	• Inflation-adjusted and performance-linked remuneration • Employee benefits and wellness support • Pay sentiment monitoring via surveys	Fair pay supports retention, productivity and employee wellbeing.
Health & Safety Workplace injuries and ill health may disrupt operations and expose the Group to legal and reputational risk.	• Work-related injuries, lost-time injury frequency rate (LTIFR), work-related ill health cases (GRI 403 – 9 & 10)	Zero fatalities Zero life-altering injuries	• 7 injuries • Zero fatalities & Zero life-altering injuries recorded	• 12 injuries	• Medical cover and health screenings • Employee assistance programmes • Wellness training & monitoring • Employer Liability and Public Liability Cover	Reduced injuries, lower costs and improved workforce resilience and morale.
Training & Development Insufficient skills development may constrain service quality, leadership depth and workforce retention.	Average training hours per employee	60 hours (LMS Allocation)	• 63.1 Hours	• 57 hours	• Structured training investment (60 hrs/ employee allocated via our Learning Management System) • Leadership development programmes • Educational loans and honorarium payouts	Training strengthens service excellence, succession planning and retention.
Employee Engagement Weak engagement and communication may result in low morale, increased grievances and productivity loss.	• Employee engagement survey participation and satisfaction scores • Employee Engagement level	• 100% participation	• 85.3% • 77%	• 82.93% • 76.2%	• CEO-led quarterly townhalls • Open-door leadership policy • Annual anonymous surveys • Culture transformation engagements	Strong engagement improves trust, alignment and change readiness.
Diversity & Inclusion Limited diversity and inclusion may restrict talent attraction, innovation and governance effectiveness.	Gender and age representation metrics	• 50% female representation across all levels • Age target not defined	• 46% female staff, 24.1% of female staff in leadership positions • 38% below 35 years	• 45% female staff • 37% below 35 years	• Inclusive recruitment and promotion • Gender and youth representation targets • D&I training and councils	Inclusive workplaces enhance performance, innovation and reputation.

Sustainability Report (Continued)

Environment & Climate Change

The Group recognises that climate change and environmental degradation present both risks and opportunities for the financial services sector. Our approach focuses on supporting the transition to a low-carbon, resource-efficient economy, while strengthening the sustainability of our own operations. In line with evolving global frameworks and stakeholder expectations, we are deepening our understanding of climate-related risks and opportunities and integrating environmental considerations into strategy, risk management processes and day-to-day operations.

Integrating Climate into Our Business

We embrace our responsibility to track, manage and transparently disclose our environmental impact. Environmental stewardship is embedded into the Responsible Governance pillar of our Sustainability Strategy. As we build operational resilience, our current focus is on managing and reducing our carbon footprint.

1. Alignment with Global Climate Objectives

The Group recognises the urgency of climate change and aims to progressively align its environmental approach with global climate objectives, including the ambitions of the Paris Agreement to limit global temperature increases and accelerate the transition to a low-carbon economy.

2. Recognising the Link Between Climate and Biodiversity

We recognise the intrinsic link between climate change and biodiversity loss. Financial activities can influence ecosystem health and resilience, and accordingly, the Group seeks to minimise adverse environmental impacts while supporting sustainable economic growth.

3. Reducing Our Operational Environmental Footprint

The Group is committed to improving operational efficiency and reducing its direct environmental footprint through responsible energy use, improved waste management practices, and the gradual adoption of cleaner energy sources where feasible.

4. Stakeholder Engagement and Industry Collaboration

The Group actively engages with regulators, industry bodies, development partners and other stakeholders to support the development of its environmental and climate strategy and to ensure alignment with evolving regulatory and industry expectations.

Managing Environmental Risks in Our Portfolio

For financial institutions, the most significant environmental and climate impacts arise from the activities they finance and underwrite. Accordingly, the Group is progressively integrating Environmental, Social and Governance (ESG) considerations into its credit and underwriting processes. Guided by the IFC ESG categorisation framework, sectors within the Group's loan portfolio are assessed based on their potential environmental and climate risk exposure.

Loan Portfolio ESG Risk Categorisation

IFC ESG Risk Category	% of Loan Book (2025)	% of Loan Book (2024)	Typical Sectors
Category A -High Risk	15%	4%	Projects with potential significant adverse environmental and/or social risks and impacts that are diverse, irreversible, or unprecedented. Sectors include large-scale mining and mineral processing, heavy manufacturing (e.g. cement, steel, chemicals), thermal power generation, major infrastructure (dams, highways), and large industrial or greenfield developments.
Category B -Medium Risk	31%	40%	Projects with limited, site-specific environmental and social risks that are largely reversible and can be mitigated with established measures. Sectors include commercial agriculture and agro-processing, logistics and transport, medium-scale infrastructure (housing, utilities), light manufacturing, telecommunications, and renewable energy projects with moderate footprint.
Category C -Low Risk	54%	56%	Activities with minimal or no adverse environmental and social risks or impacts. Sectors include financial services, retail and wholesale trade, ICT and digital services, education, healthcare, tourism and hospitality, and other service-oriented sectors with low physical footprint.

This approach enables the Group to better understand environmental risk concentration within the portfolio while strengthening credit risk management practices.

Sustainability Report (Continued)

Metrics and Baseline Development

The Group continues to strengthen its environmental data management processes to establish a reliable baseline for future climate-related targets. Environmental data is currently collected through a network of Sustainability Champions appointed across the Group's business units. These representatives support the monitoring of key environmental indicators, including energy consumption, fuel use and waste generation. To enhance data accuracy and completeness, the Group is progressively transitioning toward automated environmental data collection systems, which will improve reporting reliability and support more robust climate-related disclosures.

Measuring Our Carbon Footprint

The Group measures greenhouse gas emissions in accordance with the internationally recognised Greenhouse Gas Protocol, which classifies emissions into three categories.

Scope 1 – Direct Emissions

Scope 1 emissions arise from sources owned or controlled by the Group, including fuel consumed by the Group's vehicle fleet and diesel used in backup power generators.

		Activity Data (Litres)		Carbon footprint (tCO2e)	
Emission Sources	**Emission Factor (kg CO2e)**	**2025**	**2024**	**2025**	**2024**
Diesel	2.5121	193 550	246 471	486.2	619.2
Petrol	2.0975	42 183	61 508	88.4	128.9
Total		**235 733**	**307 979**	**574.6**	**748.1**

*** Conversion to CO2e is based DEFRA 2025 Emission Factors for blended petrol and blended diesel*

Scope 2 – Indirect Energy Emissions

Scope 2 emissions arise from purchased electricity consumed across the Group's offices and operational facilities. Electricity used by the Group is primarily supplied by the national utility. The Group currently reports Scope 2 emissions using the location-based method, which reflects the emissions intensity of the national electricity grid.

		Activity Data (Litres)		Carbon footprint (tCO2e)	
Emission Sources	**Emission Factor (kg CO2e)**	**2025**	**2024**	**2025**	**2024**
Electricity	0.6004	1 046 680	965 606	628.4	579.8

*** Conversion to CO2e is based DEFRA 2025 Emission Factors for purchased electricity.*

Scope 3 – Financed Emissions

Scope 3 emissions arise across the Group's value chain and include emissions associated with the activities financed through lending and investment portfolios. For financial institutions, financed emissions typically represent the largest share of total climate impact.
To support measurement and disclosure of these emissions, the Group is engaging the Partnership for Carbon Accounting Financials (PCAF). PCAF provides a globally recognised methodology through its Global GHG Accounting and Reporting Standard for the Financial Industry.

Adoption of this framework will enable the Group to progressively quantify the climate impact of its financing activities, strengthen portfolio risk management and support future climate-related target setting.

Sustainability Report (Continued)

Water Stewardship

As an office-based organisation, water is not considered a highly material resource within the Group's direct operations. We however, recognise the importance of responsible water use, particularly within the context of constrained municipal water supply. Water consumption across the Group is primarily associated with basic office requirements, including sanitation and limited landscaping activities at selected branches. Despite the relatively low intensity of use, the Group continues to promote water conservation practices across its operations to minimise unnecessary consumption.

A notable component of our water use arises from construction-related activities, where the Group has supported and invested in the development of boreholes. These initiatives not only meet operational requirements but also contribute to reducing pressure on already strained municipal water systems, while enhancing water access and resilience in the communities we serve.

Water Consumption by Source

Source	2025 (litres)	2024 (litres)
Surface Water (dams, if any)	7 040 000	-
Ground Water (Boreholes)	8 545 320	625 320
Municipal Water Supplies	6 413 433	12 900 000

The Group will continue to monitor water consumption trends and explore opportunities to improve the accuracy of measurement and efficiency, particularly in high-usage locations and project environments.

Paper Usage & Recycling

FBC Holdings' operations remain largely paper-based, with most of the consumption attributable to bond paper used across our banking, insurance and investment services processes. In line with our "Going Paperless" strategy, we continue to digitise key processes to reduce reliance on paper, improve operational efficiency, and minimise our environmental footprint.

At the same time, we have implemented controlled and secure paper recycling initiatives, ensuring that all recycled materials are handled in a manner that safeguards the confidentiality and sensitivity of client and business information. While we are making steady progress, we recognise that certain core financial services processes will continue to require paper usage. Our focus is therefore on responsible consumption, increased recycling rates and ongoing process innovation to reduce overall usage over time.

Paper recycled

2025 (kgs)
960

2024 (kgs)
1 264

Sustainability Report (Continued)

Sustainable Finance, Investments and Sustainable Insurance

Financial institutions play a central role in mobilising capital toward sustainable economic development. As Zimbabwe continues to pursue inclusive growth, infrastructure development and climate resilience, FBC Holdings recognises that responsible financing and investment decisions can accelerate progress while strengthening long-term financial performance.

The Group's sustainable finance strategy focuses on deploying capital into sectors that generate both economic value and measurable societal impact, particularly in areas aligned with national development priorities and the United Nations Sustainable Development Goals (SDGs). Through targeted lending, investment, and insurance solutions, we support productive sectors such as agriculture, infrastructure, renewable energy and small business development, while expanding access to financial services for underserved communities.

For the Group's flagship banking subsidiary, FBC Bank, this approach is anchored in its Purpose Statement (PS) and High Impact Goals (HIGs) developed as part of the Sustainability Standards and Certification Initiative (SSCI). These form a three-year roadmap for the Bank, ensuring our growth remains aligned with global sustainability standards.

Purpose Statement

Promoting Sustainable Economic and Inclusive Development

High Impact Goals

Strategic Goal	Description
Catalyse Sustainable Infrastructure Development and Industrial Growth	Mobilising capital toward infrastructure and productive sectors of the economy
Foster Sustainable Social Inclusivity and Empowerment	Expanding access to financial services, insurance and investment opportunities
Facilitate Sustainable Transition to Food Self-Sufficiency	Supporting agricultural productivity and climate-resilient farming

Sustainable Finance Portfolio Overview

Our definition of a sustainable portfolio is guided by mapping our lending and investment activities to the Sustainable Development Goals (SDGs), enabling us to assess how our loans and investments contribute to positive development outcomes. Through this approach, we evaluate the extent to which our financing supports priorities such as energy access, agricultural resilience, infrastructure development and financial inclusion. Our sustainable finance portfolio continued to grow during the year, reflecting increasing demand for financing solutions that promote inclusive economic growth while supporting the Group's sustainability commitments.

The Group has not yet established an overarching sustainable finance funding target at the global portfolio level. Instead, current targets are defined at the sector and portfolio segment level, focusing on specific priority areas and key line items where the Group seeks to scale impact and capital deployment.

1. Agriculture and Food Security

Agriculture remains a cornerstone of Zimbabwe's economy and a key focus of the Group's sustainable finance strategy. The Group provides financing across the agricultural value chain, including crop production, livestock operations, agricultural inputs, equipment financing and irrigation infrastructure.

While the agricultural sector presents significant opportunities for growth and rural economic development, it is also highly exposed to climate variability. Approximately 70% of crop production supported by the Group, directly or indirectly, remains rain-fed, highlighting the need for increased investment in climate-resilient irrigation systems.

The Group is therefore actively supporting farmers in transitioning toward climate-smart systems, which significantly improve water efficiency, productivity and climate resilience.

Sustainability Report (Continued)

Agricultural Sustainability Indicators	Target	2025	2024
Total agricultural financing portfolio	20% annual growth	USD24 846 954	USD23 997 458
% of portfolio using climate smart practices	100%	89%	82%
% of portfolio transition to renewable energy powered agriculture	Not defined	37%	6%

Key Opportunities

Opportunity	Development Impact	Financial Opportunity
Drip irrigation expansion	Improved drought resilience	Long-term asset financing
Solar livestock processing	Lower operating costs for farmers	Renewable energy equipment leasing
Climate-resilient seed financing	Increased crop yields	Working capital financing
Agricultural value-chain financing	Stronger rural economic ecosystems	Portfolio diversification

2. Affordable and Renewable Energy

Access to affordable, reliable energy remains a critical enabler of economic development and climate resilience. Through its various business units, the Group continues to support the transition to renewable energy solutions for households, SMEs and corporate clients.

Our microfinance subsidiary has established partnerships with solar installation companies, to enable households and small businesses to access solar systems through structured financing arrangements. These partnerships not only improve energy reliability but also help reduce long-term energy costs for customers.

At the same time, the Corporate & Institutional Banking division provides asset financing and leasing solutions to support commercial-scale renewable energy installations. Recognising the existing gap in renewable energy investments, the Group is also collaborating with development partners to design and implement a system for tracking renewable energy uptake and related performance metrics, strengthening data-driven decision-making and impact measurement.

3. Financial Inclusion

Expanding access to financial services remains a central pillar of the Group's sustainable development strategy. By providing affordable banking, insurance and investment solutions to individuals and small businesses, the Group contributes to broader economic participation and entrepreneurship.

Key initiatives include the rollout of low-KYC accounts, expanded SME financing programmes, tailored insurance products for underserved groups and nationwide financial literacy programmes.

Financial Inclusion Indicators (Metrics)	2025	2024
Low-KYC accounts opened	2 866	4 013
Total Low-KYC Accounts	20 944	25 022
SMEs financing	$31 956 643	$18 147 007
New cost-effective financial solutions launched or developed	No low-cost products launched in 2025	3 products • Secure-save • Digital lending • Deposit-taking ATMs
Deposit-taking ATMs	5	4
Financial Literacy Programs (key events hosting more than 100)	5 SME seminar, Global Money Week & policy update webinars	3 Global Money Week & policy update webinars
Microloans, mostly targeting underserved communities (microfinance loan book)	$12 377 138	$18 587 138

Sustainability Report (Continued)

The Group also participates in Global Money Week, providing financial education programmes in schools and communities.

Financial Literacy Initiatives	2025	2024
Schools reached	35	97
Students physically engaged	1 292	5 897
Total Reach	2 103 434	1 898 588

Sustainability Report (Continued)

4. Infrastructure Development

Infrastructure development remains critical for economic growth, urban development and industrial productivity. Through its property development subsidiary, the Group continues to support housing development and commercial infrastructure projects.

Year	Project	Units Delivered
2020	Greendale Alfred Project	24 flats
2021	Fontaine Ridge, Kuwadzana	267 housing units
2022	Zvishavane Eastlea Project	98 cluster homes
2023	Glen Lorne Townhouses + Eastlea Flats	13 townhouses + 5 flats
2024	Zvishavane 4 Miles	331 housing stands
2025	Marondera Ruware / Churchill Ave / Msasa Trinidad	36 flats + 11 garden flats + 17 industrial warehouses

Category	Units
Residential housing units	454
Industrial units	17
Housing stands	331

These developments contribute to urban housing supply, industrial growth and economic development.

5. Sustainable Insurance

The Group's Insurance and Reinsurance subsidiaries continue to play a pivotal role in advancing financial inclusion, particularly among underserved populations and market segments. Through well-structured risk transfer solutions, we strengthen resilience across the communities and economies we serve. Central to this approach is our commitment to delivering context-specific insurance solutions that are tailored to the unique risk profiles and evolving needs of our clients and partners.

To deepen internal capabilities, the Group participated in technical assistance programmes under the Nairobi Declaration on Sustainable Insurance (NDSI), delivered in partnership with FSD Africa and Impact Actuarial. This capacity-building initiative enhanced our expertise in Environmental, Social and Governance (ESG) strategy development and implementation, enabling the systematic integration of material ESG considerations across the full insurance value chain, including underwriting, product development and risk assessment.

As a result, the Group strengthened its ability to design ESG-aligned products, including a parametric insurance solution to protect smallholder farmers against climate-related risks such as droughts, floods and weather variability. In parallel, our reinsurance investment teams enhanced their capabilities in ESG-linked investment screening and evaluation, supporting more disciplined capital allocation, responsible investment practices, and improved portfolio resilience.

In line with our commitment to transparency and high-quality disclosure, the Group also received technical support from PwC Nigeria to align with IFRS S1 and IFRS S2. This support focused on strengthening the linkage between sustainability metrics and financial performance across our operations. Collectively, these initiatives have enhanced the Group's ability to identify, assess, and respond to sustainability and climate-related risks and opportunities, while ensuring alignment between strategic priorities and key performance indicators.

Sustainability Report (Continued)

FSD Africa Technical Assistance

ESG Strategy Development and Implementation

- Development of a Cluster-wide ESG Strategy Document,
- Determination of ESG-linked KPIs,
- Strategy Implementation Support.
- Monitoring, Evaluation and Learning Tracker covering the SDGs and IFRS S1 & S2

ESG-linked Product Development

- Market scoping and surveying,
- Product Design,
- Product Pricing,
- Product Launch, Rollout and Monitoring Plan Development,
- Product Development Monitoring, Evaluation and Learning

IFRS S1 – Disclosure of Sustainability-related Information & IFRS S2 - Disclosure of Climate-related Financial Information

- 2024 Annual Report Review and Analysis.
- IFRS Requirement Training.
- IFRS Capacitation and KPI alignment
- Gap Analysis Report
- Board Training Session

ESG-linked Investments Capacitation

- ESG Investment Assessment and Evaluation,
- ESG-Linked Portfolio Assessment
- Cross-functional Team Training
- ESG-Linked Investment Appraisal Template

Sustainability Report (Continued)

Community Investment and Social Impact

FBC Holdings continues to play an active role in advancing community development, wellbeing and social cohesion through strategic partnerships in sport, health, safety, and financial preparedness. These initiatives reflect the Group's broader commitment to supporting inclusive growth and strengthening the social fabric of the communities in which it operates.

1. Education and Human Capital Development

FBC Holdings continues to regard education as the cornerstone of its community and social impact strategy. In addition to financial awareness programmes delivered across primary and secondary schools, the Group remains committed to expanding access to tertiary education for underprivileged students both in Zimbabwe and across the region.

Locally, FBC has gone beyond its flagship FBC–MSU Scholarship Programme to extend support to students in other universities, broadening its reach and impact. The Group also continues to support Zimbabwean students studying in regional institutions, reinforcing its belief in education as a key driver of social mobility, skills development, and long-term economic transformation.

2. Sporting Support and Community Wellness

Sport remains a key pillar of FBC Holdings' community engagement strategy, promoting health, unity, and local development.

FC Platinum Sponsorship

FBC Holdings served as the official sponsor of FC Platinum, a premier ZIFA Premier Soccer League team based in Zvishavane. This partnership is rooted in the Group's longstanding presence in the region, following the establishment of its first branch in Zvishavane. The sponsorship reflects FBC's commitment to giving back to communities that have contributed to its growth, while supporting sport as a catalyst for youth development, wellness and social cohesion.

Sustainability Report (Continued)

ZIMOPEN Golf Tournament

The Group was the title sponsor of the 2025 ZIMOPEN Golf Tournament, reinforcing its role in promoting sport as a platform for national engagement and economic participation. With a total investment of USD200,000, the sponsorship supported the growth of golf as a sport while contributing to broader objectives of national development, economic stimulation, and community empowerment.

Lady Cheetahs – Africa Women's Sevens Rugby Tournament

Through FBC Insurance, the Group proudly sponsored the Lady Cheetahs' participation in the Africa Women's Sevens Rugby Tournament held in Nairobi. This support underscores FBC's commitment to advancing women in sport and promoting gender inclusion in competitive athletics at regional and international levels.

Sustainability Report (Continued)

3. Health, Safety, and Retirement Security

The Group also invested in initiatives aimed at improving occupational health, workplace safety and retirement preparedness.

NSSA Safety and Health at Work (SHAW) Conference

The Group participated in and sponsored the National Social Security Authority (NSSA) SHAW Conference, which focused on emerging technologies in occupational safety and health (OSH) and the evolving future of work. The conference provided a critical platform for collaboration among OSH professionals, researchers and policymakers to strengthen workplace safety standards in Zimbabwe.

Public Service Commission (PSC) Retirement Conference

FBC sponsored the PSC Retirement Conference held at the Zimbabwe International Trade Fair (ZITF) in Bulawayo. The conference convened policymakers, pension administrators and financial institutions to address the sustainability of Zimbabwe's retirement ecosystem. Key discussions highlighted a worrying trend of low retirement preparedness among civil servants and focused on strengthening financial planning, mental preparedness, and post-retirement livelihoods. Additional emphasis was placed on pension management, investment strategies, health insurance, and social support systems, including the importance of entrepreneurship and wellbeing after retirement, particularly in the context of extended working life expectations.

Through these initiatives, FBC Holdings continues to demonstrate its commitment to sustainable community investment, supporting wellbeing, inclusion and long-term socio-economic resilience across Zimbabwe.

Awards & Recognition

During the period under review, the Group was honoured for its robust corporate governance and leadership excellence. Our Strategic Business Units also garnered prestigious accolades for innovation, customer service, digital transformation, and market leadership. These awards are a testament to our shared values, a deeply ingrained culture of excellence, and the unwavering dedication of our team to delivering sustainable value to all stakeholders.

FBC Holdings

- Best Financial Governance Award – Institute of Corporate Governance Zimbabwe

FBC Bank

- Best Bank, 10th Edition of Service Excellence Awards, Southern Region, Customer Experience Association of Zimbabwe
- FBC Custodial Services: 2nd Runner-Up, Best Performing Custodian – Capital Markets Awards

FBC Reinsurance

- Winner: Best Overall Company (Reinsurance Category) – Top Companies Survey
- 1st Runner-Up: Non-Life Category – Top Companies Survey

Microplan

- Winner: Most Profitable and Financially Stable Microfinance Institution – ZAMFI
- Winner: Best Digitalized Microfinance Institution – ZAMFI
- Mashonaland West Best MFI – Mash West Agricultural Show Society
- Service Excellence Award – Customer Experience Association of Zimbabwe
- 2nd Runner, 10th Edition of Service Excellence Awards, Southern Region, Customer Experience Association of Zimbabwe

Sustainability Report (Continued)

FBC Insurance – 60 Years of Excellence

In 2025, FBC Insurance marked its 60th anniversary, celebrating six decades of trusted service, resilience, and innovation in Zimbabwe's insurance industry. Having transitioned initially as an associate of Zurich Insurance Company South Africa Limited (formerly South African Eagle Insurance Company), FBC Insurance has evolved into a beacon of endurance and customer-centric values. This milestone reflects a longstanding legacy of protecting clients, adapting to changing market dynamics and consistently delivering on its promise of reliability and service excellence.

Sustainability Report (Continued)

Sustainability & Climate Risks & Opportunities Summary

Microfinance

	Key Risk / Opportunity	Impact on Clients	Financial Position	Financial Performance	Cash Flows	Materiality	Time Horizon	Mitigants / Enablers
Physical Risk	• Droughts • Floods • Cyclones • Hail	• Income shocks • Inability to repay	• Higher loan impairments • Reduced asset quality	• Increased credit losses • Margin pressure	• Lower loan repayment inflows • Potential liquidity stress	High	Short	• Climate-adjusted lending, early-warning systems, portfolio diversification
	• Climate variability affecting livelihoods	• Lower productivity and income	• Gradual deterioration of portfolio quality	• Margin compression • Higher risk provisioning	• Volatile loan repayments	High	Medium–Long	• ESG risk screening • Client support programs
Social Risk	• Over indebtedness	• Household financial distress	• Reputational risk	• Conduct-related costs	• Loan restructuring cashflows	Medium	Short–Medium	• Responsible lending policies, client education
Opportunity	• Climate-resilient microfinance & MSME loans	• Stable income • Reduced vulnerability	• Higher quality loan portfolio	• Lower impairment charges • Stable margins	• Predictable loan repayments	Medium	Short–Medium	• Product design, flexible repayment structures, sustainable finance framework

Commercial Banking

	Key Risk / Opportunity	Impact on Clients	Financial Position	Financial Performance	Cash Flows	Materiality	Time Horizon	Mitigants / Enablers
Physical Risk	• Floods • Storms • Hail	• Business interruption • Asset damage	• Collateral impairments • Potential NPL growth	• Earnings volatility • Margin pressure	• Delayed loan repayments	High	Short	• Branch resilience, insurance coverage, credit limits
	• Water scarcity • Heat stress	• Reduced output	• Sectoral concentration risk	• Net interest income reduction	• Volatile operating cashflows	High	Medium–Long	• Portfolio diversification • ESG due diligence
Transition Risk	• Tighter environmental regulations	• Higher compliance costs	• Potential stranded assets	• Compliance cost increase	• Higher operational cash outflows	High	Short -Medium	• Regulatory monitoring • Policy & process updates
Opportunity	• Green & transition finance	• Cost savings • Climate resilience	• Growth in quality loan assets	• Higher net interest income • Lower impairments	• Stable loan inflows	High	Short–Medium	• Sustainable finance framework • Sector criteria

Securities Trading & Asset Management

	Key Risk / Opportunity	Impact on Clients	Financial Position	Financial Performance	Cash Flows	Materiality	Time Horizon	Mitigants / Enablers
Transition Risk	• Repricing of carbon-intensive assets	• Investment losses	• Reduced portfolio valuation	• Lower management fees • AUM volatility	• Fee cashflow fluctuations	High	Long	• ESG integration, portfolio monitoring
	• ESG disclosure requirements	• Compliance burden	• No direct balance sheet impact	• Operational compliance costs	• Increased compliance cash outflows	Medium	Short	• Reporting frameworks • Data systems
	• Financing unsustainable issuers	• Investor withdrawals	• No direct balance sheet impact	• Fee income reduction	• Lower fee inflows	Medium–High	Long	• ESG policy stakeholder engagement
Opportunity	• ESG-themed investment strategies	• Risk-adjusted returns	• Growth in AUM	• Higher management fees	• Fee inflows from mandates	Medium–High	Medium	• ESG integration • Product development

Sustainability Report (Continued)

Insurance & Reinsurance

	Key Risk / Opportunity	Impact on Clients	Financial Position	Financial Performance	Cash Flows	Materiality	Time Horizon	Mitigants / Enablers
Physical Risk	• Floods • Cyclones • Droughts	• Higher claims • Business interruption	• Reserve adequacy pressure • Capital strain	• Increased underwriting losses	• Higher claim payouts	High	Short	• Catastrophe planning & modelling • Risk-priced Reinsurance Treaties
	• Rising baseline climate risk	• Reduced coverage affordability	• Portfolio exposure growth	• Premium adjustments • Margin pressure	• Higher premium inflows if priced correctly	High	Medium–Long	• Product redesign • ESG risk analytics • Exposure diversification
Transition Risk	• Shift to resilience-linked products; ESG mandates	• Legacy product relevance declines • Compliance risk	• Potential mispricing of treaties	• Reduced underwriting margins	• Variable premium cashflows	Medium–High	Medium	• Product innovation, client education, regulatory monitoring
Opportunity	• Parametric & climate-resilient insurance	• Faster claims • Improved recovery	• More stable reserves • Improved capital efficiency	• Underwriting margin improvement	• Predictable premium inflows	High	Short–Medium	• Catastrophe modelling, product development, client education
	• Regional diversification & advisory services	• Stable cedant protection • Better risk pricing	• Improved capital efficiency	• Reduced underwriting volatility • Advisory fee income	• Stable premiums & advisory inflows	High	Medium	• Geographic portfolio management • Risk analytics, client advisory

Properties (Build & Sell)

	Key Risk / Opportunity	Impact on Clients	Financial Position	Financial Performance	Cash Flows	Materiality	Time Horizon	Mitigants / Enablers
Physical Risk	• Floods • Storms at construction sites	• Delivery delays • Asset damage	• Project cost overruns	• Lower IRR	• Delayed project cash inflows	High	Short	• Site risk assessment • Insurance • Resilient construction methods
	• Heat stress • Water scarcity	• Higher operating costs	• Lower asset valuation	• Margin compression	• Reduced cash inflows from sales	Medium–High	Medium–Long	• Sustainable site selection, design standards
Transition	• Stricter green building codes	• Higher construction cost	• Increased project CAPEX	• Margin compression	• Larger upfront cash outflows	Medium	Short–Medium	• Regulatory compliance, green design
Opportunity	• Green buildings & climate-resilient developments	• Lower lifecycle costs	• Higher-quality property assets	• Price premiums; faster sales	• Accelerated operating cash inflows	Medium–High	Medium	• Climate-resilient design, certification, marketing

Group-Wide

	Key Risk / Opportunity	Impact on Clients	Financial Position	Financial Performance	Cash Flows	Materiality	Time Horizon	Mitigants / Enablers
Governance & Data	• ESG/climate data gaps • Weak oversight	• Poor transparency • Weak risk management	• Risk of non-compliance	• Operational & reputational losses	• Higher compliance & system costs	High	Short–Medium	• ESG reporting frameworks • Board oversight, data systems
Operational	• Climate disruption to branches, IT, staff	• Service interruptions	• Asset write-offs or repair costs	• OPEX volatility	• Temporary cash outflows	Medium	Short	• Business continuity • IT resilience • Emergency planning
Opportunity (Operational Efficiency)	• Energy efficiency • Digitalisation	• Lower costs • Environmental benefits	• Reduced operating asset base	• Improved cost-to-income ratio	• Reduced operating cash outflows	Medium–High	Short–Medium	• Energy audits, IT upgrades, digital platforms
Opportunity (Strategic & Funding)	• Blended finance • Concessional funding, • Early IFRS S1/ S2 adoption	• Lower funding costs • Investor confidence	• Stronger capital structure	• Reduced interest expense	• Improved financing cash inflows	High	Short–Medium	• ESG-aligned funding, disclosure readiness, Board oversight

Directors' Report

The Directors have pleasure in submitting the annual report and financial statements, for the financial year ended 31 December 2025, for FBC Holdings Limited.

ACTIVITIES AND INCORPORATION

FBC Holdings Limited (''the Company'') and its subsidiaries (together "the Group") are incorporated and domiciled in Zimbabwe. The Group comprises of six wholly-owned subsidiaries and one subsidiary controlled 95%. The Group, through its subsidiaries, provides a wide range of commercial and wholesale banking, mortgage financing, short term reinsurance, short term insurance, stockbrocking, micro financing and other related financial services.

AUTHORISED AND ISSUED SHARE CAPITAL

The authorised share capital of the Company was 800 000 000 ordinary shares of a nominal value of ZWG 0.000000004002042 each as at 31 December 2025. The issued and fully paid ordinary shares remained at 671 949 927 ordinary shares of ZWG 0.000000004002042 with no movements during the year. The details of the authorized and issued share capital are set out in note 18 of the consolidated financial statements.

RESERVES

The Group's total shareholders' equity attributable to equity holders of the parent as at 31 December 2025 was USD 156 669 020 (2024: USD 131 135 438).

FINANCIAL STATEMENTS

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
The results reflected a profit before income tax for the year of	31 378 994	17 076 820
Income tax expense/(credit)	(1 005 810)	843 936
Profit for the year	**30 373 184**	**17 920 756**
Equity holders of the parent	30 346 748	17 849 145
Non-controlling interest	26 436	71 611
	30 373 184	**17 920 756**

DIRECTORS' INTERESTS

As at 31 December 2025, the Directors' interest in the issued shares of the Company directly or indirectly is shown below:

Directors' shareholding

Number of shares	Direct holding	Indirect holding	Total
H. Nkala (Group Chairman)	-	410 339	410 339
T. Kufazvinei (Group Chief Executive)	35 114	22 756 547	22 791 661
W. Rusere (Executive Director)	5 000	8 500 519	8 505 519
C. Mtasa (Non-Executive Director)	10 000	-	10 000
	50 114	**31 667 405**	**31 717 519**

The other directors have no shareholding in the Company.

* The prior period financial statements were previously reported in ZWG. The numbers were restated by converting to the Group's new presentation currency, USD. Further, the prior period amounts were restated as a result of prior period adjustment (refer to note 2.1 for further details)

CAPITAL ADEQUACY

The following subsidiaries have their capital regulated by the regulatory authorities:

FBC Bank Limited, FBC Crown Limited and Microplan Financial Services (Private) Limited are all regulated by the Reserve Bank of Zimbabwe ("RBZ"). The Securities Commission of Zimbabwe ("SECZ") sets and monitors capital requirements for the stockbroking subsidiary and the Insurance and Pensions Commission ("IPEC") sets and monitors capital requirements for the insurance subsidiaries.

Directors' Report (Continued)

The capital position for these subsidiaries is detailed in the table below;

Company As at 31 December 2025	Regulatory Authority	Minimum capital required USD	Minimum capital required ZWG	Discounted Capital ZWG	Total Equity ZWG
FBC Bank Limited	RBZ	30 000 000	779 421 000	1 002 259 156	1 504 350 381
FBC Reinsurance Limited	IPEC	-	150 000 000	281 053 627	281 053 627
FBC Securities (Private) Limited	SECZ	-	150 000	22 012 826	22 012 826
FBC Insurance Company (Private) Limited	IPEC	-	37 500 000	112 161 929	112 161 929
Microplan Financial Services (Private) Limited	RBZ	25 000	649 518	152 686 028	152 686 028
FBC Crown Bank Limited	RBZ	30 000 000	779 421 000	905 105 356	1 020 921 282
As at 31 December 2024					
FBC Bank Limited	RBZ	30 000 000	779 421 000	1 023 183 294	2 474 595 208
FBC Building Society	RBZ	20 000 000	519 614 000	729 338 601	767 845 695
FBC Reinsurance Limited	IPEC	-	151 059 364	228 789 601	228 789 601
FBC Securities (Private) Limited	SECZ	-	151 059	11 812 867	11 812 867
FBC Insurance Company (Private) Limited	IPEC	-	37 764 841	87 909 271	87 909 271
Microplan Financial Services (Private) Limited	RBZ	25 000	649 518	76 097 914	76 097 914
FBC Crown Bank Limited	RBZ	30 000 000	779 421 000	646 255 489	947 595 089

At 31 December 2025, the banking subsidiary's capital adequacy ratios computed under the Reserve Bank of Zimbabwe regulations were 16% and 36% respectively against the statutory minimum ratios of 12%. The respective capital adequacy ratios are determined as illustrated below.

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
FBC Bank Limited capital adequacy ratio		
Ordinary share capital	3 198 283	3 198 283
Share premium	2 281 333	2 281 333
Retained profits	42 786 443	78 207 555
Capital allocated for market and operational risk	(244 255)	(13 599 260)
Advances to insiders	(9 444 740)	(29 488 044)
Tier 1 Capital	**38 577 064**	**40 599 867**
Other reserves	9 636 552	10 285 568
General provisions	-	-
Tier 1 and 2 Capital	**48 213 616**	**50 885 435**
Tier 3 capital allocated for market and operational risk	244 255	13 599 260
	48 457 871	**64 484 695**
Risk weighted assets	**307 084 053**	**529 104 225**
Tier 1 ratio (%)	13%	10%
Tier 2 ratio (%)	3%	2%
Tier 3 ratio (%)	0%	3%
Capital adequacy ratio (%)	**16%**	**15%**
Minimum statutory capital adequacy ratio	**12%**	**12%**

* The prior period financial statements were previously reported in ZWG. The numbers were restated by converting to the Group's new presentation currency, USD. Further, the prior period amounts were restated as a result of prior period adjustment (refer to note 2.1 for further details)

Directors' Report (Continued)

	31 Dec 2025 USD	31 Dec 2024 USD
FBC Crown Bank Limited capital adequacy ratio		
Ordinary share capital	138 609	138 609
Share premium	18 479 585	18 479 585
Retained profits	16 241 751	12 513 974
Advances to insiders	(22 340)	-
Tier 1 Capital	**34 837 605**	**31 132 168**
Other reserves	4 435 428	4 476 937
General provisions	-	-
Tier 1 and 2 Capital	**39 273 033**	**35 609 105**
Tier 3 capital allocated for market and operational risk	-	-
	39 273 033	**35 609 105**
Risk weighted assets	**107 871 088**	**87 865 569**
Tier 1 ratio (%)	32%	35%
Tier 2 ratio (%)	4%	5%
Tier 3 ratio (%)	0%	0%
Capital adequacy ratio (%)	**36%**	**40%**
Minimum statutory capital adequacy ratio	**12%**	**12%**

DIVIDEND

Notice is hearby given that a final dividend of USD 0.32 cents per share and ZWG3.9 cents per share was declared by the Board on 671 949 927 ordinary shares in issue on 26 March 2026 in respect of the year ended 31 December 2025. The dividend is payable to Shareholders registered in the books of Company at the close of business on Friday 17 April 2026. The shares of the Company will be traded cum-dividend on the Zimbabwe Stock Exchange up to the market day of 15 April 2026 and ex-dividend as from 16 April 2026. Dividend payment will be made to Shareholders on or about 29 April 2026.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for preparing the Group and Company financial statements in accordance with applicable laws and regulations. Companies and Other Business Entities Act (Chapter 24:31) requires the directors to prepare Group and Company financial statements for each financial year. The Group and Company financial statements are required by law and International Financial Reporting Standards (IFRSs) to present a true and fair view of the financial position of the Group and the parent Company and the performance for that period. The Companies and Other Business Entities Act (Chapter 24:31) provides in relation to such financial statements that references in the relevant part of the Act to financial statements giving a true and fair view are references to their achieving a fair presentation. In preparing each of the Group and Company financial statements, the directors are required to:

* select suitable accounting policies and then apply them consistently;
* make judgments and estimates that are reasonable and neutral;
* state whether they have been prepared in accordance with IFRSs; and
* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at anytime the financial position of the Group and the Company and enable them to ensure that its financial statements comply with the applicable legislation. They have general responsibility for taking such steps as are reasonably open to them to safe guard the assets of the Group and to prevent and detect fraud and other irregularities. The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

Directors' Report (Continued)

2. Compliance with legislation

These consolidated and company financial statements, which have been prepared on the basis of historical cost financial information are in agreement with the underlying books and records and have been properly prepared in accordance with the material accounting policies set out in note 2, and in the manner required by the Banking Act (Chapter 24:20), Insurance Act (Chapter 24:07) Securities and Exchange Act (Chapter 24:25), Building Societies Act (Chapter 24:02), Microfinance Act (Chapter 24:29) the Companies and Other Business Entities Act (Chapter 24:31).

3. Compliance with IFRSs

The financial statements are prepared in full compliance with IFRS® Accounting Standards. IFRSs comprise interpretations adopted by the International Accounting Standards Board (IASB), which includes standards adopted by the International Accounting Standards Board (IASB) and interpretations developed by the International Financial Reporting Interpretations Committee (IFRIC) or by the former Standing Interpretations Committee (SIC). Complying with IFRSs achieves consistency with the financial reporting framework adopted. Using a globally recognized reporting framework also allows comparability with similar businesses and consistency in the interpretation of the financial statements.

4. Going concern

The Board has satisfied itself that the group and company have adequate resources to continue in operation for the foreseeable future.

As at the end of February 2026, our Group operations were in line with the Budget and had adequate liquidity for operations. The Group is leveraging on its Group financial position which had adequate cash resources as at the end of February 2026 to preserve its financial flexibility in the uncertain environment. The Group currently believes that it has adequate liquidity and business plans to continue operating using e-commerce to mitigate some of the risks associated with the environment we are operate in.

The Group continues to evaluate the potential short-term and long-term implications on the consolidated financial statements. The potential impacts include, but are not limited to: impairment of loans and advances, impairment of property and equipment and operating lease right of use assets related to the company's branches, fair value of financial assets and other investments, valuation of inventory, capacity to meet foreign obligations, net interest income, levels of non-funded income and expenses.

As a result of this satisfaction, the Group and company financial statements have accordingly been prepared on a going concern basis. The annual financial statements for the year ended 31 December 2025 set out on pages 82 to 202 were approved by the Board of Directors on 26 March 2026.

Independent auditor

Messrs. Axcentium have expressed their willingness to continue in office and shareholders will be asked to confirm their re-appointment at the forthcoming Annual General meeting and to fix their remuneration for the past year.

By order of the Board

Tichaona K. Mabeza
SECRETARY
31 March 2026

Preparer of Financial Statements

These annual financial statements have been prepared under the supervision of Abel Magwaza (Group Finance Director) and have been audited in terms of the Companies and Other Business Entities Act (Chapter 24:31) of Zimbabwe.

Abel Magwaza
ACA, CA(Z)
PAAB Number : 04408

Group Company Secretary's Certification

I certify that, to the best of my knowledge and belief, the Company has lodged with the Registrar of Companies all such returns as are required to be lodged by a public company in terms of the Companies and Other Business Entities Act (Chapter 24:31) of the Republic of Zimbabwe, and that all such returns are true, correct and up to date.

Tichaona K. Mabeza
Group Company Secretary

31 March 2026

Board of Directors

HERBERT NKALA
B.Sc. Hons, MBA
(CHAIRMAN)

Appointed to the FBC Holdings Limited Board in November 2002. He is a Chairman and director of several other companies, which are listed on the Zimbabwe Stock Exchange.

RUTENHURO MOYO
MSIO
(NON-EXECUTIVE DIRECTOR)
DEPUTY CHAIRMAN

Has a Masters in Industrial and Occupational Psychology and has post graduate qualifications in Business and Finance. An entrepreneur par excellence, Rute has wide experience and has held senior positions in international corporations such as Anglo – American, Old Mutual and Coca Cola Central Africa. He is director of several other companies.

TRYNOS KUFAZVINEI
B Acc (Hons), CA(Z), MBA
(GROUP CHIEF EXECUTIVE)

Trynos is a Chartered Accountant (Zimbabwe) who completed his articles with PriceWaterhouse and holds a Masters degree in Business Administration from the University of Manchester, United Kingdom. Trynos joined FBC Bank Limited in January 1998 as Head of Finance and Administration and was appointed to the board in October 2003. He became Group Finance Director in 2004 following the consolidation of the FBC Group and was appointed Chief Executive of the FBC Group on the 1st of January 2024.

AENEAS CHUMA
Msc in Applied Economics
(NON-EXECUTIVE DIRECTOR)

Aeneas has in excess of 35 years diverse experience in development work with the United Nations in various countries and is a holder of an Msc in Applied Economics.

Board of Directors (Continued)

KLETO CHIKETSANI
Bachelor of Business Studies (Honours) (UZ), AIISA
(EXECUTIVE DIRECTOR)

Kleto has over 32 years experience in reinsurance gathered with two leading reinsurers in Zimbabwe. He is one of the founder members of FBC Reinsurance Limited, having joined the company (then Southern Africa Reinsurance Company Limited) on 1 January 1995 as Senior Underwriter and rose through the ranks to become Executive Director, Operations of FBC Reinsurance Limited in 2006. He holds a Bachelor of Business Studies (Honours) Degree from the University of Zimbabwe and is also an Associate of the Insurance Institute of South Africa. He was appointed Managing Director for FBC Reinsurance Limited on 1 March 2012.

GARY COLLINS
PGD JMC
(NON EXECUTIVE DIRECTOR)

Gary is a deep subject matter expert on the nexus between digital innovation, leading edge technologies and core business value in banking and diversified financial services. He is Founder and Chief Executive Officer of Solveworx (Pty) Limited, Australia and holds a Post Graduate Diploma in Journalism and Media Studies.

ABEL MAGWAZA
BA (Hons) Accounting, MSc Accounting and Finance, CA(Z), FCCA, ACIS, ACA,MBA
(EXECUTIVE DIRECTOR, FINANCE AND ADMINISTRATION)/ GROUP FINANCE DIRECTOR

Abel has over 23 years of experience in the financial services industry, having served in various capacities within the Banking, Asset Management, and Insurance industries. He is a member of the Institute of Chartered Accountants in England and Wales (ICAEW), the Institute of Chartered Accountants of Zimbabwe (ICAZ), the Association of Chartered Certified Accountants (ACCA) and the Institute of Chartered Secretaries and Administrators (CIS). He is a holder of a Bachelor's Degree in Accounting, a Master of Science Degree in Accounting and Finance, and a Master of Business Administration degree. Abel joined FBC Bank in 2006 as an accountant. He was appointed to the position of Head of Finance and Administration for FBC Bank in 2011 and in 2017 he was promoted to Executive Director, Finance & Administration, a position which he held until his appointment to the position of Group Finance Director with effect from 1 January 2024

DAVID MAKWARA
Ms BA, Bachelor of Commerce (Economics and Finance)
(NON-EXECUTIVE DIRECTOR)

David has wide experience and has held various executive positions within and outside Zimbabwe including being the Managing Director of Trust Finance and Trust Securities Malawi.

Board of Directors (Continued)

CHARLES MSIPA
Bachelor of Law, LLB
(NON-EXECUTIVE DIRECTOR)

Mr Msipa is a lawyer by profession with years of experience at a senior level in various organizations, and is currently Group Managing Director of Schweppes Holdings Africa Limited.

DR. SIFISO NDLOVU
Dr of Philosophy (ZOU, Zimbabwe) Ms BA (AU, USA) Post Graduate Degree in Labour Policy Studies (CCU, Ghana) Bachelor of Business Administration (NU, USA) Certification in Education (UZ, Zimbabwe) Certificate in Performance Management (ZIPAM, Zimbabwe) Certificate in Workers' Rights in a Global Economy (GLU, Germany)
(NON-EXECUTIVE DIRECTOR)

Dr Sifiso is currently the Chief Executive Officer of Zimbabwe Teachers Association and is an accomplished writer and academic. He previously held several positions within the education sector. He is a board member of the Gwanda State University and Seke Teachers College amongst others.

VIMBAI NYEMBA
Bachelor of Laws Honours Degree (University of Zimbabwe)
(NON-EXECUTIVE DIRECTOR)

Vimbai is a registered legal practitioner and founding and managing partner of Vimbai Nyemba and Associates legal practitioners, a firm she established in 1997. She is a member of the Law Society of Zimbabwe, SADC Lawyers Association and African Bar Association amongst others. Vimbai is the current chairperson of the Procurement Regulatory Authority of Zimbabwe and board member of the Deposit Protection Corporation, Zimbabwe Asset Management Corporation and Star Africa Corporation. She has previously served as the President of the Law Society of Zimbabwe from 2015 to 2016.

WEBSTER RUSERE
AIBZ, MBA
(DEPUTY GROUP CHIEF EXECUTIVE)

Webster commenced his banking career in 1982 and rose through the corporate and retail banking ranks to become Head of Global Trade Finance and Cash Management Services in 1995 of a local multinational bank. He also served in other senior positions covering Local and Foreign Treasury Management, International Trade Finance, Correspondent Banking and Fund Management. He joined FBC Bank Limited in March 2000 as Project Manager. He was appointed Head of Retail Banking Division in 2004. He held the position of Managing Director at FBC Building Society for four years and was appointed Managing Director for FBC Bank Limited on the 1st of June 2011.

Corporate Governance

The Board is committed to the principles of openness, integrity and accountability. It recognises the developing nature of corporate governance and assesses its compliance with local and international generally accepted corporate governance practices on an ongoing basis through its various subcommittees.

Guidelines issued by the Reserve Bank of Zimbabwe from time to time are strictly adhered to and compliance check lists are continuously reviewed. The Board of Directors comprises of four executive directors and nine non-executive directors. The composition of the Board of FBC Holdings Limited shows a good mix of skill, experience as well as succession planning. The Group derives tremendous benefit from the diverse level of skills and experience of its Board of Directors.

The Board is responsible to the shareholders for setting the direction of the Group through the establishment of strategies, objectives and key policies. The Board monitors the implementation of these policies through a structured approach to reporting and accountability.

Board Attendance

	Main Board				Board Audit Committee				Board Human Resources Committee				Board Finance and Strategy Committee				Board Risk and Compliance Committee				Board Marketing and Public Relations Committee				Board Digitalisation & Innovations Committee				Board Corporate Governance, Nominations and Sustainability Committee			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Herbert Nkala	√	√	√	√	N/A	N/A	N/A	N/A	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√	√	X
Chipo Mtasa*	√	√	N/A	N/A	√	√	N/A	N/A	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√	N/A	N/A
Kleto Chiketsani	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Aeneas Chuma	√	√	√	√	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√	√	√	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gary Collins	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√	X	√	√	√	√	√	N/A	N/A	N/A	N/A
Franklin Kennedy*	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√	N/A	N/A	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Trynos Kufazvinei	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√	√	√	N/A	N/A	N/A	N/A	√	√	√	√	√	√	√	√	√	√	√	√
Abel Magwaza	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
David Makwara	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√	√	√	N/A	N/A	N/A	N/A
Charles Msipa	√	√	√	√	X	√	√	√	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√	√	√
Rutenhuro Moyo	X	√	√	√	√	√	√	√	N/A	N/A	N/A	N/A	X	√	√	√	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sifiso Ndlovu	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	√	√	√	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vimbai Nyemba	X	√	√	√	N/A	N/A	N/A	N/A	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	√	X	√	√	N/A	N/A	N/A	N/A	√	√	√	√
Webster Rusere	√	√	√	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Key

√ - Attended
N/A- not applicable
X - Apologies

Q1 - Quarter 1
Q2 - Quarter 2
Q3 - Quarter 3
Q4 - Quarter 4

* Retired on 30 June 2025

Corporate Governance (Continued)

The Board meets regularly, with a minimum of four scheduled meetings annually. To assist the Board in the discharge of its responsibilities a number of committees have been established, of which the following are the most significant:

Board Finance and Strategy Committee
Members
R. Moyo (Chairman)
D. Makwara
T. Kufazvinei

The Board Finance and Strategy Committee has written terms of reference. This committee is constituted at Group level and oversees the subsidiary companies. It is chaired by a non-executive director. Meetings of the Committee are attended by invitation, by other senior executives.

The committee meets at least four times a year to review the following amongst other activities:
• The Group's financial statements, and accounting policies,
• The Group's strategy and budget,
• The Group's performance against agreed benchmarks and
• The adequacy of the Group's management information systems.

Board Human Resources and Remuneration Committee
Members
C. Msipa (Chairman)
H. Nkala
V. Nyemba

The Committee is chaired by a non-executive director and comprises mainly of non-executive directors. This Committee is constituted at Group level and oversees the subsidiary companies. Meetings of the committee are attended by invitation by the Divisional Director of Human Resources.

The Committee's primary objective is to ensure that the right calibre of management is attracted and retained. To achieve this it ensures that the directors, senior managers and staff are appropriately rewarded for their contributions to the Group's performance.

The Committee is also responsible for the Group's Human Resources Policy issues, terms and conditions of service.

Non-executive directors are remunerated by fees and do not participate in any performance-related incentive schemes.

Board Audit Committee
Members
C. Msipa (Chairman)
A. Chuma
R. Moyo

The Committee is chaired by a non-executive director and comprises of non-executive directors only. The Divisional Director of Internal Audit, the Group Chief Executive, the Group Finance Director and other executives attend the committee by invitation. The Committee is constituted at Group level and oversees subsidiary companies.

The Committee meets regularly to:
• Review compliance with statutory regulations,
• Review the effectiveness of internal controls,
• Review and approve the financial statements and
• Review reports of both internal and external auditors' findings, instituting special investigations where necessary.

Board Risk and Compliance Committee
Members
R. Moyo (Chairman)
S. Ndlovu
A. Chuma

The Committee is constituted at Group level and is responsible for the group risk management function. It is chaired by a non executive director. The Committee's primary objective is to maintain oversight of the Group's risk and regulatory compliance processes and procedures and monitor their effectiveness. The Committee keeps under review, developments and prospective changes in the regulatory environment and monitors significant risk and regulatory issues affecting the Group, noting any material compliance/ regulatory breaches and monitoring resolution of any such breaches.

Board Credit Committee
Members - FBC Bank
M. Machingaidze (Chairperson)
F. Makoni
W. Rusere

Members - FBC Crown
M. Moyo (Chairperson)
H. Mashanyare
M. Mubayiwa
W. Rusere

Members - Microplan
K. Chiketsani (Chairman)
E. Gwasira
T. Mabeza
A. Magwaza

These committees falls directly under FBC Bank, FBC Crown and Microplan. They create credit policies and also approve credit applications above management's discretionary limits. The committees are responsible for the overall quality of the credit

Corporate Governance (Continued)

portfolios. The committees are chaired by a non-executive director. The Heads of Credit and Risk Management attend the committee meetings by invitation.

Board Loans Review Committee
Members - FBC Bank
P. Moyo (Chairman)
Y. Halimana
C. Mathonsi

Members - FBC Crown
E. Mkondo (Chairperson)
A. Kanhukamwe
W. Makamure
T. Kufazvinei

The committees fall directly under FBC Bank and FBC Crown, have terms of reference and comprises non-executive directors only. Meetings of the committees are attended by invitation, by the Managing Directors of FBC Bank and FBC Crown, the Heads of Credit and Risk and the Group Chief Executive.

The committees are responsible for ensuring that the loan portfolio and lending activities abide by the respective credit policies as approved by the Board of Directors and are in compliance with RBZ requirements. They also ensure that problem loans are properly identified, classified and placed on non-accrual in accordance with the Reserve Bank guidelines. The committees also ensure that adequate impairment allowances are made for potential losses and write-offs of losses identified are made in the correct period.

Board Assets and Liabilities Committee
Members
F. Makoni (Chairman)
T. Mutseyekwa
W. Rusere
T. Kufazvinei

The committee falls directly under FBC Bank, draws its members from the Bank's Board and is chaired by a non executive director. It is responsible for the continuous monitoring of the Bank's assets and liabilities.

Internal Controls
The Directors are responsible for the Group's internal control system, which incorporates procedures that have been designed to provide reasonable assurance that assets are safeguarded, proper accounting records are maintained and financial information is reliably reported.

The key procedures which the Board considers essential to provide effective control include:

i) Decentralized organisational structure with strong management working within defined limits of responsibility and authority.

ii) An annual budgeting process with quarterly re-forecasts to reflect changing circumstances, and the identification of key risks and opportunities.

iii) Detailed monthly management accounts with comparisons against budget through a comprehensive variance analysis.

Nothing has come to the attention of the Directors to indicate that any material breakdown in the functioning of these internal control procedures and systems has occurred during the year under review.

Executive Committee
The operational management of the Group is delegated to the executive committee, which is chaired by the Group Chief Executive. The executive committee is the chief operating decision maker for the Group.

The executive committee comprises:
The Group Chief Executive
Group Finance Director
Managing Director (FBC Bank Limited)
Managing Director (FBC Reinsurance Limited)
Managing Director (FBC Building Society)
Managing Director (FBC Securities (Private) Limited)
Managing Director (FBC Insurance Company Limited)
Managing Director (Microplan Financial Services (Private) Limited)
Managing Director (FBC Crown Limited)
Group Company Secretary
Head of Human Resources

It meets monthly or more frequently if necessary and acts on behalf of the Board.

Internal Audit
The internal audit department examines and evaluates the Group's activities with the aim of assisting management with the effective discharge of their responsibilities. It reviews the reliability and integrity of financial and operating information, the systems of internal control, the efficient management of the Group's resources, the conduct of operations and the means of safeguarding assets. The Divisional Director of Internal Audit reports to the Chairman of the Audit Committee.

Risk Management and Control

Introduction and overview
Managing risk effectively in a diverse and complex institution requires a comprehensive risk management governance structure that promotes the following elements of a sound risk management framework:

- Sound board and senior management oversight,
- Adequate policies, procedures and limits,
- Adequate risk monitoring and management information systems ("MIS"), and
- Adequate internal controls.

Corporate Governance (Continued)

FBC Holdings Limited manages risk through a comprehensive framework of risk principles, organisational structure and risk processes that are closely aligned with the activities of the entities in the Group.

The most important risks that the Group is exposed to are listed below:
- Credit risk,
- Market risk,
- Liquidity risk,
- Reputational risk,
- Strategic risk,
- Operational risk and
- Compliance risk.

In addition to the above, there are also specific business risks that arise from the Group's reinsurance and insurance subsidiaries' core activities.

Risk management framework

In line with the Group's risk strategy, size and complexity of its activities, the Board established a risk governance structure and responsibilities that are adequate to meet the requirements of a sound risk management framework.

The Group's Board of Directors has the ultimate responsibility for ensuring that an adequate and effective system of internal controls is established and maintained. The Board delegates its responsibilities to the following Committees through its respective Board Committees:
- Group Risk and Compliance Committee,
- Group Audit Committee,
- Group Human Resources and Remuneration Committee,
- Group Finance and Strategy Committee,
- Credit Committees for FBC Bank and Microplan,
- Loans Review Committees for FBC Bank and Crown Bank and
- Assets and Liabilities Committee ("ALCO") for FBC Bank.

The specific duties delegated to each committee of the Board and its respective Management Committee are outlined in the terms of reference for the specific committees.

In addition to the above Committees, the following three risk related functions are directly involved in Group-wide risk management:
- Group Risk Management,
- Group Internal Audit and
- Group Compliance.

Group Risk Management Division assumes a central role in oversight and management of all risks that the Group is exposed to in its various activities. The Head of Group Risk Management is responsible for recommending to the Group Risk and Compliance Committee and the Board Risk and Compliance Committee a framework that ensures the effective management and alignment of risk within the Group. The Head of Group Risk Management is responsible for the process of identifying, quantifying, communicating, mitigating and monitoring risk.

Group compliance is an independent compliance management activity that is headed by the Group Compliance Manager who reports administratively to the Group Chief Executive and directly to the Group Risk and Compliance Committee. The Group Compliance Manager has unrestricted access to the Chairman of the Group Risk and Compliance Committee.

Group Internal Audit independently audits the adequacy and effectiveness of the Group's risk management, control and governance processes. The Divisional Director of Group Internal Audit who reports administratively to the Group Chief Executive and functionally to the Chairman of the Audit Committee, provides independent assurance to the Group Audit Committee and has unrestricted access to the Chairman of the Group Board Audit Committee.

The principal risks to which the Group is exposed to and which it continues to manage are detailed in note 31 under Financial Risk Management.

Operational risk is the risk of loss arising from the potential that inadequate information system, technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses. Operational risk exists in all products and business activities.

Group's approach to managing operational risk

The Group's approach is that business activities are undertaken in accordance with fundamental control principles of operational risk identification, clear documentation of control procedures, segregation of duties, authorization, close monitoring of risk limits, monitoring of assets use, reconciliation of transactions and compliance.

Operational risk framework and governance

The Board has ultimate responsibility for ensuring effective management of operational risk. This function is implemented through the Board Risk and Compliance Committee at Group level which meets on a quarterly basis to review all major risks including operational risks. This Committee serves as the oversight body in the application of the Group's operational risk management framework, including business continuity management. Subsidiaries have board committees responsible for ensuring robust operational risk management frameworks. Other Group management committees which report to Group Executive Committee include the Group New Product Committee, Group IT Steering Committee and Group Business Continuity Committee.

Corporate Governance (Continued)

The management and measurement of operational risk

The Group identifies and assesses operational risk inherent in all material products, activities, processes and systems. It ensures that before new products, activities, processes and systems are introduced or undertaken, the operational risk inherent in them is subjected to adequate assessment by the appropriate risk committees which include the Group Risk and Compliance Committee and Group New Product Committee.

The Group conducts Operational Risk Assessments in line with the Group's risk strategy. These assessments cover causes and events that have, or might result in losses, as well as monitor overall effectiveness of controls and whether prescribed controls are being followed or need correction. Key Risk Indicators ("KRIs") which are statistical data relating to a business or operations unit are monitored on an ongoing basis. The Group also maintains a record of loss events that occur in the Group in line with Basel II requirements. These are used to measure the Group's exposure to the respective losses. Risk limits are used to measure and monitor the Group's operational risk exposures. These include branch cash holding limits, teller transaction limits, transfer limits and write off limits which are approved by management and the Board. In addition, the Group also uses risk mitigation mechanisms such as insurance programmes to transfer risks. The Group maintains adequate insurance to cover key operational and other risks.

Business continuity management

To ensure that essential functions of the Group are able to continue in the event of adverse circumstances, the Group Business Continuity Plan is reviewed annually and approved by the Board. The Group Management Business Continuity Committee is responsible for ensuring that all units and branches conduct tests half yearly in line with the Group policy. The Group continues to conduct its business continuity tests in the second and fourth quarters of each year and all the processes are well documented.

Compliance risk

Compliance risk is the current and prospective risk to earnings or capital arising from violations of, or non-conformance with laws, rules, regulations, prescribed practices, internal policies and procedures or ethical standards.

The Compliance function assesses the conformity of codes of conduct, instructions, procedures and organizations in relation to the rules of integrity in financial services activities. These rules are those which arise from the Group's own integrity policy as well as those which are directly provided by its legal status and other legal and regulatory provisions applicable to the financial services sector.

Management is also accountable to the Board for designing, implementing and monitoring the process of compliance risk management and integrating it with the day to day activities of the Group.

Statement of Compliance

The Group complied with the following statutes inter alia:-

The Banking Act (Chapter 24:20) and Banking Regulations, Statutory Instrument 205 of 2000; Bank Use Promotion & Suppression of Money Laundering (Chapter 24:24); Exchange Control Act (Chapter 22:05); the National Payments Systems Act (Chapter 24:23), the Companies and Other Business Entities Act (Chapter 24:31), the relevant Statutory Instruments ("SI") SI 33/99, SI 33/19 and SI 62/96, The Income Tax Act (Chapter 23:06), The Capital Gains Act (Chapter 23:01), the Value Added Tax Act (Chapter 23:12), Insurance Act (Chapter 24:07), Securities and Exchange Act (Chapter 24:25), Building Societies Act (Chapter 24:02), Zimbabwe Microfinance Act (Chapter 24:29).

In addition, the Group also complied with the Reserve Bank of Zimbabwe's directives on liquidity management, capital adequacy as well as prudential lending guidelines.

International credit ratings

The Group suspended the credit ratings on some of its banking and insurance subsidiaries which have in the past been reviewed annually by an international credit rating agency, Global Credit Rating due to the Covid-19 pandemic. The rating for the units with ratings that have been suspended was last done in 2019.

The ratings for those still being rated are as follows:

Subsidiary	2025	2024	2023	2022
FBC Bank Limited	A-	A-	A-	A-
FBC Reinsurance Limited	A-	A-	A-	A-
FBC Crown Bank Limited	-	-	A-	AA

Group Financial Statements

Axcentium
West Block
Borrowdale Office Park
Borrowdale Road
Borrowdale
Harare
Zimbabwe

AXCENTIUM

PO Box 267
Harare
Zimbabwe

Tel: +263 (0) 8677 000261

www.axcentium.co.zw

Independent Auditors' Report

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of FBC Holdings Limited

Report on the audit of the consolidated and separate financial statements Opinion

We have audited the consolidated and separate financial statements of FBC Holdings Limited ("the Company") and its subsidiaries (together the "Group"), set out on pages 82 to 202, which comprise the consolidated and separate statements of financial position as at 31 December 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of FBC Holdings Limited as at 31 December 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31), relevant sections of the Banking Act (Chapter 24:20) and the Insurance Act (Chapter 24:07), the Microfinance Act (Chapter 24:29), the Building Society Act (Chapter 24:02) and the Securities and Exchange Act (Chapter 24:25).

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 Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of consolidated and separate financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of financial statements of public interest entities in Zimbabwe. We have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditors' Report (Continued)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters.

Key audit matter	How the matter was addressed
Valuation of expected credit loss allowance on financial assets	
As detailed in notes 3.1 & 5.4, as at the reporting date, the Group reported expected credit losses of USD 17.6 million (2024: USD 6.6 million) on the statement of financial position. The Group uses an Expected Credit Loss (ECL) model to determine the allowance on loans and advances to customers. This was a key audit matter as the determination of the expected credit losses requires significant judgment. The models used to determine the provisions are complex and might not have considered all relevant information and assumptions, including: • The classification of loans into appropriate stages (Stage 1, 2, or 3); • Macroeconomic data for forecasts; and • Probability of default (PD), Loss Given Default (LGD), and exposure at Default (EAD). Due to the judgments applied in determining the expected credit losses, we have determined this to be a key audit matter.	Our procedures included the following: • Obtaining an understanding of the internal controls over financial reporting, including critical inputs and the model used, which support the assertions surrounding completeness, compliance, and consistent application of the methodology • Testing the design and implementation of controls over the determination of the expected credit losses; • Testing the completeness and accuracy of loans and advances, and other financial assets included in the ECL calculations; • Obtaining an understanding of the internal rating models for financial assets to assess whether the rating model is appropriate; • Reviewing the appropriateness of the determination of a significant increase in credit risk and the resultant basis for classification of exposures into various stages; • For a sample of exposures, testing the appropriateness of the staging; • Testing the assumptions used in the ECL calculations and assessing for reasonability; • For a sample of exposures, testing the appropriateness of determining exposure at default and probability of default; • With the assistance of an auditor's specialist, performing an independent assessment on the appropriateness of the ECL model; • Evaluating the competence, capabilities, and objectivity of the auditor's expert by considering their professional qualifications, relevant experience, reputation, and independence; • Assessing the consistency of inputs and assumptions used by management to determine impairment provisions; and • Assessing whether the required disclosures have been included in the financial statements. We have considered the judgments, methodologies, and assumptions approved by the directors to be appropriate and the disclosures in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Independent Auditors' Report (Continued)

Key audit matters (continued)

Key audit matter	How the matter was addressed
Valuation of insurance contract liabilities and assets	
As detailed in notes 2.8 & 15, the Group carries significant insurance contract liabilities on its statement of financial position. As at 31 December 2025, the value of insurance contract liabilities was USD 17.4 million (2024: USD 11.2 million), and insurance contract assets amounted to USD 8.3 million (2024: USD 3.7 million). The determination of the insurance contract liabilities and assets is an area that makes use of significant qualitative and quantitative judgments and estimates due to the level of subjectivity inherent in the estimation of the occurrence and severity of insurable events that have occurred as at the end of the reporting period but not yet been reported to the Group as at the reporting period end. Because of the inherent susceptibility of insurance provisions to significant estimation uncertainty, we considered the liability for incurred claims to be a key audit matter.	In evaluating the valuation of the insurance contract liabilities and assets, our audit procedures incorporated the following: • Testing the design and implementation of key controls over the valuation processes, including the assessment and approval of the methods and assumptions adopted over the calculation of insurance contract liabilities and assets, as well as appropriate data access and management controls over the actuarial models; • Engaging our actuarial audit specialists to audit insurance contract liabilities and assets, being: • Identifying significant assumption changes through the engagement with management and challenging management's assumption changes, as well as assessing their impact on the financial statements; • Considering whether the proposed valuation assumptions are appropriate in light of group experience and the requirements of relevant accounting, regulatory, and actuarial standards; • Performing retrospective tests on key assumptions, reviewing management's experience investigations and analysis of surplus results to evaluate key actuarial inputs; • Considering consistency of approach to setting assumptions across segments; • Utilising audit tools to replicate management results; • Testing the adequacy and effectiveness of controls regarding the completeness and accurate transfer of policyholder data from policy administration systems to the actuarial systems, leveraging on management's key reconciliation controls; • Confirming that the actuarial data model extracts provided are those used as an input to the actuarial model and to the experience analysis tool; and We have considered the judgments, methodologies, and assumptions approved by the directors to be appropriate and the disclosures in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Independent Auditors' Report (Continued)

Key audit matters (continued)

Key audit matter	How the matter was addressed
Valuation of commercial properties	
The Group's commercial land and buildings and investment properties are measured at fair value, with changes in fair value recognised in profit or loss. As disclosed in Note 12 to the consolidated financial statements, the valuation of commercial property is determined using the income capitalisation approach. This valuation method involves significant judgement and estimation, particularly in determining key inputs such as rental income, vacancy rates, operating costs, capitalisation yields, and discount rates. These assumptions are sensitive to market conditions and may materially impact the valuation. In addition, the limitation of significant recent observable commercial property transactions results in additional judgements to valuations. Due to the subjectivity involved and the magnitude of the balance, commercial properties was considered a key audit matter.	Our audit procedures included, among others: • Evaluating the design and implementation of controls over the property valuation process; • Assessing the competence, independence, and objectivity of management's external valuation experts; • Involving our internal audit valuation specialists to assist in: i) Assessing the appropriateness of the income capitalisation methodology applied; ii) Independently evaluating key assumptions, including capitalisation yields, market rentals, and vacancy assumptions, by reference to available market data and comparable transactions; iii) Developing independent expectation ranges for selected key inputs and comparing these to those used by management; iv) Comparing key valuation inputs, including rental income and lease terms, to supporting lease agreements and other underlying documentation. • Assessing the mathematical accuracy of the valuation models used; and • Evaluating the adequacy and appropriateness of the disclosures in the financial statements in relation to valuation uncertainty and key assumptions. Based on the audit procedures performed, we found the valuation of the commercial properties to be in accordance with the relevant accounting standards, and management's estimates and judgements applied in determining the fair values to be reasonable and appropriate.

Other matter

The consolidated and separate financial statements of FBC Holdings Limited for the year ended 31 December 2024 were audited by KPMG Chartered Accountants (Zimbabwe), who expressed an unmodified opinion on those statements.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies and Other Business Entities Act (Chapter 24:31) and the Directors' Responsibility Statement, which we obtained before the date of this auditor's report. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

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

Independent Auditors' Report (Continued)

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies and Other Business Entities Act (Chapter 24:31), the Banking Act (Chapter 24:20), the Insurance Act (Chapter 24:07), the Microfinance Act (Chapter 24:29), the Building Society Act (Chapter 24:02) and the Securities and Exchange Act (Chapter 24:25) and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated & separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate 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 Group and/or the Company to cease to continue as a going concern.

Independent Auditors' Report (Continued)

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis to forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain responsible for the audit opinion.

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

We also provide Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In fulfilment of the requirements of Section 193 of the Companies and Other Business Entities Act (Chapter 24:31) ("the Act"), we report to the shareholders as follows:

Section 193(1) (a)

The consolidated and separate financial statements of the group and the company are properly drawn up in accordance with this Act so as to give a true and fair view of the state of the Group and the Company's affairs at the date of its consolidated and separate financial statements for the financial year ended 31 December 2025.

Section 193(2)

We have no matters to report in respect of Section 193(2) of the Act.

Axcentium

Axcentium
Per: Lawrence Nyajeka
Partner
Registered Auditor
PAAB Practice Certificate Number: 0598
Harare, Zimbabwe

31 March 2026

Consolidated Statement of Financial Position
As at 31 December 2025

	Note	31 Dec 2025 USD	31 Dec 2024 Restated* USD	1 Jan 2024** Restated* USD
ASSETS				
Balances with banks and cash	4	208 332 213	173 039 693	135 172 152
Financial assets at amortised cost	5.5	10 581 769	5 728 924	15 988 964
Loans and advances to customers	5.1	410 837 004	338 475 718	267 816 343
Trade and other receivables	5.2	206 765	7 097	123 860
Insurance contract assets	15	8 253 499	3 716 651	3 355 841
Reinsurance contract assets	15	5 379 563	4 417 702	3 357 447
Financial assets at fair value through profit or loss	6	46 355 316	44 992 489	20 588 441
Financial assets at fair value through other comprehensive income	7	6 006 234	6 611 728	203 358
Inventory	8	10 559 560	2 211 682	889 213
Prepayments and other assets	9	19 263 050	9 550 007	27 735 094
Current income tax asset		3 009 961	4 455 153	206 321
Deferred tax assets	17.3	3 558 044	4 250 192	143 019
Investment property	10	65 649 019	60 420 375	54 977 660
Intangible assets	11	384 362	422 163	376 939
Property and equipment	12	36 882 420	38 385 881	40 411 918
Right of use asset	26.3	2 227 311	803 376	633 780
Total assets		**837 486 090**	**697 488 831**	**571 980 350**
EQUITY AND LIABILITIES				
Liabilities				
Deposits from customers	13.1	482 728 515	291 863 138	171 496 744
Deposits from other banks	13.2	4 485 114	43 314 721	18 489 141
Borrowings	14	99 016 715	108 740 225	120 823 857
Insurance contract liabilities	15	17 358 751	11 167 970	12 350 588
Reinsurance contract liabilities	15	1 477 095	-	1 558 268
Trade and other payables	16	66 404 853	92 223 582	105 838 672
Current income tax liability		596 955	440 906	1 285 245
Deferred tax liability	17.3	6 759 044	17 542 715	20 616 580
Lease liability	26.3	1 792 538	872 842	557 968
Total liabilities		**680 619 580**	**566 166 099**	**453 017 063**
Equity				
Capital and reserves attributable to equity holders of the parent entity				
Share capital and share premium	18.3	2 435 558	2 435 558	2 435 558
Other reserves	19	44 423 799	44 758 806	36 755 745
Retained profits		109 809 663	83 941 074	79 638 917
Total equity, excluding non controlling interest		**156 669 020**	**131 135 438**	**118 830 220**
Non controlling interest in equity		197 490	187 294	133 067
Total equity		**156 866 510**	**131 322 732**	**118 963 287**
Total equity and liabilities		**837 486 090**	**697 488 831**	**571 980 350**

**The Group is presenting a statement of financial position as at 1 January 2024 to reflect the change in the presentation currency from ZWG to USD. Refer to Note 2.1 for further details.

*The prior period financial statements were previously reported in ZWG. The numbers were restated by converting to the Group's new presentation currency, USD. Further, the prior period amounts were restated as a result of prior period adjustment (refer to note 2.1 for further details).

The consolidated financial statements on pages 82 to 183 were authorised for issue by the board of directors on 31 March 2026 and were signed on its behalf.

Herbert Nkala
(Chairman)

Trynos Kufazvinei
(Group Chief Executive)

Tichaona K. Mabeza
(Company Secretary)

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2025

	Note	31 Dec 2025 USD	31 Dec 2024 Restated* USD
Interest income calculated using the effective interest method	20	86 743 135	77 064 085
Interest and related expense	20.1	(30 245 219)	(22 552 900)
Net interest related income		**56 497 916**	**54 511 185**
Fee and commission income	21	62 414 587	48 831 480
Fee and commission expense	21.1	(3 386 244)	(1 301 881)
Net fee and commission income		**59 028 343**	**47 529 599**
Revenue from property sales	22	1 710 096	-
Cost of property sales	22.1	(691 666)	-
Net income from property sales		**1 018 430**	**-**
Insurance revenue	23	33 363 221	24 572 975
Insurance service expense	26	(22 214 023)	(22 461 684)
Net revenue/(expenses) from reinsurance contracts	15.1	(6 997 989)	(3 983 481)
Insurance service result		**4 151 209**	**(1 872 190)**
Revenue		**120 695 898**	**100 168 594**
Net foreign currency dealing and trading income		10 872 575	83 324 217
Net gain from financial assets at fair value through profit or loss	24	1 020 121	36 735 237
Other operating income	25	12 012 941	(925 060)
Total other income		**23 905 637**	**119 134 394**
Total net income		**144 601 535**	**219 302 988**
Impairment allowance	5.4	(11 492 181)	(3 491 017)
Other operating expenses	26	(101 730 360)	(176 395 191)
Monetary loss		-	(22 339 960)
Profit before income tax		**31 378 994**	**17 076 820**
Income tax (expense)/credit	27.1	(1 005 810)	843 936
Profit for the year		**30 373 184**	**17 920 756**

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2025

	Note	31 Dec 2025 USD	31 Dec 2024 Restated* USD
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Loss on property revaluation		(438 534)	(4 495 328)
Related tax		197 404	913 076
Loss on financial assets at fair value through other comprehensive		(366 353)	(3 315 445)
Related tax		103 010	954 244
		(504 473)	**(5 943 453)**
Items that may be subsequently reclassified to profit or loss			
Foreign operations – foreign currency translation differences		(271 213)	13 836 945
		(271 213)	**13 836 945**
Total other comprehensive (loss)/income, net income tax		**(775 686)**	**7 893 492**
Total comprehensive income for the year		**29 597 498**	**25 814 248**
Profit attributable to:			
Equity holders of the parent		30 346 748	17 849 145
Non - controlling interest		26 436	71 611
Profit for the year		**30 373 184**	**17 920 756**
Total comprehensive income attributable to:			
Equity holders of the parent		29 566 041	25 760 021
Non - controlling interest		31 457	54 227
		29 597 498	**25 814 248**
Earnings per share (USD cents)			
Basic earnings per share	30.1	4.96	2.92
Diluted earnings per share	30.2	4.96	2.92
Headline earnings per share	30.3	5.03	2.93
Diluted headline earnings per share	30.4	5.03	2.93

* The prior period financial statements were previously reported in ZWG. The numbers were restated by converting to the Group's new presentation currency, USD. Further, the prior period amounts were restated as a result of prior period adjustment (refer to note 2.1 for further details).

Statement of Changes in Equity (USD)
For the year ended 31 December 2025

	Share Capital USD	Share Premium USD	Retained Profit USD	Translation reserve USD	Treasury shares USD	Non distributable Reserve USD	Revaluation Reserve USD	Financial assets at fair value reserve USD	Regulatory Provisions USD	Changes in Ownership USD	Total USD	Non controlling Interest USD	Total equity USD
Balance at 1 January 2024													
(as previously reported)	1 161	2 434 397	79 638 917	968 786	(4 237 315)	11 367 402	27 508 654	859 428	-	288 790	118 830 220	133 067	118 963 287
Profit for the period	-	-	17 849 145	-	-	-	-	-	-	-	17 849 145	71 611	17 920 756
Other comprehensive income											-		-
Loss on revaluation of property plant	-	-	-	-	-	-	(3 564 868)	-	-	-	(3 564 868)	(17 384)	(3 582 252)
Transfer from Regulatory Reserves	-	-	157 159	-	-	-	(157 159)	-	-	-	-	-	-
Transfers from revaluation reserve	-	-	(342 184)	-	-	-	-	-	342 184	-	-	-	-
Transfers to/(from) financial assets at fair value reserve													
Foreign operations – foreign translation differences	-	-	-	13 836 945	-	-	-	-	-	-	13 836 945	-	13 836 945
Loss on financial assets at fair value through OCI	-	-	-	-	-	-	-	(2 361 200)	-	-	(2 361 200)		(2 361 200)
Total other comprehensive income	**-**	**-**	**(185 025)**	**13 836 945**	**-**	**-**	**(3 722 027)**	**(2 361 200)**	**342 184**	**-**	**7 910 877**	**(17 384)**	**7 893 493**
Total comprehensive income	**-**	**-**	**17 664 120**	**13 836 945**	**-**	**-**	**(3 722 027)**	**(2 361 200)**	**342 184**	**-**	**25 760 022**	**54 227**	**25 814 249**
Transaction with owners													
Dividend paid	-	-	(13 361 963)	-	-	-	-	-	-	-	(13 361 963)	-	(13 361 963)
Share purchase	-	-	-	-	(92 841)	-	-	-	-	-	(92 841)	-	(92 841)
Shareholders' equity at 31 December 2024 restated*	**1 161**	**2 434 397**	**83 941 074**	**14 805 731**	**(4 330 156)**	**11 367 402**	**23 786 627**	**(1 501 772)**	**342 184**	**288 790**	**131 135 438**	**187 294**	**131 322 732**
Balance at 1 January 2025													
(as previously reported)	1 161	2 434 397	129 199 484	14 805 731	(4 330 156)	11 367 402	23 786 627	(1 501 772)	342 184	288 790	176 393 848	187 294	176 581 142
Prior period error*	-	-	(45 258 410)	-	-	-	-	-	-	-	(45 258 410)	-	(45 258 410)
Balance at 1 January 2025 restated	**1 161**	**2 434 397**	**83 941 074**	**14 805 731**	**(4 330 156)**	**11 367 402**	**23 786 627**	**(1 501 772)**	**342 184**	**288 790**	**131 135 438**	**187 294**	**131 322 732**
Profit for the period	-	-	30 346 748	-	-	-	-	-	-	-	30 346 748	26 436	30 373 184
Other comprehensive income													
Gain on revaluation of property plant													
and equipment net of tax	-	-	-	-	-	-	(246 151)	-	-	-	(246 151)	5 021	(241 130)
Transfers to/(from) revaluation reserve			131 175				(131 175)		-		-		-
Transfers to/(from) regulatory reserve			(143 582)						143 582		-		-
Foreign operations – foreign translation differences				(271 213)							(271 213)		(271 213)
Gain on financial assets at fair value through OCI	-	-	-	-	-	-	-	(263 343)	-	-	(263 343)	-	(263 343)
Total other comprehensive income	**-**	**-**	**(12 407)**	**(271 213)**	**-**	**-**	**(377 326)**	**(263 343)**	**143 582**	**-**	**(780 707)**	**5 021**	**(775 686)**
Total comprehensive income	**-**	**-**	**30 334 341**	**(271 213)**	**-**	**-**	**(377 326)**	**(263 343)**	**143 582**	**-**	**29 566 041**	**31 457**	**29 597 498**
Transaction with owners													
Share sale	-	-	-	-	2 635	430 658	-	-	-	-	433 293	-	433 293
Dividend paid	-	-	(4 465 752)	-	-	-	-	-	-	-	(4 465 752)	(21 261)	(4 487 013)
Shareholders' equity at 31 December 2025	**1 161**	**2 434 397**	**109 809 663**	**14 534 518**	**(4 327 520)**	**11 798 060**	**23 409 301**	**(1 765 115)**	**485 766**	**288 790**	**156 669 020**	**197 490**	**156 866 510**

* The prior period financial statements were previously reported in ZWG. The numbers were restated by converting to the Group's new presentation currency, USD. Further, the prior period amounts were restated as a result of prior period adjustment (refer to note 2.1 for further details).

Consolidated Statement of Cash Flows
For the year ended 31 December 2025

	Note	31 Dec 2025 USD	31 Dec 2024 Restated** USD
Cash flow from operating activities			
Profit before income tax		31 378 994	17 076 820
Adjustments for non cash items:			
Monetary loss		-	22 339 960
Depreciation	12	2 385 583	4 427 521
Amortisation charge	11	91 142	7 855
Credit impairment losses	5.4	11 492 181	3 491 017
Net unrealised exchange gains and losses		(1 850 161)	(25 694 354)
Fair value adjustment on investment property		(4 977 376)	10 671 443
Fair value adjustment on financial assets at fair value through profit or loss	24	(1 020 121)	(36 735 237)
Profit on disposal of property and equipment	25	388 129	41 453
Depreciation right of use asset	26.3	469 624	147 271
Interest on lease liability	26.3	196 229	90 922
Provisions**		3 426 764	24 414 663
Bargain loss		-	701 599
Net cash generated before changes in operating assets and liabilities		**41 980 988**	**20 980 933**
(Increase)/decrease in financial assets at amortised cost		(4 853 987)	14 879 794
(Increase)/decrease in loans and advances		(84 111 534)	170 291 185
(Increase)/decrease in trade and other receivables		(178 985)	561 035
(Increase)/decrease in insurance contract assets		(4 536 848)	2 376 106
(Increase)/decrease in reinsurance contract assets		(979 598)	690 590
(Increase)/decrease in financial assets at fair value through profit or loss		(236 435)	25 085 239
Decrease/(increase) in financial assets at fair value through other comprehensive income		239 141	(9 645 904)
Increase in inventory		(8 347 878)	(1 322 469)
(Increase)/decrease in prepayments and other assets		(9 959 996)	41 049 885
Decrease/(increase) in investment property		4 732	(7 479 192)
Increase/(decrease) in deposits from customers		191 113 705	(35 572 603)
Decrease in deposits from other banks		(38 525 765)	(14 007 328)
Increase/(decrease) in insurance contract liabilities		6 551 407	(2 056 113)
Increase/(decrease) in reinsurance contract liabilities		1 491 876	(1 558 268)
Decrease in trade and other payables		(28 474 309)	(73 295 577)
		61 176 514	**130 977 313**
Income tax paid		(9 287 165)	(11 852 911)
Interest on lease liability paid		(196 229)	(90 922)
Net cash generated from operating activities		**51 693 120**	**119 033 480**
Cash flows from investing activities			
Purchase of Subsidiary		-	18 890 994
Purchases of intangible assets	11	(53 341)	(53 079)
Purchase of property and equipment	12	(1 736 930)	(2 301 470)
Proceeds from sale of property and equipment		72 234	279 766
Net cash used in investing activities		**(1 718 037)**	**16 816 211**
Cash flows from financing activities			
Lease liability principal payments		(973 863)	(1 993)
Proceeds from borrowings	14	97 481 872	66 758 594
Repayment of borrowings	14	(107 462 701)	(141 155 737)
Dividend paid to company's shareholders		(4 465 752)	(13 361 963)
Dividends paid to non-controlling interests		(21 261)	-
Purchase of treasury shares		-	(92 841)
Sale of treasury shares		433 293	-
Net cash used in financing activities		**(15 008 412)**	**(87 853 940)**
Net increase in cash and cash equivalents		**34 966 671**	**47 995 751**
Cash and cash equivalents at beginning of the year		173 039 693	135 172 152
Effects of changes in exchange rates		325 849	134 941 869
Effects of inflation on cash and cash equivalents		-	(145,070,079)
Cash and cash equivalents at the end of year	4.2	**208 332 213**	**173 039 693**

* The prior period financial statements were previously reported in ZWG. The numbers were restated by converting to the Group's new presentation currency, USD. Further, the prior period amounts were restated as a result of prior period adjustment (refer to note 2.1 for further details).
**Provisions are comprised of staff related provisions

Notes to the Consolidated Financial Statements
For the year ended 31 December 2025

1 GENERAL INFORMATION
FBC Holdings Limited ("the Company") and its subsidiaries (together "the Group") provide a wide range of commercial banking, mortgage financing, micro lending, reinsurance, short-term insurance, and stockbrocking services.

The Company is a limited liability company, which is listed on the Zimbabwe Stock Exchange. The Company and its subsidiaries are incorporated and domiciled in Zimbabwe.

These consolidated financial statements were approved for issue by the Board of Directors on 26 March 2026.

2 MATERIAL ACCOUNTING POLICIES
The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied by the Group and the Company to all the years presented unless stated otherwise.

2.1 Basis of preparation
The Group's consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board, and International Financial Reporting Standards Interpretations Committee, ("IFRIC") interpretations, Banking Act (Chapter 24:20), Insurance Act (Chapter 24:07), Securities and Exchange Act (Chapter 24:25), Building Societies Act (Chapter 24:02), Microfinance Act (Chapter 24:29) and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

The consolidated financial statements have been prepared from statutory records that are maintained under the historical cost convention as modified by the revaluation of financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income , investment property and`property and equipment.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of financial statements in conformity with IFRS® requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the consolidated financial statements are disclosed in note 3.

Functional and presentation currency
Change in Functional currency
Over the past few years, there have been notable changes in monetary policy and exchange control measures that have had a positive impact on the Group's operations. In March 2020, SI 185 of 2020 "Exchange Control (Exclusive Use of Zimbabwe Dollar for Domestic Transactions) (Amendment) Regulations was pronounced introducing dual pricing and displaying, quoting, and offering of prices for goods and services in both local and foreign currency. In June 2022, SI 118A of 2022 "Presidential Powers (Temporary Measures) (Amendment of Exchange Control Act) Regulations, 2022" was entrenched into law allowing the multicurrency regime to continue till December 2025. In addition, on 27 October 2023, Statutory Instrument 218 of 2023 (SI 218/23) extended the settlement of transactions in foreign currency until 31 December 2030, providing the much-needed policy clarity on the continuation of the multi-currency regime, thereby enabling the Group to effectively underwrite long term products in foreign currency.

As a result of the above monetary and fiscal measures, the economy witnessed a substantial increase in foreign currency transactions. The Group, in line with market developments also experienced an increase in foreign currency transactional activity, deposits, and advances. Considering the foregoing, the Directors assessed as required by International Accounting Standard (IAS) 21, The Effects of Changes in Foreign Exchange Rates whether use of the Zimbabwe Gold as the functional currency remained appropriate. In assessing the functional currency, the Directors considered parameters set in IAS 21 as follows:
- The currency that mainly influences the sales prices for goods and services;
- The currency of the competitive forces and regulations that mainly determines the sales prices of goods and services;
- The currency that mainly influences labour, material, and other costs of providing goods and services (normally the currency in which such costs are denoted and settled);
- The currency in which funds from financing activities are generated; and the currency in which receipts from operating activities are usually retained.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.1 Basis of preparation (continued)

Based on this assessment, the Directors concluded that there has been a change in functional currency from Zimbabwe Gold ("ZWG") to United States Dollars ("USD") with effect from 1 January 2025. Following the change in functional currency, the Group applied the translation procedures applicable to the new functional currency prospectively in compliance with International Accounting Standard 29, Financial Reporting in Hyperinflation economies and International Accounting Standard 21, Effects of Changes in Foreign Exchange Rates, whereby 31 December 2024 inflation adjusted figures were translated to USD using the prevailing official exchange rate. The resultant balances were adopted as the opening USD balances for the current year.

Presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in the United States of America dollar ("USD"), which is the Group's presentation currency as at year end 31 December 2025. All the Group's subsidiaries operate in Zimbabwe and have the United States of America dollar ('USD') as their functional and presentation currency as at year end 31 December 2025. The change in presentation currency has been applied retrospectively in accordance with IAS 8.

Prior period adjustment

During the year, management rebased truncated transactions within the FBC Bank Limited's core banking system relating to the ZWL to ZWG conversions that occurred in the 2024 financial reporting year. The financial impact of this rebasing should have been accounted for in the comparative period. Management considers the adjustment to be material to the comparative period and has accordingly adjusted the financial statements in accordance with IFRS Accounting Standards. The adjustment has been applied retrospectively. Comparative figures for the year ended 31 December 2024 have been restated. This adjustment impacts the following 2024 financial statements line items; Fee and commission income (reduction of USD 60 954 086), income tax expense (reduction of deferred tax charge of USD 15 695 677), Prepayments and other assets (reduction of USD 60 954 086), deferred tax liability (decrease of USD 15 695 677), profit or loss and retained earnings (reduction of USD 45 258 410) and basic earnings per share (reduction of 7.41 cents per share).

2.1.1 Changes in accounting policy and disclosures
2.1.1.1 New or revised Standards or Interpretations

New Standards adopted as at 1 January 2025

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

Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Group At the date of authorisation of these consolidated financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB or IFRIC. None of these Standards or amendments to existing Standards have been adopted early by the Group and no Interpretations have been issued that are applicable and need to be taken into consideration by the Group at either reporting date.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 'Presentation of Financial Statements'. Although IFRS 18 includes many of the requirements of IAS 1, it introduces new requirements to better structure financial statements and to provide more detailed and useful information to investors, including:
- two new subtotals defined in the statement of profit or loss, namely (1) operating profit and (2) profit or loss before financing and income taxes
- the classification of all income and expenses within the statement of profit or loss in one of five categories
- a new requirement to disclose performance measures defined by management, and
- an improvement in the principles related to the aggregation and disaggregation of information in the financial statements and accompanying notes.

Some of the disclosure requirements previously contained in IAS 1 have been transferred to IAS 8 without any material changes. This applies in particular to disclosures on accounting policies and sources of estimation uncertainty. As a result of these changes, IAS 8 will be renamed 'Basis of Preparation of Financial Statements'.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (continued)

The publication of IFRS 18 also results in consequential amendments to other IFRS Accounting Standards, including IAS 7.

IFRS 18 is effective for annual periods beginning on or after 1 January 2027, with earlier application permitted. IFRS 18 will be applied retrospectively with specific transitional provisions. The Group is currently working to identify all of the impacts that IFRS 18 will have on the primary financial statements and notes to the financial statements.

Other new Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's consolidated financial statements.

2.1.2 Going concern

The Group and Company's forecasts and projections, taking into account reasonably possible changes in trading environment and performance, show that the Group and Company should be able to operate within the level of its current financing. After a detailed assessment, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

As at the end of February 2026, our Group and Company's operations were in line with the Budget and had adequate liquidity for operations. The Group and Company is leveraging on its Group financial position which had adequate cash resources as at the end of February 2026 to preserve its financial flexibility in the uncertain environment.

The Group and Company therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

2.1.3 Use of judgements and estimates

Information about assumptions and estimation uncertainties at 31 December 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Impairment of financial assets, note 3.1
- Insurance contracts, note 2.8 and note 15
- Inventory valuation, note 3.3
- Investment property and property and equipment valuation, note 3.4
- Valuation of unlisted equities, note 3.5
- Gain or loss on the monetary position, note 3.6

2.2 Basis of consolidation

(a) Subsidiaries

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus their share of subsequent changes in equity.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or loses arising from such remeasurement are recognised through profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.2 Basis of consolidation (continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income. There were no business combinations in the current year.

(b) Subsidiaries

The consolidated financial statements combine the financial statements of FBC Holdings Limited ("the Company") and all its subsidiaries. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(c) Non controlling interest

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

(d) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity within "changes in ownership reserve". Gains or losses on disposals to non-controlling interests are also recorded in equity within "changes in ownership reserve".

(e) Loss in control

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(f) Transactions eliminated on consolidation

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Unrealised profits or losses are also eliminated.

(g) Separate financial statements of the Company

The Company recognises investments in subsidiaries at cost, less accumulated impairment allowances in the separate financial statements of the Company.

(h) Transactions under common control

Accounting basis

The Group applies the predecessor accounting method (pooling of interests) to account for transactions under common control.

Recognition and Measurement

Assets and liabilities acquired are recognised at their existing carrying amounts as recorded in the financial statements of the transferring entity.

No fair value adjustments are made.

No goodwill or gain on bargain purchase is recognised.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation (continued)

Consideration and Equity Treatment

Any difference between:

the consideration transferred, and
the net assets received
is recognised directly in equity.

This difference is recorded in a separate reserve (e.g., common control reserve or merger reserve) and is not recycled to profit or loss.

Comparative Information

The Group presents comparative information as if the combination had occurred from the beginning of the earliest period presented, where practicable. If restatement is not practicable, disclosures are provided explaining the treatment.

Date of Transaction

The transaction is recorded from the date control is transferred within the group, or from the beginning of the reporting period, depending on Group policy consistency.

2.3 Segment reporting

An operating segment is a distinguishable component of the Group that is engaged in business activities from which it earns revenues and incurs expenses (including revenues and expenses relating to transactions with other components of the entity); whose operating results are reviewed regularly by the entity's chief operating decision maker ("CODM") to make decisions about resources to be allocated to the segment and to assess its performance; and for which discrete financial information is available.

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

The Group's operating segments have been aggregated based on the nature of the products and services on offer and the nature of the regulatory environment. The CODM is responsible for allocating resources and assessing performance of the operating segments. In accordance with IFRS 8, Operating segments, the Group has the following business segments: commercial banking, microlending, mortgage financing, reinsurance, short-term insurance, insurance broking and stockbroking.

2.3.1 Commercial banking

The principal activities of this segment consist of dealing in the money and foreign exchange markets, retail, corporate and international banking and corporate finance.

2.3.2 Microlending

The principal activities of this segment consist of short-term lending to the informal market.

2.3.3 Mortgage financing

The principal activities of this segment consist of housing development, mortgage lending, savings deposit accounts and other money market investment products.

2.3.4 Reinsurance

The principal activities of this segment consist of underwriting the following classes of reinsurance business; fire, engineering, motor, miscellaneous accident classes and marine.

2.3.5 Short - term insurance

The principal activities of this segment consist of underwriting the following classes of insurance business; fire, engineering, motor, miscellaneous accident classes and marine.

2.3.6 Stockbroking

The principal activities of this segment consist of dealing in the equities market and offering advisory services.

2.3.7 Microlending

The principal activities of this segment consist of insurance products broking.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.4 Foreign currency translation

i) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges. Economic hedging is applied where hedging is being referred to in these financial statements.

Foreign exchange gains or losses are presented in the statement of profit or loss within 'net foreign currency dealing and trading income'.

Changes in the fair value of monetary securities denominated in foreign currency classified as financial assets at fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non monetary financial assets, such as equities classified as fanacial assets at fair value through other comprehensive income, are included in other comprehensive income.

ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into USD at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into USD at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, then the relevant proportion of the cumulative amount is reattributed to NCI.

2.5 Financial assets and liabilities

2.5.1 Financial assets Classification

Financial instruments include cash and cash equivalents, loans and advances to customers, financial investments, investment securities, derivative assets and liabilities, financial assets and liabilities included in other assets and liabilities, deposits and current accounts. All financial instruments are initially recognised at fair value plus directly attributable transaction costs, except those carried at fair value through profit or loss where transaction costs are recognised immediately in profit or loss.

Equity financial assets which are not held for trading and are irrevocably elected (on an instrument-by instrument basis) to be presented at fair value through OCI. The Group has an equity investments in Zimbabwe Stock Exchange and Turnall Holdings which are measured at fair value through OCI.

i. Recognition and initial measurement

The Group initially recognises loans and advances, deposits, debt securities issued and subordinated liabilities on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of that transaction.

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument at initial recognition is generally its transaction price.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.5 Financial assets and liabilities (continued)
ii. Classification

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
— the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
— the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:
— the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
— the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

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

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The informationb considered includes:

— the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
— how the performance of the portfolio is evaluated and reported to the Group's management;
— the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
— how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
— the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

The Group's retail and corporate banking business comprises primarily loans to customers that are held for collecting contractual cash flows. In the retail business the loans comprise mortgages, overdrafts, unsecured personal lending and credit card facilities. Sales of loans from these portfolios are very rare.

Certain debt securities are held by the Group Central Treasury in a separate portfolio for long-term yield. These securities may be sold, but such sales are not expected to be more than infrequent. The Group considers that these securities are held within a business model whose objective is to hold assets to collect the contractual cash flows.

Certain other debt securities are held by the Group Central Treasury in separate portfolios to meet everyday liquidity needs. The Group Central Treasury seeks to minimise the costs of managing these liquidity needs and therefore actively manages the return on the portfolio. That return consists of collecting contractual cash flows as well as gains and losses from the sale of financial assets. The investment strategy often results in sales activity that is significant in value. The Group considers that these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.5 Financial assets and liabilities (continued)

The Group originates certain loans and advances to customers and investment securities for sale to securitisation vehicles that are not consolidated by the Group. Such financial assets are held within a business model whose objective is to realise cash flows through sale.

Certain non-trading loans and advances to customers held by the Group's investment banking business and debt securities held by the Group Central Treasury are managed with an objective of realising cash flows through sale. The Group primarily focuses on fair value information and uses that information to assess the asset's performance and to make decisions.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

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

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:
— contingent events that would change the amount and timing of cash flows;
— leverage features;
— prepayment and extension terms;
— terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse loans); and
— features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

The Group holds a portfolio of long-term fixed-rate loans for which the Group has the option to propose to revise the interest rate at periodic reset dates. These reset rights are limited to the market rate at the time of revision. The borrowers have an option to either accept the revised rate or redeem the loan at par without penalty. The Group has determined that the contractual cash flows of these loans are SPPI because the option varies the interest rate in a way that is consideration for the time value of money, credit risk, other basic lending risks and costs associated with the principal amount outstanding.

Equity instruments have contractual cash flows that do not meet the SPPI criterion. Accordingly, all such financial assets are measured at FVTPL unless the FVOCI option is selected

Non-recourse loans

In some cases, loans made by the Group that are secured by collateral of the borrower limit the Group's claim to cash flows of the underlying collateral (non-recourse loans). The Group applies judgement in assessing whether the non-recourse loans meet the SPPI criterion. The Group typically considers the following information when making this judgement:

— whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
— the fair value of the collateral relative to the amount of the secured financial asset;
— the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
— whether the borrower is an individual or a substantive operating entity or is a special-purpose entity;
— the Group's risk of loss on the asset relative to a full-recourse loan;
— the extent to which the collateral represents all or a substantial portion of the borrower's assets; and
— whether the Group will benefit from any upside from the underlying assets.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.5 Financial assets and liabilities (continued)
Contractually linked instruments

The Group has some investments in securitisations (see Note 38) that are considered contractually linked instruments. Contractually linked instruments each have a specified subordination ranking that determines the order in which any cash flows generated by the pool of underlying investments are allocated to the instruments. Such an instrument meets the SPPI criterion only if all of the following conditions are met:

— the contractual terms of the instrument itself give rise to cash flows that are SPPI without looking through to the underlying pool of financial instruments;
— the underlying pool of financial instruments (i) contains one or more instruments that give rise to cash flows that are SPPI; and (ii) may also contain instruments, such as derivatives, that reduce the cash flow variability of the instruments under (i) and the combined cash flows (of the instruments under (i) and (ii)) give rise to cash flows that are SPPI; or align the cash flows of the contractually linked instruments with the cash flows of the pool of underlying instruments under (i) arising as a result of differences in whether interest rates are fixed or floating or the currency or timing of cash flows; and
— the exposure to credit risk inherent in the contractually linked instruments is equal to or less than the exposure to credit risk of the underlying pool of financial instruments.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets.

iii. Derecognition

Financial assets

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

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain or loss recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in profit or loss on derecognition of such securities, as explained in. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability. The Group enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

When assets are sold to a third party with a concurrent total return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and repurchase transactions, because the Group retains all or substantially all of the risks and rewards of ownership of such assets.

In transactions in which the Group neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset. In certain transactions, the Group retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract if the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

The Group securitises various loans and advances to customers and investment securities, which generally result in the sale of these assets to unconsolidated securitisation vehicles and in the Group transferring substantially all of the risks and rewards of ownership. The securitisation vehicles in turn issue securities to investors. Interests in the securitised financial assets are generally retained in the form of senior or subordinated tranches, or other residual interests (retained interests). Retained interests are recognised as investment securities and measured as explained.

Notes to the Consolidated Financial Statements (Continued)

For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Financial assets and liabilities (continued)

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

iv. Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, then the Group evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised (see (iii)) and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

— fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and

— other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Group plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Group first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and modification fees received adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest rate method.

Financial liabilities

The Group derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification.a Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

v. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

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

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.5 Financial assets and liabilities (continued)

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

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

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Group on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for the particular risk exposure. Portfolio-level adjustments – e.g. bid-ask adjustment or credit risk adjustments that reflect the measurement on the basis of the net exposure – are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

vi. Impairment

The Group recognises loss allowances for ECL on the following financial instruments that are not measured at FVTPL:
— financial assets at amortised cost;
— lease receivables;
— financial guarantee contracts issued; and
— loan commitments issued.
No impairment loss is recognised on equity investments

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:
— debt investment securities that are determined to have low credit risk at the reporting date; and
— other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Group does not apply the low credit risk exemption to any other financial instruments.

12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which 12-month ECL are recognised are referred to as 'Stage 1 financial instruments'. Financial instruments allocated to Stage 1 have not undergone a significant increase in credit risk since initial recognition and are not credit-impaired.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Financial assets and liabilities (continued)

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument or the maximum contractual period of exposure. Financial instruments for which lifetime ECL are recognised but that are not credit-impaired are referred to as ‘Stage 2 financial instruments’. Financial instruments allocated to Stage 2 are those that have experienced a significant increase in credit risk since initial recognition but are not credit-impaired.

Financial instruments for which lifetime ECL are recognised and that are credit-impaired are referred to as ‘Stage 3 financial instruments’.

Determining a significant increase in credit risk since initial recognition:
The Group assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. The credit risk of an exposure is considered to have significantly increased when:

i) Quantitative test
The annualised lifetime PD has increased by more than an agreed threshold relative to the equivalent at origination. PD deterioration thresholds are defined as percentage increases, and are set at an origination score band and segment level to ensure the test appropriately captures significant increases in credit risk at all risk levels. Generally, thresholds are inversely correlated to the origination PD, i.e. as the origination PD increases, the threshold value reduces.

The assessment of the point at which a PD increase is deemed ‘significant’, is based upon analysis of the portfolios’ risk profile against a common set of principles and performance metrics (consistent across both retail and wholesale businesses), incorporating expert credit judgement where appropriate.

ii) Qualitative test
Relevant for accounts that meet the portfolio’s ‘high risk’ criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress. The definition and assessment of high risk includes as wide a range of information as reasonably available, such as industry and Group-wide customer level data, including but not limited to bureau scores and high consumer indebtedness index, wherever possible or relevant.

Whilst the high risk populations applied for IFRS 9 impairment purposes are aligned with risk management processes, they are also regularly reviewed and validated to ensure that they capture any incremental segments where there is evidence of credit deterioration.

iii) Backstop criteria
Relevant for accounts that are more than 30 calendar days past due. The 30 days past due criteria is a backstop rather than a primary driver of moving exposures into Stage 2.

Exposures will move back to Stage 1 once they no longer meet the criteria for a significant increase in credit risk. This means that, at a minimum: all payments must be up-to-date, the PD deterioration test is no longer met, the account is no longer classified as high risk, and the customer has evidenced an ability to maintain future payments.

Measurement of ECL
ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows. Estimated future cashflows are determined on the basis of recovery rates, the identification of impaired assets and the estimation of impairment, market values and estimated time and cost to sell collateral.
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.5 Financial assets and liabilities (continued)

When discounting future cash flows, the following discount rates are used:
- financial assets other than purchased or originated credit-impaired (POCI) financial assets and lease receivables: the original effective interest rate or an approximation thereof;
- POCI assets: a credit-adjusted effective interest rate;
- lease receivables: the discount rate used in measuring the lease receivable;
- undrawn loan commitments: the effective interest rate, or an approximation thereof, that will be applied to the financial asset resulting from the loan commitment; and
- financial guarantee contracts issued: the rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised (see (iv)) and ECL are measured as follows.

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost, debt financial assets carried at FVOCI and finance lease receivables are credit impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past-due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Group considers the following factors.
- The market's assessment of creditworthiness as reflected in bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

POCI financial assets

POCI financial assets are assets that are credit-impaired on initial recognition. For POCI assets, lifetime ECL are incorporated into the calculation of the effective interest rate on initial recognition. Consequently, POCI assets do not carry an impairment allowance on initial recognition. The amount recognised as a loss allowance subsequent to initial recognition is equal to the changes in lifetime ECL since initial recognition of the asset.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Financial assets and liabilities (continued)

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

— financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;

— loan commitments and financial guarantee contracts: generally, as a provision;

— where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and

— debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in retained earnings.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are recognised when cash is received and are included in 'impairment losses on financial instruments' in the statement of profit or loss and OCI.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Financial guarantee contracts held

The Group assesses whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately. The factors that the Group considers when making this assessment include whether:

— the guarantee is implicitly part of the contractual terms of the debt instrument;

— the guarantee is required by laws and regulations that govern the contract of the debt instrument;

— the guarantee is entered into at the same time as and in contemplation of the debt instrument; and

— the guarantee is given by the parent of the borrower or another company within the borrower's group.

The Group assesses whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately. The factors that the Group considers when making this assessment include whether:

— the guarantee is implicitly part of the contractual terms of the debt instrument;

— the guarantee is required by laws and regulations that govern the contract of the debt instrument;

— the guarantee is entered into at the same time as and in contemplation of the debt instrument; and

— the guarantee is given by the parent of the borrower or another company within the borrower's group.

If the Group determines that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Group considers the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

If the Group determines that the guarantee is not an integral element of the debt instrument, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired. These assets are recognised in 'other assets'. The Group presents a gains or losses on a compensation right in profit or loss in the line item 'impairment allowance on financial instruments'.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.5 Financial assets and liabilities (continued)
viii. Designation at fair value through profit or loss

Financial assets

On initial recognition, the Group has designated certain financial assets as at FVTPL because this designation eliminates or significantly reduces an accounting mismatch, that would otherwise arise.

Financial liabilities

The Group has designated certain financial liabilities as at FVTPL in either of the following circumstances:

— the liabilities are managed, evaluated and reported internally on a fair value basis; or

— the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2.5.2 Deposits from customers and other banks
Customer deposits and deposits from other banks are recognized initially at fair value, net of transaction costs incurred. Deposits are subsequently shown at amortised costs using the effective interest method.

2.5.3 Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

2.5.4 Financial guarantees
A financial guarantee contract is a contract that requires the Group (issuer) to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are initially recognised at fair value, which is generally equal to the premium received, and then amortised over the life of the financial guarantee. Financial guarantee contracts (that are not designated at fair value through profit or loss) are subsequently measured at the higher of the:

• ECL calculated for the financial guarantee

• unamortised premium.

2.5.5 Settlement of Financial assets and liabilities
If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

2.6 Balances with other banks and cash
Cash and bank balances include cash on hand, deposits held at call with other banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown as liabilities. Cash and bank balances are carried at amortised cost in the statement of financial position.

2.7 Trade and other receivables
Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Insurance contracts

Insurance and reinsurance contracts – Classification

Contracts under which the Group accepts significant insurance risk are classified as insurance contracts. Contracts held by the Group under which it transfers significant insurance risk related to underlying insurance contracts are classified as reinsurance contracts. Insurance and reinsurance contracts also expose the Group to financial risk.

Insurance contracts may be issued and reinsurance contracts may be initiated by the Group, or they may be acquired in a business combination or in a transfer of contracts that do not form a business. All references in these accounting policies to ‘insurance contracts’ and ‘reinsurance contracts’ include contracts issued, initiated or acquired by the Group, unless otherwise stated.

Some contracts entered into by the Group have the legal form of insurance contracts but do not transfer significant insurance risk. These contracts are classified as financial liabilities and are referred to as ‘financial guarantees’. Insurance contracts are classified as direct participating contracts or contracts without direct participation features. Direct participating contracts are contracts for which, at inception:

— the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
— the Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
— the Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

All other insurance contracts and all reinsurance contracts are classified as contracts without direct participation features. Some of these contracts are measured under the PAA (Premium Allocation Approach).

i. Separating components from insurance and reinsurance contracts

At inception, the Group separates the following components from an insurance or reinsurance contract and accounts for them as if they were stand-alone financial instruments:

— derivatives embedded in the contract whose economic characteristics and risks are not closely related to those of the host contract, and whose terms would not meet the definition of an insurance or reinsurance contract as a stand-alone instrument; and
— distinct investment components: i.e. investment components that are not highly inter-related with the insurance components and for which contracts with equivalent terms are sold, or could be sold, separately in the same market or the same jurisdiction.

After separating any financial instrument components, the Group separates any promises to transfer to policyholders distinct goods or services other than insurance coverage and investment services and accounts for them as separate contracts with customers (i.e. not as insurance contracts). A good or service is distinct if the policyholder can benefit from it either on its own or with other resources that are readily available to the policyholder. A good or service is not distinct and is accounted for together with the insurance component if the cash flows and risks associated with the good or service are highly inter-related with the cash flows and risks associated with the insurance component, and the Group provides a significant service of integrating the good or service with the insurance component.

ii. Aggregation and recognition of insurance and reinsurance contracts

Insurance contracts

Insurance contracts are aggregated into groups for measurement purposes. Groups of insurance contracts are determined by identifying portfolios of insurance contracts, each comprising contracts subject to similar risks and managed together, and dividing each portfolio into annual cohorts (i.e. by year of issue) and each annual cohort into three groups based on the profitability of contracts:

— any contracts that are onerous on initial recognition;
— any contracts that, on initial recognition, have no significant possibility of becoming onerous subsequently; and
— any remaining contracts in the annual cohort.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Insurance contracts (continued)

Contracts within a portfolio that would fall into different groups only because law or regulation specifically constrains the Group's practical ability to set a different price or level of benefits for policyholders with different characteristics are included in the same group. An insurance contract issued by the Group is recognised from the earliest of:
— the beginning of its coverage period (i.e. the period during which the Group provides services in respect of any premiums within the boundary of the contract);
— when the first payment from the policyholder becomes due or, if there is no contractual due date, when it is received from the policyholder; and
— when facts and circumstances indicate that the contract is onerous.

An insurance contract acquired in a transfer of contracts or a business combination is recognised on the date of acquisition. When the contract is recognised, it is added to an existing group of contracts or, if the contract does not qualify for inclusion in an existing group, it forms a new group to which future contracts are added. Groups of contracts are established on initial recognition and their composition is not revised once all contracts have been added to the group.

Reinsurance contracts

Groups of reinsurance contracts are established such that each group comprises a single contract. Some reinsurance contracts provide cover for underlying contracts that are included in different groups. However, the Group concludes that the reinsurance contract's legal form of a single contract reflects the substance of the Group's contractual rights and obligations, considering that the different covers lapse together and are not sold separately. As a result, the reinsurance contract is not separated into multiple insurance components that relate to different underlying groups. A group of reinsurance contracts is recognised on the following date.
— Reinsurance contracts initiated by the Group that provide proportionate coverage: The date on which any underlying insurance contract is initially recognised. This applies to the Group's quota share reinsurance contracts.
— Other reinsurance contracts initiated by the Group: The beginning of the coverage period of the group of reinsurance contracts. However, if the Group recognises an onerous group of underlying insurance contracts on an earlier date and the related reinsurance contract was entered into before that earlier date, then the group of reinsurance contracts is recognised on that earlier date. This applies to the Group's excess of loss and stop loss reinsurance contracts.
— Reinsurance contracts acquired: The date of acquisition.

iii. Insurance acquisition cash flows

Insurance acquisition cash flows are allocated to groups of insurance contracts using a systematic and rational method and considering, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort. If insurance acquisition cash flows are directly attributable to a group of contracts (e.g. nonrefundable commissions paid on issuance of a contract), then they are allocated to that group and to the groups that will include renewals of those contracts. The allocation to renewals only applies to non-life contracts and certain term assurance and medical cover contracts that have a one-year coverage period. The Group expects to recover part of the related insurance acquisition cash flows through renewals of these contracts. The allocation to renewals is based on the manner in which the Group expects to recover If insurance acquisition cash flows are directly attributable to a portfolio but not to a group of contracts, then they are allocated to groups in the portfolio using a systematic and rational method.

Insurance acquisition cash flows arising before the recognition of the related group of contracts are recognised as an asset. Insurance acquisition cash flows arise when they are paid or when a liability is required to be recognised under a standard other than IFRS 17. Such an asset is recognised for each group of contracts to which the insurance acquisition cash flows are allocated. The asset is derecognised, fully or partially, when the insurance acquisition cash flows are included in the measurement of the group of contracts.

When the Group acquires insurance contracts in a transfer of contracts or a business combination, at the date of acquisition it recognises an asset for insurance acquisition cash flows at fair value for the rights to obtain:
— renewals of contracts recognised at the date of acquisition; and
— other future contracts after the date of acquisition without paying again insurance acquisition cash flows that the acquiree has already paid.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.8 Insurance contracts (continued)

At each reporting date, the Group revises the amounts allocated to groups to reflect any changes in assumptions that determine the inputs to the allocation method used. Amounts allocated to a group are not revised once all contracts have been added to the group.

Recoverability assessment

At each reporting date, if facts and circumstances indicate that an asset for insurance acquisition cash flows may be impaired, then the Group:

a. recognises an impairment loss in profit or loss so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group; and

b. if the asset relates to future renewals, recognises an impairment loss in profit or loss to the extent that it expects those insurance acquisition cash flows to exceed the net cash inflow for the expected renewals and this excess has not already been recognised as an impairment loss under (a). The Group reverses any impairment losses in profit or loss and increases the carrying amount of the asset to the extent that the impairment conditions have improved.

iv. Contract boundaries

The measurement of a group of contracts includes all of the future cash flows within the boundary of each contract in the group, determined as follows.

Insurance contracts

Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group can compel the policyholder to pay premiums or has a substantive obligation to provide services (including insurance coverage and any investment services).

A substantive obligation to provide services ends when:

— the Group has the practical ability to reassess the risks of the particular policyholder and can set a price or level of benefits that fully reflects those reassessed risks; or

— the Group has the practical ability to reassess the risks of the portfolio that contains the contract and can set a price or level of benefits that fully reflects the risks of that portfolio, and the pricing of the premiums up to the reassessment date does not take into account risks that relate to periods after the reassessment date.

The reassessment of risks considers only risks transferred from policyholders to the Group, which may include both insurance and financial risks, but exclude lapse and expense risks.

Reinsurance contracts

Cash flows are within the contract boundary if they arise from substantive rights and obligations that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or has a substantive right to receive services from the reinsurer.

A substantive right to receive services from the reinsurer ends when the reinsurer:

— has the practical ability to reassess the risks transferred to it and can set a price or level of benefits that fully reflects those reassessed risks; or

— has a substantive right to terminate the coverage.

The contract boundary is reassessed at each reporting date to include the effect of changes in circumstances on the Group's substantive rights and obligations and, therefore, may change over time.

v. Measurement – Contracts not measured under the PAA

Insurance contracts – Initial measurement

On initial recognition, the Group measures a group of insurance contracts as the total of

(a) the fulfillment cash flows, which comprise estimates of future cash flows, adjusted to reflect the time value of money and the associated financial risks, and a risk adjustment for non-financial risk; and

(b) the CSM. The fulfillment cash flows of a group of insurance contracts do not reflect the Group's non-performance risk.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.8 Insurance contracts (continued)

The risk adjustment for non-financial risk for a group of insurance contracts, determined separately from the other estimates, is the compensation required for bearing uncertainty about the amount and timing of the cash flows that arises from non-financial risk.
The CSM of a group of insurance contracts represents the unearned profit that the Group will recognise as it provides services under those contracts. On initial recognition of a group of insurance contracts, if the total of (a) the fulfilment cash flows, (b) any cash flows arising at that date and (c) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group (including assets for insurance acquisition cash flows under (iii)) is a net inflow, then the group is not onerous. In this case, the CSM is measured as the equal and opposite amount of the net inflow, which results in no income or expenses arising on initial recognition.

For groups of contracts acquired in a transfer of contracts or a business combination, the consideration received for the contracts is included in the fulfilment cash flows as a proxy for the premiums received at the date of acquisition. In a business combination, the consideration received is the fair value of the contracts at that date.

If the total is a net outflow, then the group is onerous. In this case, the net outflow is recognised as a loss in profit or loss, or as an adjustment to goodwill or a gain on a bargain purchase if the contracts are acquired in a business combination (see (A)(i)). A loss component is created to depict the amount of the net cash outflow, which determines the amounts that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue (see (viii)).

Insurance contracts – Subsequent measurement
The carrying amount of a group of insurance contracts at each reporting date is the sum of the liability for remaining coverage and the liability for incurred claims. The liability for remaining coverage comprises (a) the fulfilment cash flows that relate to services that will be provided under the contracts in future periods and (b) any remaining CSM at that date. The liability for incurred claims includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

The fulfilment cash flows of groups of insurance contracts are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. Changes in fulfilment cash flows are recognised as follows.

Changes relating to future services
Adjusted against the CSM (or recognised in the insurance service result in profit or loss if the group is onerous).

Changes relating to current or past services
Recognised in the insurance service result in profit or loss.
Effects of the time value of money, financial risk and changes therein on estimated future cash flows Recognised as insurance finance income or expenses. The CSM of each group of contracts is calculated at each reporting date as follows.

Insurance contracts without direct participation features
The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:
— the CSM of any new contracts that are added to the group in the year;
— interest accreted on the carrying amount of the CSM during the year, measured at the discount rates on nominal cash flows that do not vary based on the returns on any underlying items determined on initial recognition;
— changes in fulfilment cash flows that relate to future services, except to the extent that:
  - any increases in the fulfilment cash flows exceed the carrying amount of the CSM, in which case the excess is recognised as a loss in profit or loss and creates a loss component (see (viii)); or
  - any decreases in the fulfilment cash flows are allocated to the loss component, reversing losses previously recognised in profit or loss (see (viii));
— the effect of any currency exchange differences on the CSM; and
— the amount recognised as insurance revenue because of the services provided in the year (see (viii)). Changes in fulfilment cash flows that relate to future services comprise:
— experience adjustments arising from premiums received in the year that relate to future services and related cash flows, measured at the discount rates determined on initial recognition;

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.8 Insurance contracts (continued)

— changes in estimates of the present value of future cash flows in the liability for remaining coverage, measured at the discount rates determined on initial recognition, except for those that arise from the effects of the time value of money, financial risk and changes therein;
— differences between (a) any investment component expected to become payable in the year, determined as the payment expected at the start of the year plus any insurance finance income or expenses (see (viii)) related to that expected payment before it becomes payable; and (b) the actual amount that becomes payable in the year;
— differences between any loan to a policyholder expected to become repayable in the year and the actual amount that becomes repayable in the year; and
— changes in the risk adjustment for non-financial risk that relate to future services.

Changes in discretionary cash flows are regarded as relating to future services and accordingly adjust the CSM

Direct participating contracts

Direct participating contracts (see (D)) are contracts under which the Group's obligation to the policyholder is the net of:
— the obligation to pay the policyholder an amount equal to the fair value of the underlying items; and
— a variable fee in exchange for future services provided by the contracts, being the amount of the Group's share of the fair value of the underlying items less fulfilment cash flows that do not vary based on the returns on underlying items. The Group provides investment services under these contracts by promising an investment return based on underlying items, in addition to insurance coverage.

When measuring a group of direct participating contracts, the Group adjusts the fulfilment cash flows for the whole of the changes in the obligation to pay policyholders an amount equal to the fair value of the underlying items. These changes do not relate to future services and are recognised in profit or loss. The Group then adjusts any CSM for changes in the amount of the Group's share of the fair value of the underlying items, which relate to future services, as explained below.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:
— the CSM of any new contracts that are added to the group in the year;
— the change in the amount of the Group's share of the fair value of the underlying items and changes in fulfilment cash flows that relate to future services, except to the extent that:
  - the Group has applied the risk mitigation option to exclude from the CSM changes in the effect of financial risk on the amount of its share of the underlying items or fulfilment cash flows;
  - a decrease in the amount of the Group's share of the fair value of the underlying items, or an increase in the fulfilment cash flows that relate to future services, exceeds the carrying amount of the CSM, giving rise to a loss in profit or loss (included in insurance service expenses) and creating a loss component (see (viii)); or
  - an increase in the amount of the Group's share of the fair value of the underlying items, or a decrease in the fulfilment cash flows that relate to future services, is allocated to the loss component, reversing losses previously recognised in profit or loss (included in insurance service expenses) (see (viii));
— the effect of any currency exchange differences on the CSM; and
— the amount recognised as insurance revenue because of the services provided in the year (see (viii)).

Changes in fulfilment cash flows that relate to future services include the changes relating to future services specified above for contracts without direct participation features (measured at current discount rates) and changes in the effect of the time value of money and financial risks that do not arise from underlying items – e.g. the effect of financial guarantees.

Reinsurance contracts

To measure a group of reinsurance contracts, the Group applies the same accounting policies as are applied to insurance contracts without direct participation features, with the following modifications.

The carrying amount of a group of reinsurance contracts at each reporting date is the sum of the asset for remaining coverage and the asset for incurred claims. The asset for remaining coverage comprises (a) the fulfilment cash flows that relate to services that will be received under the contracts in future periods and (b) any remaining CSM at that date.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.8 Insurance contracts (continued)

The Group measures the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non-performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss. The risk adjustment for non-financial risk is the amount of risk being transferred by the Group to the reinsurer.

On initial recognition, the CSM of a group of reinsurance contracts represents a net cost or net gain on purchasing reinsurance. It is measured as the equal and opposite amount of the total of (a) the fulfilment cash flows, (b) any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group, (c) any cash flows arising at that date and (d) any income recognised in profit or loss because of onerous underlying contracts recognised at that date (see 'Reinsurance of onerous underlying insurance contracts' below).

However, if any net cost on purchasing reinsurance coverage relates to insured events that occurred before the purchase of the group, then the Group recognises the cost immediately in profit or loss as an expense.

The carrying amount of the CSM at each reporting date is the carrying amount at the start of the year, adjusted for:

— the CSM of any new contracts that are added to the group in the year;
— interest accreted on the carrying amount of the CSM during the year, measured at the discount rates on nominal cash flows that do not vary based on the returns on any underlying items determined on initial recognition;
— income recognised in profit or loss in the year on initial recognition of onerous underlying contracts (see below);
— reversals of a loss-recovery component (see 'Net expenses from reinsurance contracts' under (viii)) to the extent that they are not changes in the fulfilment cash flows of the group of reinsurance contracts;
— changes in fulfilment cash flows that relate to future services, measured at the discount rates determined on initial recognition, unless they result from changes in fulfilment cash flows of onerous underlying contracts, in which case they are recognised in profit or loss and create or adjust a loss-recovery component;
— the effect of any currency exchange differences on the CSM; and
— the amount recognised in profit or loss because of the services received in the year.

Reinsurance of onerous underlying insurance contracts

The Group adjusts the CSM of the group to which a reinsurance contract belongs and as a result recognises income when it recognises a loss on initial recognition of onerous underlying contracts,

if the reinsurance contract is entered into before or at the same time as the onerous underlying contracts are recognised. The adjustment to the CSM is determined by multiplying:

— the amount of the loss that relates to the underlying contracts; and
— the percentage of claims on the underlying contracts that the Group expects to recover from the reinsurance contracts.

For reinsurance contracts acquired in a transfer of contracts or a business combination covering onerous underlying contracts, the adjustment to the CSM is determined by multiplying:

— the amount of the loss component that relates to the underlying contracts at the date of acquisition; and
— the percentage of claims on the underlying contracts that the Group expects at the date of acquisition to recover from the reinsurance contracts.

For reinsurance contracts acquired in a business combination, the adjustment to the CSM reduces goodwill or increases a gain on a bargain purchase (see (A)(i)). If the reinsurance contract covers only some of the insurance contracts included in an onerous group of contracts, then the Group uses a systematic and rational method to determine the portion of losses recognised on the onerous group of contracts that relates to underlying contracts covered by the reinsurance contract.

A loss-recovery component is created or adjusted for the group of reinsurance contracts to depict the adjustment to the CSM, which determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid (see 'Net expenses from reinsurance contracts' under (viii)).

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.8 Insurance contracts (continued)

vi. Measurement – Contracts measured under the PAA

The Group uses the PAA to simplify the measurement of groups of contracts when the following criteria are met at inception.

— Insurance contracts: The coverage period of each contract in the group is one year or less. Some of these contracts provide compensation for the cost of rebuilding or repairing a property after a fire; for these contracts, the Group determines the insured event to be the occurrence of a fire and the coverage period to be the period in which a fire can occur for which a policyholder can make a valid claim.

— Loss-occurring reinsurance contracts: The coverage period of each contract in the group is one year or less.

— Risk-attaching reinsurance contracts: The Group reasonably expects that the resulting measurement of the asset for remaining coverage would not differ materially from the result of applying the accounting policies in (v). When comparing the different possible measurements, the Group considers the impact of the different release patterns of the asset for remaining coverage to profit or loss and the impact of the time value of money. If significant variability is expected in the fulfilment cash flows during the period before a claim is incurred, then this criterion is not met.

However, certain groups of insurance contracts are acquired in their claims settlement period. The claims from some of these groups are expected to develop over more than one year. The Group measures these groups under the accounting policies in (v).

Insurance contracts

On initial recognition of each group of contracts, the carrying amount of the liability for remaining coverage is measured at the premiums received on initial recognition and adjusted for any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group. The Group has chosen to expense insurance acquisition cash flows when they are incurred.

Subsequently, the carrying amount of the liability for remaining coverage is increased by any premiums received and decreased by the amount recognised as insurance revenue for services provided (see (viii)). On initial recognition of each group of contracts, the Group expects that the time between providing each part of the services and the related premium due date is no more than a year. Accordingly, the Group has chosen not to adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous, then the Group recognises a loss in profit or loss and increases the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flows that relate to remaining coverage exceed the carrying amount of the liability for remaining coverage. The fulfilment cash flows are discounted (at current rates) if the liability for incurred claims is also discounted (see below).

The Group recognises the liability for incurred claims of a group of insurance contracts at the amount of the fulfilment cash flows relating to incurred claims. The future cash flows are discounted (at current rates) unless they are expected to be paid in one year or less from the date the claims are incurred.

Reinsurance contracts

The Group applies the same accounting policies to measure a group of reinsurance contracts, adapted where necessary to reflect features that differ from those of insurance contracts. If a loss-recovery component (see 'Reinsurance of onerous underlying insurance contracts' under (v)) is created for a group of reinsurance contracts measured under the PAA, then the Group adjusts the carrying amount of the asset for remaining coverage instead of adjusting the CSM.

vii. Derecognition and contract modification

The Group derecognises a contract when it is extinguished – i.e. when the specified obligations in the contract expire or are discharged or cancelled. The Group also derecognises a contract if its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised. If a contract modification does not result in derecognition, then the Group treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.8 Insurance contracts (continued)

On derecognition of a contract from within a group of contracts not measured under the PAA:
— the fulfilment cash flows allocated to the group are adjusted to eliminate those that relate to the rights and obligations derecognised;
— the CSM of the group is adjusted for the change in the fulfilment cash flows, except where such changes are allocated to a loss component; and
— the number of coverage units for the expected remaining services is adjusted to reflect the coverage units derecognised from the group (see (viii)).

If a contract is derecognised because it is transferred to a third party, then the CSM is also adjusted for the premium charged by the third party, unless the group is onerous. If a contract is derecognised because its terms are modified, then the CSM is also adjusted for the premium that would have been charged had the Group entered into a contract with the new contract's terms at the date of modification, less any additional premium charged for the modification. The new contract recognised is measured assuming that, at the date of modification, the Group received the premium that it would have charged less any additional premium charged for the modification.

viii. Presentation

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts (including any assets for insurance acquisition cash flows under (iii)) are included in the carrying amount of the related portfolios of contracts.

The Group disaggregates amounts recognised in the statement of profit or loss and OCI into (a) an insurance service result, comprising insurance revenue and insurance service expenses; and (b) insurance finance income or expenses. Income and expenses from reinsurance contracts are presented separately from income and expenses from insurance contracts. Income and expenses from reinsurance contracts, other than insurance finance income or expenses, are presented on a net basis as 'net expenses from reinsurance contracts' in the insurance service result. The Group does not disaggregate changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses. All changes in the risk adjustment for non-financial risk are included in the insurance service result. Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows.

Insurance revenue – Contracts not measured under the PAA

The Group recognises insurance revenue as it satisfies its performance obligations – i.e. as it provides services under groups of insurance contracts. For contracts not measured under the PAA, the insurance revenue relating to services provided for each year represents the total of the changes in the liability for remaining coverage that relate to services for which the Group expects to receive consideration, and comprises the following items.
— A release of the CSM, measured based on coverage units provided (see 'Release of the CSM' below).
— Changes in the risk adjustment for non-financial risk relating to current services.
— Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year. This includes amounts arising from the derecognition of any assets for cash flows other than insurance acquisition cash flows at the date of initial recognition of a group of contracts (see (v)), which are recognised as insurance revenue and insurance service expenses at that date.
— Other amounts, including experience adjustments for premium receipts for current or past services for the life risk segment and amounts related to incurred policyholder tax expenses for the participating segment. In addition, the Group allocates a portion of premiums that relate to recovering insurance acquisition cash flows to each period in a systematic way based on the passage of time. The Group recognises the allocated amount, adjusted for interest accretion at the discount rates determined on initial recognition of the related group of contracts, as insurance revenue and an equal amount as insurance service expenses.

Release of the CSM

The amount of the CSM of a group of insurance contracts that is recognised as insurance revenue in each year is determined by identifying the coverage units in the group, allocating the CSM remaining at the end of the year (before any allocation) equally to each coverage unit provided in the year and expected to be provided in future years, and recognising in profit or loss the amount of the CSM allocated to coverage units provided in the year. The number of coverage units is the quantity of services provided by the contracts in the group, determined by considering for each contract the quantity of benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date. Services provided by insurance contracts include insurance coverage and, for all direct participating contracts, investment services for managing underlying items on behalf of policyholders.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Insurance contracts (continued)

Insurance revenue – Contracts measured under the PAA

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium receipts for providing services in the period. The Group allocates the expected premium receipts to each period on the following bases:

— certain property contracts: the expected timing of incurred insurance service expenses; and

— other contracts: the passage of time.

Loss components

For contracts not measured under the PAA, the Group establishes a loss component of the liability for remaining coverage for onerous groups of insurance contracts. The loss component determines the amounts of fulfilment cash flows that are subsequently presented in profit or loss as reversals of losses on onerous contracts and are excluded from insurance revenue when they occur. When the fulfilment cash flows are incurred, they are allocated between the loss component and the liability for remaining coverage excluding the loss component on a systematic basis.

The systematic basis is determined by the proportion of the loss component relative to the total estimate of the present value of the future cash outflows plus the risk adjustment for nonfinancial risk at the beginning of each year (or on initial recognition if a group of contracts is initially recognised in the year). Changes in fulfilment cash flows relating to future services and changes in the amount of the Group's share of the fair value of the underlying items for direct participating contracts are allocated solely to the loss component. If the loss component is reduced to zero, then any excess over the amount allocated to the loss component creates a new CSM for the group of contracts.

Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items.

— Incurred claims and other insurance service expenses: For some life risk contracts, incurred claims also include premiums waived on detection of critical illness.

— Amortisation of insurance acquisition cash flows: For contracts not measured under the PAA, this is equal to the amount of insurance revenue recognised in the year that relates to recovering insurance acquisition cash flows. For contracts measured under the PAA, the Group amortises insurance acquisition cash flows on a straight-line basis over the coverage period of the group of contracts.

— Losses on onerous contracts and reversals of such losses.

— Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk and changes therein.

— Impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses.

Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers. The Group recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts. For contracts not measured under the PAA, the allocation of reinsurance premiums paid relating to services received for each period represents the total of the changes in the asset for remaining coverage that relate to services for which the Group expects to pay consideration.

For contracts measured under the PAA, the allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period. For a group of reinsurance contracts covering onerous underlying contracts, the Group establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

— on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and

— for changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Group expects to recover from the reinsurance contracts.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Insurance contracts (continued)

Insurance finance income and expenses

Insurance finance income and expenses comprise changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein, unless any such changes for groups of direct participating contracts are allocated to a loss component and included in insurance service expenses (see (v)). They include changes in the measurement of groups of contracts caused by changes in the value of underlying items (excluding additions and withdrawals).

For life risk contracts, the Group has chosen to disaggregate insurance finance income or expenses between profit or loss and OCI. The amount included in profit or loss is determined by a systematic allocation of the expected total insurance finance income or expenses over the duration of the group of contracts. The systematic allocation is determined using the following rates:

— life risk contracts: the discount rates determined on initial recognition of the group of contracts; and for insurance finance income or expenses arising from the CSM, the discount rates determined on initial recognition of the group of contracts.

Amounts presented in OCI are accumulated in the insurance finance reserve. If the Group derecognises a contract without direct participation features as a result of a transfer to a third party or a contract modification, then any remaining amounts of accumulated OCI for the contract are reclassified to profit or loss as a reclassification adjustment.

For participating and non-life contracts, the Group presents insurance finance income or expenses in profit or loss. In the current period the Group had no contracts measured under GMM.

2.9 Inventory

Inventory is stated at the lower of cost and net realisable value. Cost is determined using the first in, first-out ("FIFO") method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.10 Investment property

Investment property is recognised as an asset when it is probable that future economic benefits that are associated with the investment property will flow to the Group and the cost of the property can be reliably measured. Investment property is initially measured at cost and subsequently measured at fair value.

Investment property is property held to earn rentals and/or for capital appreciation. It is stated at its fair value at the reporting date as determined by independent professional valuers. Gains or losses arising from changes in the fair value of investment property are included in the statement of profit or loss in the period in which they arise. The fair value of investment property is based on the nature, location and condition of the asset. The fair value is calculated by reference to market evidence of most recent proceeds achieved in arms length transactions of similar properties.

Transfers from investment property are made when there is a change in use, evidenced by commencement of owner-occupation for a transfer from investment property to owner-occupied property. The property's deemed cost for subsequent accounting is its fair value at the date of change in use.

Investment property is derecognised on disposal or when the property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Gains or losses from disposal is determined as the difference between the net proceeds and the carrying amount of the asset is recognised in the statement of comprehensive income in the period of disposal.

2.11 Intangible assets

Software licences

Separately acquired software licences are at historical cost amounts less accumulated amortisation at each reporting date. Amortisation on carrying amounts is calculated using the straight-line method to allocate the cost of licences over the remaining estimated useful lives not exceeding 5 years.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives ranging from three to five years. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.12 Property and equipment
(a) Recognition and measurement
The cost of an item of property and equipment is recognised as an asset if, and only if; it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Land and buildings comprise mainly retail banking branches and offices occupied by the Group. Land and buildings are shown at fair value, based on yearly valuations by external independent valuers, less subsequent accumulated impairment losses. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All property and equipment is stated at revalued amounts less accumulated depreciation and impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Where parts of an item of property or equipment have different useful lives, they are accounted for (major components) as separate property and equipment.

(b) Subsequent costs
The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of profit or loss within 'administrative expenses' during the financial period in which they are incurred. Subsequent costs can also be recognised as separate assets.

Increases in the carrying amount arising on revaluation of property and equipment are credited to other comprehensive income and shown as revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against revaluation reserve directly in equity; all other decreases are charged to the statement of comprehensive income. The revaluation surplus is transferred from revaluation reserve' to 'retained profits' on disposal of the revalued asset. Accumulated depreciation is eliminated at revaluation date.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Land and buildings	50 years
Computer equipment	3 - 5 years
Motor vehicles	5 years
Office equipment	5 - 10 years
Furniture and fittings	10 years
Machinery	5 years

Depreciation methods, useful lives and residual values are reassessed at each reporting date. Gains or losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income within other 'operating income'.

The carrying amounts of the Group's items of property and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment allowance is recognised whenever the carrying amount exceeds its recoverable amount.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than the estimated recoverable amount (note 2.14)

(c) Derecognition
The carrying amount of an item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.13 Time - share asset

The time - share asset comprises a house boat jointly owned with external entities and the Group has a majority share. The boat is recognised as an asset for owner use. The boat is stated at revalued amount less impairment losses. Depreciation is calculated using the straight-line method to allocate the cost or to the residual values over the estimated useful life of 10 years.

2.14 Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment allowance is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows or cash generating units ("CGUs"). The impairment test can also be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.15 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI. The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore has accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets and has recognised the related expenses in 'other expenses'.

2.15.1 Current tax

Tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

2.15.2 Deferred tax

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

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

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

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if there is any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption. Deferred tax assets and liabilities are offset only if certain criteria are met.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.17 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of income tax, from the proceeds. Repurchase of share capital (“treasury shares”), where any group company purchases the Company’s share capital (“treasury shares”), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company’s shareholders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related ncome tax effects, is included in equity attributable to the Company’s shareholders.

When the Zimbabwean economy dollarized in 2009, a Financial Reporting Guidance was used to determine a foreign currency opening statement of financial position on the date of change in functional currency from ZWD$ to USD. The Group used the Guidance to translate the financial statements at the normalisation date to USD to be used as the deemed costs in the opening statements of financial position at 1 January 2009. The surplus on the restatement of the assets and liabilities was credited to non-distributable reserves in equity. The reserve is not available for distribution to shareholders.

2.18 Dividend distribution

Dividend distribution to the Company’s shareholders is recognised as a liability in the Group’s consolidated financial statements in the period in which the dividends are declared by the Company’s directors.

2.19 Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:
• Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
• Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
• The amount expected to be payable by the lessee under residual value guarantees;
• The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
• Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)
2.19 Leases (continued)
The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-ofuse asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in 'Other expenses' in profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

2.20 Derivative
Derivative instruments are contracts whose value is derived from one or more underlying financial instruments or indices defined in the contract. They include swaps, forward-rate agreements, futures, options and combinations of these instruments and primarily affect the Group's other income, net trading income and derivative assets and liabilities. Notional amounts of the contracts are not recorded on the balance sheet. Derivatives have been used to hedge foreign currency and exchange rate risk related to non-trading positions. All derivative instruments are held at fair value through profit or loss.

Derivatives are classified as assets when their fair value is positive or as liabilities when their fair value is negative. This includes terms included in a contract or financial liability (the host), which, had it been a standalone contract, would have met the definition of a derivative. If these are separated from the host, i.e. when the economic characteristics of the embedded derivative are not closely related with those of the host contract and the combined instrument is not measured at fair value through profit or loss, then they are accounted for in the same way as derivatives. For financial assets, the requirements are whether the financial asset contain contractual terms that give rise on specified dates to cash flows that are SPPI, and consequently the requirements for accounting for embedded derivatives are not applicable to financial assets.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.21 Revenue recognition

Revenue is derived substantially from the business of banking and related activities, provision of insurance services and rendering of stock broking services.

From the business of banking and related services; revenue comprises interest income, fees and commission income, net foreign currency dealing and trading income and dividend income.

2.21.1 Interest income and interest expense

Interest income and interest expense are recognised in the statement of profit or loss for all interest instruments on an accrual basis using the effective interest method. The effective interest is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

Where financial assets have been impaired, interest income continues to be recognised on the impaired value, based on the original effective interest rate. Interest income excludes fair value adjustments on interest-bearing financial instruments. Fair value adjustments are reported under other income.

The calculation of the effective interest rate includes all fees paid or received, transaction costs, discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

2.21.2 Fee and commission income and expense

Fee and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate.

If a loan commitment is not expected to result in the draw-down of a loan, then the related loan commitment fee is recognised on a straight-line basis over the commitment period.

Other fee and commission income – including Retail service fees, credit related fees investment banking fees and brokerage commission – is recognised as the related services are performed.

A contract with a customer that results in a recognised financial instrument in the Group's financial statements may be partially in the scope of IFRS 9 and partially in the scope of IFRS 15. If this is the case, then the Group first applies IFRS 9 to separate and measure the part of the contract that is in the scope of IFRS 9 and then applies IFRS 15 to the residual where revenue is recognised when a performance obligation is satisfied, i.e. when control of the services underlying the particular performance obligation is transferred to the customer.

2.21.3 Net foreign currency dealing and trading income

Foreign currency dealing and trading income includes gains or losses arising from disposals and changes in fair values of financial assets and liabilities held for trading. Net trading income also includes gains or losses arising from changes in foreign currency exchange rates.

Income from equity investments and other non-fixed income investments is recognised as income on an accrual basis.

2.21.4 Dividend income

Dividend income is recognised when the right to receive income is established. Usually this is at the ex-dividend date for equity securities. Dividends are reflected as a component of non-interest income based on the underlying classification of the equity instruments.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.21.5 Sale of goods - property sales

The Group is involved in the construction of houses for sale through a structured mortgage transaction as part of its trading activities. The Group uses the following steps in recognising revenue from sale of houses:

Upon an offer to purchase a property from the Group with the client meeting all the terms and conditions an agreement of sale is signed making the identification of a contract with a customer together with stating the performance obligations in the signed contract. The offer of a structured mortgage facility then determines the transaction price. Revenue is then measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is recognised when a performance obligation is satisfied and in this case when control and title of the property is transferred to the customer. Revenue on the land portion is recognized in full on execution of the sale agreement.

2.21.6 Insurance premiums (including reinsurance premiums)

Premiums written comprise the premiums on insurance contracts entered into during the year, irrespective of whether they relate in whole or in part to a later accounting period. Premiums are disclosed gross of commission to intermediaries and exclude taxes and levies based on premiums. Premiums written include adjustments to premiums written in prior accounting periods. Outward reinsurance premiums are accounted for in the same accounting period as the premiums for the related direct insurance or inwards reinsurance business. An estimate is made at the statement of financial position date to recognise retrospective adjustments to premiums or commissions.

The earned portion of premiums received is recognised as revenue. Premiums are earned from the date of attachment of risk, over the indemnity period, based on the pattern of risks underwritten. Outward reinsurance premiums are recognised as an expense in accordance with the pattern of reinsurance service received. A portion of outwards reinsurance premiums are treated as prepayments.

2.22 Employee benefits

(a) Termination benefits

Termination benefits are benefits payable as a result of the Group's decision to terminate employment before the normal retirement date (or contractual date) or whenever an employee accepts voluntary redundancy in exchange of those benefits. Termination benefits are recognised as an expense at the earlier of the following dates : (a) when the Group can no longer withdraw the offer for these benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of IAS 37 'Provisions, contingent liabilities and contingent assets' and involves the payment of terminal benefits. Termination benefits for voluntary redundancies are recognised if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

(b) Short term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) which fall due wholly within twelve months after the end of the period in which the employees render service. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

(c) Post employment benefits

Post employment benefits are employee benefits (other than termination benefits) which are payable after completion of employment. Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

2 MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.22 Employee benefits (continued)

Pension obligation

The Group provides for retirement benefit obligation in respect of its employees as follows;
- FBCH Pension Fund - Defined Contribution Fund,
- Eagle Insurance Pension Fund (for the short-term insurance subsidiary employees) - Defined Contribution Fund,
- National Social Security Authority ("NSSA") - a Statutory Defined Contribution Fund. Contributions to NSSA are made in terms of statutory regulations and are charged against income as incurred.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

(d) Profit sharing and bonus plans

The Group recognises a liability and an expense for profit sharing and bonuses based on a formula that takes into consideration the profit attributable to the Company's shareholders after an independent audit. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(e) Share-based payment transactions

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognised as an expense, with a corresponding increase in liabilities, over the period in which the employees become unconditionally entitled to payment. The liability is re-measured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as staff costs within operating expenses in the statement of profit or loss

(f) Long service awards

The net present value of the amount payable to employees in respect of long service awards, which are paid in cash, is recognised as an expense, with a corresponding increase in liabilities. The liability is re-measured at each reporting date and at settlement date. Any changes in the net present value of the liability are recognised as staff costs within operating expenses in the statement of profit or loss.

(g) Annual leave provision

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave.

2.23 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares during the year excluding ordinary shares purchased by the Company, held as treasury shares. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and then dividing by the weighted average number of outstanding shares during the year excluding ordinary shares purchased by the Company, held as treasury shares but taking into consideration, for the effects of all potential dilutive factors.

2.24 Headline earnings per share

The Group presents headline earnings per share ("HEPS") for its ordinary shares. Headline earnings are calculated by excluding the following from the profit or loss attributable to ordinary shareholders of the Company; impairment/ subsequent reversal of impairment of property, plant and equipment and intangible assets; gains or losses on disposal of such assets; any remeasurements of investment property; remeasurement of goodwill impairment; the recognised gain on bargain purchase; gains or losses on disposals of financial assets classified as financial assets at fair value through other comprehensive income or associates and gains or losses in the loss of control or a subsidiary. These adjusted earnings are then divided by the weighted average number of ordinary shares during the year excluding ordinary shares purchased by the Company and held as treasury shares.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group's financial statements and its financial results are influenced by accounting policies, assumptions, estimates and management judgements, which necessarily have to be made in the course of the preparation of the financial statements.

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgements for certain items are especially critical for the Group's results and financial situation due to their materiality.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

3.1 Impairment of financial assets

The Group adopted the Expected Credit Loss (ECL) model and this applies to financial assets measured at amortised cost (for example mandatory reserve deposits with central banks, reinsurers' share of policyholder liabilities, loans and advances, trade and other receivables, cash and cash equivalents, and corporate debt securities held by the Group) as well as financial assets measured at FVOCI, but not to investments in equity instruments.

The ECL impairment loss allowance is an unbiased, probability - weighted amount determined by evaluating a range of possible outcomes that reflects reasonable and supportable information that is available without undue cost or effort of past events, current conditions and forecasts of forward-looking economic conditions. The ECL model is dependent on the availability of relevant and accurate data to determine whether a significant increase in credit risk occurred since initial recognition, the probability of default (PD), the loss given default (LGD) and the possible exposure at default (EAD). Of equal importance is sound correlation between these parameters and forward-looking economic conditions.

ECL reflects the Group's own expectations of credit losses. However, when considering all reasonable and supportable information that is available without undue cost or effort in estimating ECL, the Group should also consider observable market information about the credit risk of the financial instrument or similar financial instruments. In the absence of sufficient data, management apply expert judgment within an established governance framework to determine the required parameters. The expert judgement process is based on available internal and external information.

3.2 Insurance claims

The Group's estimates for reported and unreported losses and establishing provisions are continually reviewed and updated, and adjustments resulting from this review are reflected in the statement of profit or loss and other comprehensive income. The process is based on the basic assumption that past experience, adjusted for the effect of current developments and likely trends, is an appropriate basis for predicting future events. Additional information is disclosed in note 15.

3.3 Inventory valuation

The process for evaluating inventory obsolescence or market value often requires the Group to make subjective judgments and estimates concerning future sales levels, quantities and prices at which such inventory will be sold in the normal course of business. The Group adjusts the inventory by the difference between the estimated market value and the actual cost of the inventory to arrive at net realizable value. The Group's estimates for market value are reviewed at least annually and updated. Any write down resulting from this review is reflected in the statement of profit or loss in 'cost of sales'. Refer note 22.1.

3.4 Investment property and property and equipment valuation

The key inputs and assumptions used in the valuations, such as, rental rates per square meter and capitalisation rates are determined in an environment where there is limited market activity due to liquidity in the market. Fair valuation of properties is difficult to ascertain as market comparable sales are not as readily available as a result of depressed economic activity which has resulted in a limited number of open market sales. Furthermore, the hyperinflationary environment make it increasingly difficult to determine the fair values. The qualified valuers determined property fair values in USD. Additional information is disclosed in note 12.

3.5 Valuation of unlisted equities

The fair values of unlisted equities are classified and accounted for in accordance with the IFRS 9. Since the prices are not readily determinable, fair value is based either on internal valuation models or management estimates of amounts that could be realized under current market conditions.

The translation of the foreign currency denominated assets and liabilities to local currency is based on the year-end exchange rate while transactions are translated at the average exchange rate for the reporting period.

The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset is not active, or quoted prices cannot be obtained without undue effort, another valuation technique is used. This is after assessing whether instruments are trading with sufficient frequency and volume, that they can be considered liquid.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
4	**BALANCES WITH BANKS AND CASH**		
4.1	**Balances with Reserve Bank of Zimbabwe ("RBZ")**		
	Current account balances	113 781 963	29 459 138
	Balances with banks and cash		
	Notes and coins	49 397 490	33 262 867
	Other bank balances	45 152 760	110 317 688
		94 550 250	143 580 555
	Balances with banks and cash (excluding bank overdrafts)	**208 332 213**	**173 039 693**
	Current	208 332 213	173 039 693
	Non-current	-	-
	Total	**208 332 213**	**173 039 693**
4.2	**Cash and cash equivalents**		
	Cash and cash equivalents include the following for the purposes of the statement of cash flows;		
	Current account balance at Reserve Bank of Zimbabwe ("RBZ") (note 4.1)	113 781 963	29 459 138
	Balances with banks and cash (note 4.1)	94 550 250	143 580 555
		208 332 213	**173 039 693**
	Per cash flow statement	**208 332 213**	**173 039 693**
	There are no restrictions pertaining to the use of cash by the Reserve bank of Zimbabwe		
5	**FINANCIAL ASSETS**		
5.1	**Loans and advances to customers**		
	Loans and advance maturities		
	Maturing within 1 year	123 415 285	133 009 593
	Maturing after 1 year	304 451 370	211 853 615
	Gross carrying amount	**427 866 655**	**344 863 208**
	Impairment allowance	(17 029 651)	(6 387 490)
		410 837 004	**338 475 718**

The maturity analysis of loans and receivables is based on contractual maturity from year end.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

5 FINANCIAL ASSETS (CONTINUED)
5.1 Loans and advances to customers (continued)

Reconciliation of impairment allowance by nature of loans and advance	Mortgages USD	Personal loans USD	Corporate loans USD	Total USD
As at 1 January 2024	634 098	594 943	8 331 368	9 560 409
Additions due to business acquisition	-	205 520	1 015 721	1 221 241
Effects of IAS29	(575 752)	(540 181)	(7 564 501)	(8 680 434)
Charge for the year	627 082	410 727	2 235 946	3 273 755
Increase in impairment allowances	518 816	10 028	(1 558 158)	(1 029 314)
Reversal of impairment	108 266	400 699	3 794 104	4 303 069
Amount written off during the year and uncollectable	-	83 985	928 534	1 012 519
As at 31 December 2024	**685 428**	**754 994**	**4 947 068**	**6 387 490**
As at 1 January 2024	685 428	754 994	4 947 068	6 387 490
Additions due to business acquisition	-	-	-	-
Effects of changes in presentation currency	-	3 257	7 307	10 564
Charge for the year	666 912	2 078 481	8 449 710	11 195 103
Increase in impairment allowances	666 912	2 078 481	8 449 710	11 195 103
Reversal of impairment	-	-	-	-
Amount written off during the year and uncollectable	-	(563 506)	-	(563 506)
As at 31 December 2025	**1 352 340**	**2 273 226**	**13 404 085**	**17 029 651**

Loans of USD 563 506 (2024-USD 1 012 519) written off/(recovered) during the year are still subject to enforcement activity

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
5.2 Trade and other receivables		
Trade and other receivables	206 765	7 097
Gross carrying amount	**206 765**	**7 097**
Impairment allowance	-	-
	206 765	7 097
Current	206 765	7 097
Non-current	-	-
Total	**206 765**	**7 097**

5.3 Irrevocable commitments
There are no irrevocable commitments to extend credit which can expose the Group to penalties or disproportionate expense.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

5 FINANCIAL ASSETS (CONTINUED)
5.4 Movement in credit impairment losses

	Financial assets at fair value through OCI USD	Trade and other receivables USD	Loans and advances USD	Financial assets at armotised cost USD	Undrawn contractual commitments and guarantees USD	Total USD
Restated*						
Balance at 01 January 2024	-	-	9 560 410	78 679	112 222	9 751 311
Effects of IAS 29	-	-	(8 680 414)	(71 437)	(101 892)	(8 853 743)
Additions due to business acquisition	-	-	1 221 241	-	-	1 221 241
Impairment loss allowance	48 637	-	3 273 755	33 686	134 939	3 491 017
Amounts written off / (reversals) during the year	-	-	(113 189)	-	-	(113 189)
Impairment reversal	-	-	1 125 687	-	-	1 125 687
Balance as at 31 December 2024	**48 637**	**-**	**6 387 490**	**40 928**	**145 269**	**6 622 324**
Balance at 01 January 2025	48 637	-	6 387 490	40 928	145 269	6 622 324
Effects of changes in presentation currency	228	-	10 563	-	-	10 791
Additions due to business acquisition	-	-	-	-	-	-
Impairment loss allowance	101 943	-	11 195 103	62 442	132 693	11 492 181
Amounts written off /(reversals) during the year	-	-	(422 594)	-	-	(422 594)
Impairment reversal	-	-	(140 911)	-	-	(140 911)
Balance as at 31 December 2025	**150 808**	**-**	**17 029 651**	**103 370**	**277 962**	**17 561 791**

Increase in loans and advances balances in year 2025 of USD410 837 004 (2024: USD338 475 718) resulted in increases in impairment losses in year 2025 for loans and advances.

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
5.5 Financial assets at amortised cost		
Maturing within 1 year	10 631 021	5 701 528
Maturing after 1 year	54 118	68 324
Gross carrying amount	**10 685 139**	**5 769 852**
Impairment allowance	(103 370)	(40 928)
Total	**10 581 769**	**5 728 924**

Financial assets at amortised cost comprises Treasury bills.

6 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
Listed securities at market value	41 796 792	35 771 933
Unlisted securities	4 558 524	9 220 556
	46 355 316	**44 992 489**
Current	46 355 316	44 992 489
Total	**46 355 316**	**44 992 489**
If net asset values of unlisted securities changes by 10% the portfolio value increases or decreases by the following	**455 852**	**922 056**

Unlisted securities comprises of Afreximbank class B shares and Society for Worldwide Interbank Financial Telecommunication (“SWIFT”) shares.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
7	**FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**		
	Listed securities at market value	6 006 234	6 611 728
	Current	6 006 234	6 611 728
	Non-current	-	-
	Total	**6 006 234**	**6 611 728**
8	**INVENTORY**		
	Raw materials	-	30 113
	Work in progress	10 559 560	2 181 569
		10 559 560	**2 211 682**
	Current	10 559 560	2 211 682
	Non-current	-	-
	Total	**10 559 560**	**2 211 682**

Included in work in progress is USD10 559 560 (2024: USD2 181 569) relating to residential properties for sale which are under construction. Raw materials relates to construction materials and finished goods relate to finished residential properties.

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
9	**PREPAYMENTS AND OTHER ASSETS**		
	Prepayments	3 057 869	1 907 920
	Refundable deposits for Mastercard and Visa transactions	4 617 689	2 309 692
	Stationery stock and other consumables	13 577	14 859
	Time - share asset	910 905	900 000
	RBZ NNCD and auction system balances *	3 776 575	1 187 905
	Capital work in progress	418 254	418 254
	Deferred employee benefit on staff loan	2 932 845	870 431
	Other	3 535 336	1 940 946
		19 263 050	**9 550 007**
	Current	13 734 455	7 240 315
	Non-current	5 528 595	2 309 692
	Total	**19 263 050**	**9 550 007**

* RBZ NNCD and auction system balances refer to prefunded customer positions upon allotment of foreign currency from the Central bank. The Group did not impair prepayments and other assets as they comprise of non financial assets and short term financial assets held with the Reserve Bank of Zimbabwe. Any expected credit loss on these balances are considered to be immaterial.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
10	**INVESTMENT PROPERTY**		
	Balance as at 1 January	60 420 375	54 977 660
	Additions due to business acquisition	-	5 946 180
	Additions	1 125 268	8 203 615
	Fair value adjustments	4 977 376	(10 671 443)
	Disposal	(1 002 000)	(938 222)
	Transfer from property and equipment	128 000	2 687 055
	Transfer from inventory	-	215 530
	Balance as at 31 December	**65 649 019**	**60 420 375**
	Non-current	65 649 019	60 420 375
	Total	**65 649 019**	**60 420 375**
	Investment property comprises the following:		
	Residential houses, Harare	35 290 000	31 983 121
	Residential stands, Harare	17 110 319	18 841 174
	Residential stand, Seke	50 000	50 000
	Residential houses, out of Harare	7 605 000	7 290 000
	Commercial stands, Harare	5 593 700	2 256 080
		65 649 019	**60 420 375**

The fair value of the investment property as at 31 December 2025 was arrived at on the basis of a valuation carried out by an independent professionally qualified valuer who holds a recognised relevant professional qualification and has recent experience in the locations and categories of the investment properties valued using the open market value method. This valuation has been carried out in accordance with the latest edition of the Royal Institute of Chartered Surveyors Valuation- Professional Standards ['The Red Book'] incorporating the International Valuation Standards [IVS] 2017.

The comparison basis is the main approaches used in coming up with this valuation. The comparative principle has been applied in the valuation for rent of common types of premises and valuation for sale or purchase of common types of premises. This has also been applied in the comparison of investment yields from sale of investments and sale of underdeveloped land. The comparison basis considers evidence on transactions from similar properties in terms of size, standard of finishes and age in the same locality.

No liabilities are guaranteed by investment property. Refer to note 32 for further fair value disclosures on investment property. Included in other operating income is rental income of USD2,631,726 (2024: USD 2 120 698) relating to investment property.

Sensitivity analysis on investment property fair values

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
	If the market prices are to increase by the following percentages, investment property fair values will be as follows		
	25%	82 061 274	75 525 469
	50%	98 473 529	90 630 563
	100%	131 298 038	120 840 750
11	**INTANGIBLE ASSETS (Software licences)**		
	Year ended 31 December		
	Opening net book amount	422 163	376 939
	Additions	53 341	53 079
	Amortisation charge	(91 142)	(7 855)
	Closing net book amount	**384 362**	**422 163**
	As at 31 December		
	Cost	1 972 548	1 919 207
	Accumulated amortisation	(1 588 186)	(1 497 044)
	Accumulated impairment	-	-
	Net book amount	384 362	422 163

The amortisation charge is included in the profit or loss under administrative expenses.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

12 PROPERTY AND EQUIPMENT

	Land and buildings USD	Machinery USD	Computer equipment USD	Furniture and office equipment USD	Motor vehicles USD	Total USD
Year ended 31 December 2024						
Opening net book amount	27 255 318	1 256 477	1 609 850	4 721 764	5 568 510	40 411 919
Additions due to business acquisition	5 307 420	-	-	1 060	23 375	5 331 855
Additions	109 494	95 572	712 910	806 744	576 750	2 301 470
Revaluation of property	(4 245 738)	(298 915)	116 629	(1 176 945)	707 809	(4 897 160)
Impairment loss	2 539 725	-	87 186	41 648	5 033	2 673 592
Transfer to investment property	(2 687 055)	-	-	-	-	(2 687 055)
Disposals	-	-	(241 238)	(7 808)	(72 173)	(321 219)
Depreciation	(442 171)	(62 182)	(596 270)	(453 907)	(2 872 991)	(4 427 521)
Closing net book amount	**27 836 993**	**990 952**	**1 689 067**	**3 932 556**	**3 936 313**	**38 385 881**
As at 31 December 2024						
Cost or valuation	26 254 042	1 216 161	4 101 924	6 837 907	8 322 895	46 732 929
Accumulated depreciation	(956 772)	(225 209)	(2 500 044)	(2 946 999)	(4 391 616)	(11 020 640)
Accumulated impairment	2 539 725	-	87 186	41 648	5 033	2 673 592
Net book amount	**27 836 995**	**990 952**	**1 689 066**	**3 932 556**	**3 936 312**	**38 385 881**
Year ended 31 December 2025						
Opening net book amount	27 836 995	990 952	1 689 066	3 932 556	3 936 312	38 385 881
Additions	-	171 653	497 024	758 706	309 547	1 736 930
Revaluation of property	508 735	15 388	(83 155)	(382 149)	658 764	717 583
Transfer to investment property	(128 000)	-	-	-	-	(128 000)
Adjustment to cost	(94)	-	(366 634)	(364 535)	(124 765)	(856 028)
Disposals	-	(2 498)	(24 990)	(460 083)	(100 792)	(588 363)
Depreciation	(527 375)	(114 188)	(398 531)	(452 087)	(893 402)	(2 385 583)
Closing net book amount	**27 690 261**	**1 061 307**	**1 312 780**	**3 032 408**	**3 785 664**	**36 882 420**
As at 31 December 2025						
Cost or valuation	26 634 683	1 400 704	4 124 169	6 389 846	9 065 649	47 615 051
Accumulated depreciation	(1 484 147)	(339 397)	(2 898 575)	(3 399 086)	(5 285 018)	(13 406 223)
Accumulated impairment	2 539 725	-	87 186	41 648	5 033	2 673 592
Net book amount	**27 690 261**	**1 061 307**	**1 312 780**	**3 032 408**	**3 785 664**	**36 882 420**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

12 PROPERTY AND EQUIPMENT (CONTINUED)

If property and equipment was stated on historical cost basis, the amount would be as follows;

	Land and buildings USD	Machinery USD	Computer equipment USD	Furniture and office equipment USD	Motor vehicles USD	Total USD
2025						
Cost	9 436 123	909 254	3 500 202	5 176 020	2 802 721	21 824 320
Accumulated depreciation	(1 237 519)	(114 188)	(1 164 764)	(1 954 802)	(1 309 975)	(5 781 248)
Net book amount	**8 198 604**	**795 066**	**2 335 438**	**3 221 218**	**1 492 746**	**16 043 072**
2024						
Cost	9 564 217	740 099	3 394 802	5 241 932	2 718 731	21 659 781
Accumulated depreciation	(710 144)	-	(766 233)	(1 502 715)	(416 573)	(3 395 665)
Net book amount	**8 854 073**	**740 099**	**2 628 569**	**3 739 217**	**2 302 158**	**18 264 116**

Fair values of property and equipment

An independent valuation of the Group's property and equipment was performed by valuers to determine the fair value of property and equipment as at 31 December 2025. The revaluation surplus net of applicable deferred income taxes was credited to other comprehensive income and is shown in 'revaluation reserves' as part of shareholders equity. The following table analyses the non-financial assets carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

	Fair value measurements at 31 December 2025 using		
Recurring fair value measurements of property and equipment	**Observable inputs Level 2 USD**	**unobservable inputs Level 3 USD**	**Total USD**
- Office buildings	-	20 768 719	20 768 719
- Land and residential properties	-	6 921 542	6 921 542
- Other property and equipment	-	9 192 159	9 192 159
	-	**36 882 420**	**36 882 420**

	Fair value measurements at 31 December 2024 using		
Recurring fair value measurements for land and buildings	**Observable inputs Level 2 USD**	**unobservable inputs Level 3 USD**	**Total USD**
- Office buildings	-	20 877 999	20 877 999
- Land and residential properties	-	6 957 961	6 957 961
- Other property and equipment	-	10 549 921	10 549 921
	-	**38 385 881**	**38 385 881**

There were no level 1 assets or transfers between levels 1 and 2 during 2025

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

12 PROPERTY AND EQUIPMENT (CONTINUED)

Valuation techniques used to derive fair values

The valuation technique for office buildings, residential property and land is both the investment and comparison approach.

The following key inputs were used to determine the fair value;
- Rental rates in price per square metre. These were obtained by comparison of rates for similar properties in similar locations.
- Void rates as a percentage. This is the level of unoccupied space and was based on rates published by listed property companies.
- Capitalisation rate. This is what investors expect to earn as a percentage of their investment on an annual basis. The basis of these rates are actual transactions that transpired during the year.

The valuation of other property and equipment was derived using the sales comparison approach. Sales prices of comparable property and equipment of a simillar nature was adjusted for differences in key attributes such as property size, age and general condition.

	Level 3		Level 2	
	2025	2024	2025	2024
	USD	USD	USD	USD
Property and equipment				
Opening balance	**38 385 881**	**40 411 919**	**-**	**-**
Depreciation recognised	(2 385 583)	(4 427 521)	-	-
Revaluation gains recognised	717 583	(4 897 160)	-	-
Transfers from/(to) level 2	-	-	-	-
Additions	1 736 930	7 633 325	-	-
Transfers to Investment properties	(128 000)	(2 687 055)	-	-
Effects of change in functional currency	-	2 673 592	-	-
Period adjustments	(856 028)	-	-	-
Disposals	(588 363)	(321 219)	-	-
Closing balance	**36 882 420**	**38 385 881**	**-**	**-**

Valuation processes of the Group

On a yearly basis, the Group engages external, independent and qualified valuers to determine the fair value of the Group's property and equipment. As at 31 December 2025, the fair values of property and equipment was determined by Bard Real Estate (Private) Limited. There was a limited number of sales in the market for commercial property and therefore the valuations were performed using unobservable inputs. The external valuers determined these inputs based on the size, age and condition of the property and equipment, the state of the local economy and comparable rental rates.

Refer to note 32 for further fair value disclosures on property and equipment.

Sensitivity analysis on property and equipment fair values

Property and equipment valued using comparison method

If market prices are to go up by the following percentages, the values will be as follows

	31 Dec 2025	31 Dec 2024
	USD	USD
25%	46 103 025	47 982 351
50%	55 323 630	57 578 822
100%	73 764 840	76 771 762

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
13	**DEPOSITS**		
13.1	**Deposits from customers**		
	Demand deposits	345 345 319	246 905 100
	Promissory notes	86 590 561	17 655 121
	Other time deposits	50 792 635	27 302 917
		482 728 515	**291 863 138**
	Current	480 361 260	290 921 893
	Non-current	2 367 254	941 245
	Total	**482 728 514**	**291 863 138**
13.2	**Deposits from other banks**		
	Money market deposits	4 485 114	43 314 721
	Current	4 485 114	43 314 721
	Non-current	-	-
	Total	**4 485 114**	**43 314 721**

		31 Dec 2025 USD	%	31 Dec 2024 Restated* USD	%
13.3	**Deposit concentration**				
	Agriculture	28 294 213	5%	15 259 405	3%
	Construction	21 185 171	4%	26 154 360	6%
	Wholesale and retail trade	83 648 059	14%	38 361 868	9%
	Public sector	44 949 441	8%	54 092 889	12%
	Manufacturing	46 079 982	8%	35 426 232	8%
	Telecommunication	20 448 948	3%	6 705 820	2%
	Transport	5 945 722	1%	8 852 631	2%
	Individuals	71 122 307	12%	58 474 932	13%
	Financial services	108 547 410	19%	141 745 167	32%
	Mining	37 899 696	6%	10 792 352	2%
	Other	118 109 394	20%	48 052 428	11%
		586 230 343	**100%**	**443 918 084**	**100%**

Deposits are classified as financial liabilities at amortised cost. Deposits due to customers primarily comprise amounts payable on demand.

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
14	**BORROWINGS**		
	Opening	108 740 225	120 823 857
	Additions	97 481 872	66 758 594
	Repayments	(107 462 701)	(141 155 737)
	Non cash movements*	257 319	62 313 511
	Closing balance	**99 016 715**	**108 740 225**
	Current	10 098 584	19 106 302
	Non-current	88 918 131	89 633 923
	Total	**99 016 715**	**108 740 225**

*Non cash movements are mainly comprised of exchange gains and losses.

These loans are analysed as follows:
African Export-Import Bank (''AfreximBank)/ Syndicated Loan of USD90 million rolled over in December 2023 and first instalment maturity of USD25 million was paid on 30 December 2025. The facility runs up to December 2027 with maturities of equal instalments from December 2025. The interest rate is 8% pa + SOFR. African Export-Import Bank ('' AfreximBank)/ trade finance facility of USD20 million at 8.8% + SOFR matures on 31 December 2026.

The Minerals Marketing Corporation of Zimbabwe (MMCZ) Chrome miners facility is a joint financing arrangement with FBC Bank at 6.5% per annum with maximum tenure of 24 months.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
15	**INSURANCE AND REINSURANCE CONTRACTS**		
	Insurance contracts		
	Insurance contract liabilities		
	- Insurance contract balances		
	- Non-Life	17 358 751	11 167 970
		17 358 751	**11 167 970**
	- Assets for insurance acquisition cash flows		
	- Non-Life	-	-
		-	**-**
	Net Insurance contract liabilities	17 358 751	11 167 970
	Insurance contract assets		
	- Insurance contract balances		
	- Non-Life	8 253 499	3 716 651
		8 253 499	**3 716 651**
	- Assets for insurance acquisition cash flows		
	- Non-Life	-	-
		-	**-**
	Net Insurance contract assets	8 253 499	3 716 651
	Reinsurance contracts		
	Reinsurance contract assets		
	- Non-Life	5 379 563	4 417 702
		5 379 563	**4 417 702**
	Reinsurance contract liabilities		
	- Non-Life	1 477 095	-
		1 477 095	**-**
	The following sets out the carrying amounts of insurance and reinsurance contracts expected to be (recovered) settled more than 12 months after the reporting date		
	Insurance contract assets	-	-
	Insurance contract liabilities	-	-
	Reinsurance contract assets	-	-
	Reinsurance contract liabilities	-	-
	Maximum exposure to credit risk from Insurance contracts	8 253 499	3 716 651
	Maximum exposure to credit risk from Reinsurance contracts	5 379 563	4 417 702

Reinsurance contract assets are covered by a treaty program rated BBB.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.1 The following reconciliations show how the net carrying amounts of insurance and reinsurance contracts in each segment changed during the year as a result of cash flows and amounts recognised in the statement of profit or loss and OCI.

Movement in insurance and reinsurance contract balances

31 Dec 2025 Non-life Insurance contracts		Liability for incurred claims				
				Contracts under PAA		
	Liability for remaining coverage excluding loss component USD	Loss component USD	Contracts not under PAA USD	Estimates of present value of future cash flows USD	Risk adjustment for non-financial risk USD	Total USD
Analysis by remaining coverage and incurred claims						
Net opening assets/(liabilities)	2 946 631	(2 138 700)	-	(7 690 939)	(568 311)	(7 451 319)
Net opening balance	**2 946 631**	**(2 138 700)**	**-**	**(7 690 939)**	**(568 311)**	**(7 451 319)**
Changes in the statement of profit or loss and OCI						
Insurance revenue	33 363 221	-	-	-	-	33 363 221
	33 363 221	**-**	**-**	**-**	**-**	**33 363 221**
Insurance service expense						
Incurred claims and other insurance service expenses	7 252 072	-	-	(10 018 486)	-	(2 766 414)
Amortisation of insurance acquisition cash flows	(10 013 948)	-	-	-	-	(10 013 948)
Losses and reversals of losses on onerous contracts	-	7 672	-	-	-	7 672
Adjustment to liabilities for incurred claims	-	-	-	(9 441 334)	-	(9 441 334)
	(2 761 876)	**7 672**	**-**	**(19 459 820)**	**-**	**(22 214 024)**
Premium refunds	-	-	-	-	-	-
Insurance service result	30 601 345	7 672	-	(19 459 820)	-	11 149 197
Net finance expenses from insurance contracts	-	-	-	-	-	-
Effect of movement in exchange rates	(67 838)	-	-	-	-	(67 838)
Total changes in the statement of profit or loss and OCI	**30 533 507**	**7 672**	**-**	**(19 459 820)**	**-**	**11 081 359**
Cash flows						-
Premiums received	(33 947 795)	-	-	-	-	(33 947 795)
Claims and other insurance service expenses paid	-	-	-	11 198 554	-	11 198 554
Insurance acquisition cash flows	10 013 949	-	-	-	-	10 013 949
Total cash flows	**(23 933 846)**	**-**	**-**	**11 198 554**	**-**	**(12 735 292)**
Transfer to other items in the statement of financial position	**-**	**-**	**-**	**-**	**-**	**-**
Contracts derecognised on disposal of subsidiary	-	-	-	-	-	-
Net closing balance	**9 546 292**	**(2 131 028)**	**-**	**(15 952 205)**	**(568 311)**	**(9 105 252)**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

Audited 31 Dec 2024 Non-life Insurance contracts	Liability for remaining coverage excluding loss component USD	Loss component USD	Liability for incurred claims: Contracts not under PAA USD	Liability for incurred claims: Contracts under PAA: Estimates of present value of future cash flows USD	Liability for incurred claims: Contracts under PAA: Risk adjustment for non-financial risk USD	Total USD
Analysis by remaining coverage and incurred claims						
Net opening assets/(liabilities)	(3 838 896)	264	-	(4 624 894)	(531 240)	(8 994 766)
Net opening balance	**(3 838 896)**	**264**	**-**	**(4 624 894)**	**(531 240)**	**(8 994 766)**
Changes in the statement of profit or loss and OCI						
Insurance revenue	24 572 975	-	-	-	-	24 572 975
	24 572 975	**-**	**-**	**-**	**-**	**24 572 975**
Insurance service expense						
Incurred claims and other insurance service expenses	(7 929 923)	-	-	(9 600 742)	-	(17 530 665)
Amortisation of insurance acquisition cash flows	(1 521 061)	-	-	-	-	(1 521 061)
Losses and reversals of l osses on onerous contracts	-	-	-	-	-	-
Adjustment to liabilities for incurred claims	(2 445 857)	2 138 956	-	(3 066 045)	(37 013)	(3 409 959)
	(11 896 841)	**2 138 956**	**-**	**(12 666 787)**	**(37 013)**	**(22 461 685)**
Premium refunds	-	-	-	-	-	-
Insurance service result	12 676 134	2 138 956	-	(12 666 787)	(37 013)	2 111 290
Net finance expenses from insurance contracts	-	-	-	-	-	-
Effect of movement in exchange rates	193 389	-	-	-	-	193 389
Total changes in the statement of profit or loss and OCI	**12 869 523**	**2 138 956**	**-**	**(12 666 787)**	**(37 013)**	**2 304 679**
Cash flows						
Premiums received	(22 182 565)	-	-	-	-	(22 182 565)
Claims and othet insurance service expenses paid	6 093 276	-	-	9 600 742	-	15 694 018
Insurance acquisition cash flows	5 727 315	-	-	-	-	5 727 315
Total cash flows	**(10 361 974)**	**-**	**-**	**9 600 742**	**-**	**(761 232)**
Transfer to other items in the statement of financial position	-	-	-	-	-	-
Contracts derecognised on disposal of subsidiary	-	-	-	-	-	-
Net closing balance	**(1 331 347)**	**2 139 220**	**-**	**(7 690 939)**	**(568 253)**	**(7 451 319)**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

Audited

31 Dec 2025 Non-Life Reinsurance contracts	Assets for remaining coverage Excluding Loss recovery component USD	Loss recovery component USD	Asset for incurred claims USD	Total USD
Analysis by remaining coverage and incurred claims				
Net opening assets/(liabilities)	(890 127)	472 615	4 835 214	4 417 702
Net opening balance	**(890 127)**	**472 615**	**4 835 214**	**4 417 702**
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	10 368 984	-	-	10 368 984
	10 368 984	**-**	**-**	**10 368 984**
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows	-	-	-	-
Rocoveries of incurred claims and other insurance service expenses	(1 240 885)	(1 131 245)	(1 147 080)	(3 519 210)
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	-	-
Losses and reversals of losses on onerous contracts	-	-	-	-
Adjustment to assets for incurred claims	-	(61 525)	209 740	148 215
	(1 240 885)	**(1 192 770)**	**(937 340)**	**(3 370 995)**
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
	-	-	-	-
Net (revenue)/expenses from reinsurance contracts	9 128 099	(1 192 770)	(937 340)	6 997 989
Net finance expenses from insurance contracts	-	-	-	-
Effect of movement in exchange rates	(34 864)	(1 131 245)	-	(1 166 109)
Total changes in the statement of profit or loss and OCI	**9 093 235**	**(2 324 015)**	**(937 340)**	**5 831 880**
Cash flows				
Premiums paids	(10 496 282)	-	-	(10 496 282)
Amounts received	1 240 884	1 131 245	1 777 039	4 149 168
	-	-	-	-
Total cash flows	**(9 255 398)**	**1 131 245**	**1 777 039**	**(6 347 114)**
Contracts derecognised on disposal of subsidiary	-	-	-	-
Net closing balance	**(1 052 290)**	**(720 155)**	**5 674 913**	**3 902 468**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

Audited

31 Dec 2024 **Non-Life** **Reinsurance contracts** ***Analysis by remaining coverage and incurred claims***	**Assets for remaining coverage** **Excluding Loss recovery component USD**	**Loss recovery component USD**	**Asset for incurred claims USD**	**Total USD**
Net opening assets/(liabilities)	593 556	1 492	1 204 135	1 799 183
Net opening balance	**593 556**	**1 492**	**1 204 135**	**1 799 183**
Changes in the statement of profit or loss and OCI				
Allocation of reinsurance premiums paid	7 022 507	-	-	7 022 507
	7 022 507	**-**	**-**	**7 022 507**
Amounts recoverable from reinsurers				
Amortisation of reinsurance acquisition cash flows	-	-	-	-
Rocoveries of incurred claims and other insurance service expenses	(1 838 100)	(1 045 192)	-	(2 883 292)
Recoveries and reversals of recoveries of losses on onerous underlying contracts	-	-	-	-
Losses and reversals of losses on onerous contracts	-	-	-	-
Adjustment to assets for incurred claims	(351 756)	8 304	187 720	(155 732)
	(2 189 856)	**(1 036 888)**	**187 720**	**(3 039 024)**
Premium refunds	-	-	-	-
Effect of changes in non-performance risk of reinsurers	-	-	-	-
	-	**-**	**-**	**-**
Net (revenue)/expenses from reinsurance contracts	4 832 649	(1 036 888)	187 720	3 983 481
Net finance expenses from insurance contracts	-	-	-	-
Effect of movement in exchange rates	2 131 825	1 149 566	-	3 281 391
Total changes in the statement of profit or loss and OCI	**6 964 474**	**112 678**	**187 720**	**7 264 872**
Cash flows				
Premiums paids	(6 541 219)	-	-	(6 541 219)
Amounts received	849 674	1 045 192	-	1 894 866
	-	-	-	-
Total cash flows	**(5 691 545)**	**1 045 192**	**-**	**(4 646 353)**
Contracts derecognised on disposal of subsidiary	-	-	-	-
Net closing balance	**1 866 485**	**1 159 362**	**1 391 855**	**4 417 702**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

15.3 Claims development

The Group did not disclose claims development information due to the fact that uncertainty about the amount and timing of the claims payments is typically resolved within one year.

15.4 Significant judgements and estimates

i. Fulfilment cash flows

Fulfilment cash flows comprise:

— estimates of future cash flows;

— an adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows; and

— a risk adjustment for non-financial risk.

The Group's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. The cash flows from each scenario are discounted and weighted by the estimated probability of that outcome to derive an expected present value. If there are significant interdependencies between cash flows that vary based on changes in market variables and other cash flows, then the Group uses stochastic modelling techniques to estimate the expected present value. Stochastic modelling involves projecting future cash flows under a large number of possible economic scenarios for market variables such as interest rates and equity returns.

Estimates of future cash flows

In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Group's view of current conditions at the reporting date, as long as the estimates of any relevant market variables are consistent with observable market prices. When estimating future cash flows, the Group takes into account current expectations of future events that might affect those cash flows. However, expectations of future changes in legislation that would change or discharge a present obligation or create new obligations under existing contracts are not taken into account until the change in legislation is substantively enacted. Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include:

— claims handling, maintenance and administration costs;

— recurring commissions payable on instalment premiums receivable within the contract boundary;

— costs that the Group will incur in providing investment services;

— costs that the Group will incur in performing investment activities to the extent that the Group performs them to enhance benefits from insurance coverage for policyholders by generating an investment return from which policyholders will benefit if an insured event occurs; and

— income tax and other costs specifically chargeable to the policyholders under the terms of the contracts.

Insurance acquisition cash flows and other costs that are incurred in fulfilling contracts comprise both direct costs and an allocation of fixed and variable overheads. Cash flows are attributed to acquisition activities, other fulfilment activities and other activities at local entity level using activity-based costing techniques. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts using methods that are systematic and rational and are consistently applied to all costs that have similar characteristics. The Group generally allocates insurance acquisition cash flows to groups of contracts based on the total premiums for each group, claims handling costs based on the number of claims for each group, and maintenance and administration costs based on the number of in-force contracts within each group. Other costs are recognised in profit or loss as they are incurred.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

15 INSURANCE AND REINSURANCE CONTRACTS (CONTINUED)

Contract boundaries

The assessment of the contract boundary, which defines which future cash flows are included in the measurement of a contract, requires judgement and consideration of the Group's substantive rights and obligations under the contract.

i) Insurance contracts

Some term assurance issued by the Group have annual terms that are guaranteed to be renewable each year. The Group determines that the cash flows related to future renewals (i.e. the guaranteed renewable terms) of these contracts are outside the contract boundary.

This is because the premium charged for each year reflects the Group's expectation of its exposure to risk for that year and, on renewal, the Group can reprice the premium to reflect the reassessed risks for the next year based on claims experience and expectations for the respective portfolio. Any renewal of the contract is treated as a new contract and is recognised, separately from the initial contract, when the recognition criteria are met.

ii) Reinsurance contracts

Each of the Group's quota share and treaty reinsurance contracts has an annual term, covers underlying contracts issued within the term on a risk-attaching basis and provides unilateral rights to both the Group and the reinsurer to terminate the cession of new business at any time by giving three months' notice to the other party. On initial recognition, the cash flows within the reinsurance contract boundary are determined to be those arising from underlying contracts that the Group expects to issue and cede under the reinsurance contract within the next three months. Subsequently, expected cash flows beyond the end of this initial notice period are considered cash flows of new reinsurance contracts and are recognised, separately from the initial contract, as they fall within the rolling three-month notice period.

Each of the Group's excess of loss and stop loss reinsurance contracts has an annual term and covers claims from underlying contracts incurred within the year (i.e. loss occurring). Cash flows within the contract boundary are those arising from underlying claims incurred during the year.

Non-life contracts

The Group estimates the ultimate cost of settling claims incurred but unpaid at the reporting date and the value of salvage and other expected recoveries by reviewing individual claims reported and making allowance for claims incurred but not yet reported. The ultimate cost of settling claims is estimated using a range of loss reserving techniques – e.g. the chain-ladder and Bornhuetter- Ferguson methods. These techniques assume that the Group's own claims experience is indicative of future claims development patterns and therefore ultimate claims cost. The ultimate cost of settling claims is estimated separately for each line of business, except for large claims, which are assessed separately from other claims. The assumptions used, including loss ratios and future claims inflation, are implicitly derived from the historical claims development data on which the projections are based, although judgement is applied to assess the extent to which past trends might not apply in the future and future trends are expected to emerge.

Risk adjustments for non-financial risk

Risk adjustments for non-financial risk are determined to reflect the compensation that the individual issuing entity would require for bearing non-financial risk, separately for the non-life and other contracts, and are allocated to groups of contracts based on an analysis of the risk profiles of the groups. Risk adjustments for non-financial risk reflect the diversification benefits from contracts issued by the entity, in a way that is consistent with the compensation that it would require and that reflects its degree of risk aversion, and the effects of the diversification benefits are determined using a value-at-risk technique (VaR) quantitative technique. Using the Value-at-Risk (VaR) technique, the risk adjustment is calculated as the amount that must be added to the expected value of the insurance liabilities, such that the probability that the actual outcome will be less than the liability (including the risk adjustment) is equal to a targeted probability (i.e. confidence level). The risk adjustment is the difference between the probability-weighted expected value and the corresponding result at the selected percentile of the probability distribution. VaR can be done using various approaches that include but not limited to Monte Carlo Simulations, Solvency II Based Approach and Mack Method.

The Group used 99.5% confidence level to determine the risk adjustment for non financial risk under the Zimbabwe Intergrated Capital & Risk Programme ('ZICARP").

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
16	**TRADE AND OTHER PAYABLES**		
	Trade and other payables	40 371 980	63 643 154
	Deferred income	10 229 207	7 447 020
	Visa and MasterCard settlement payables	456 806	238 253
	TT Resdex inwards	1 766 349	1 878 638
	RBZ cash cover	632 031	836 976
	Zimswitch settlement	691 203	586 016
	Instant banking balances	150 576	8 036 660
	Intermediary tax	3 486 117	2 485 412
	Customer funds awaiting payment	39 282	4 187 397
	Other liabilities*	8 581 302	2 884 056
		66 404 853	**92 223 582**
	Current	52 782 861	80 929 240
	Non-current	13 621 992	11 294 342
	Total	**66 404 853**	**92 223 582**

*Other liabilities are comprised of staff related provisions

17 DEFERRED TAX ASSET AND LIABILITY

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax authority. Deferred income taxes are calculated on all temporary differences under the liability method using an effective corporate tax rate of 25.75% (2024: 25.75%) and capital gains tax rate of 20% (2024: 20%).

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
	The movement on the deferred tax account is as follows:		
	As at 1 January	13 292 523	20 473 563
	Statement of profit or loss charge (note 27)	(13 643 524)	(5 075 656)
	Tax charge relating to components of other comprehensive income	(300 414)	(1 867 320)
	Other	5 263 310	389 167
	Effects of changes in presentation currency	(1 410 895)	(627 231)
	As at 31 December	**3 201 000**	**13 292 523**
17.1	**Analysis of charge in the statement of profit or loss**		
	The deferred tax charge in the statement of profit or loss comprises the following temporary differences:		
	Allowance for loan impairment	(1 655 453)	(2 338)
	Property and equipment allowances	1 318 422	2 095 239
	Unrealised gains on foreign exchange and equities	(873 250)	(1 909 102)
	Financial assets at fair value through other comprehensive income	442 484	-
	Accrual for leave pay	(2 742 355)	1 029 662
	Liability for remaining coverage and deferred income	(165 569)	(2 544)
	Prepayments and other assets	2 650 022	643 392
	Other liabilities*	(12 617 825)	(6 929 965)
	Total	**(13 643 524)**	**(5 075 656)**

*Other liabilities are comprised of staff-related provisions

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
17	**DEFERRED TAX ASSET AND LIABILITY (CONTINUED)**		
17.2	**Analysis of charge in the statement of comprehensive income**		
	Property and equipment revaluations	(197 404)	(913 076)
	Investment in securities at FVOCI	(103 010)	(954 244)
		(300 414)	**(1 867 320)**
17.3	**Deferred income tax assets and liabilities**		
	Deferred tax assets and liabilities are attributable to the following items:		
	Allowance for loan impairment	(6 136 120)	(4 480 668)
	Financial assets at fair value through other comprehensive income	1 052 815	610 332
	Property and equipment allowances	12 426 669	11 108 247
	Unrealised gains on foreign exchange and equities	28 494 775	29 668 439
	Accrual for leave pay	(2 244 092)	498 264
	Deferred acquisition costs	210 174	210 174
	Liability for remaining coverage and deferred income	(318 568)	(152 999)
	Prepayments and other assets	3 436 095	786 074
	Trade and other payables	(33 639 410)	(24 874 000)
	Net outstanding claims	(81 338)	(81 340)
		3 201 000	**13 292 523**
18	**SHARE CAPITAL AND SHARE PREMIUM**		
18.1	**Authorised**		
	Number of ordinary shares, with a nominal value of ZWG0,000000004002042	800 000 000	800 000 000
18.2	**Issued and fully paid**		
	Number of ordinary shares, with a nominal value of ZWG0,000000004002042	671 949 927	671 949 927

All ordinary shares rank equally with regard to the Company's residual assets.

Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

18.3 Share capital movement	Number of Shares	Share Capital USD	Share Premium USD	Total USD
INFLATION ADJUSTED				
As at 31 December 2025	**671 949 927**	**1 161**	**2 434 397**	**2 435 558**
As at 31 December 2024	**671 949 927**	**1 161**	**2 434 397**	**2 435 558**

The unissued share capital is under the control of the directors subject to the restrictions imposed by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31), Zimbabwe Stock Exchange Listing Requirements and the Articles and Memorandum of Association of the Company.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
19	**OTHER RESERVES**		
	Translation reserve	14 534 518	14 805 731
	Revaluation reserves	23 409 301	23 786 628
	Non distributable reserves	11 798 060	11 367 402
	Regulatory reserves	485 766	342 184
	Financial assets at fair value through other comprehensive income reserve	(1 765 115)	(1 501 773)
	Treasury shares reserves	(4 327 521)	(4 330 156)
	Changes in ownership reserve	288 790	288 790
		44 423 799	**44 758 806**

The definitions of the reserves are as follows;
Translation reserves consists of gains or losses on translation of foreign operations under our subsidiary FBC Reinsurance Limited.

The revaluation reserve consists of increases in the value of property and equipment on revaluation. Non-distributable reserves are the net result of the restatement of assets and liabilities that could be recovered or settled in a currency other than the Zimbabwe dollar ("ZWG") or could be reasonably translated into a currency other than the ZWG as at 1 January 2009, less deferred income tax and net of amounts subsequently transferred to share capital and share premium.

Regulatory reserves are impairment allowances, the Group is legally required to maintain on its statement of financial position that are over and above those required by IFRS. Financial assets at fair value reserve comprises the changes in the fair value of financial assets at fair value through other comprehensive income, net of tax. Treasury share reserve represents shares the Group has issued and subsequently reacquired. Change in ownership reserve represents the net expense or gain resulting in a step acquisition of a subsidiary.

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
20	**INTEREST AND RELATED INCOME**		
	Cash and cash equivalents	864 181	1 538 514
	Loans and advances to other banks	4 443 047	3 234 963
	Loans and advances to customers	77 975 196	69 983 787
	Banker's acceptances and tradable bills	2 034 035	780 879
	Other interest income	1 426 676	1 525 942
		86 743 135	**77 064 085**
	Credit related fees that are an integral part of the effective interest on loans and advances have been classified under interest income. No interest earned was at nominal rates		
20.1	**INTEREST AND RELATED EXPENSE**		
	Deposit from other banks	8 015 124	3 193 197
	Demand deposits	1 206 393	803 452
	Lines of credit from financial institutions	12 741 836	15 557 228
	Time deposits	8 281 866	2 999 023
		30 245 219	**22 552 900**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025	31 Dec 2024
			Restated*
		USD	USD
21	**FEE AND COMMISSION INCOME**		
	Retail service fees	58 718 040	46 646 596
	Credit related fees	3 295 159	1 481 042
	Investment banking fees	-	269 644
	Brokerage commission	401 388	434 198
		62 414 587	**48 831 480**
21.1	**FEE AND COMMISSION EXPENSE**		
	Brokerage	3 386 244	1 301 881
22	**REVENUE FROM PROPERTY SALES**		
	Property sales	1 710 096	-

Property sales were subdues during the year 2025 and the majority of housing units completed during the period were transferred to investment property.

		31 Dec 2025	31 Dec 2024
22.1	**COST OF PROPERTY SALES**		
	Property costs	691 666	-
23	**INSURANCE REVENUE**		
	Contracts measured under PAA		
	Non-life	33 363 221	24 572 975
		33 363 221	**24 572 975**
24	**NET GAIN FROM FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE**		
	Financial assets at fair value through profit or loss (note 6), fair value loss	1 020 121	36 735 237
25	**OTHER OPERATING INCOME/(LOSS)**		
	Rental income	2 631 726	2 120 698
	Loss on disposal of property and equipment	(388 129)	(41 453)
	Sundry income	4 589 815	7 742 866
	Bad debts recoveries /(written off)	202 153	(75 728)
	Fair value adjustment on investment property	4 977 376	(10 671 443)
		12 012 941	**(925 060)**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025 USD	31 Dec 2024 Restated* USD
26	**OPERATING EXPENSES**		
	Insurance service expenses		
	Claims and benefits	8 231 280	13 316 063
	Amounts attributed to/amortisation of insurance acquisition cash flows	9 972 696	5 727 315
	Staff costs (note 26.1)	835 427	651 543
	Administration expenses	3 174 620	2 766 763
		22 214 023	**22 461 684**
	Other operating expenses		
	Marketing	1 135 854	1 236 915
	Premises	3 253 976	3 308 426
	Computer	7 430 525	4 479 041
	Insurance	4 219 700	2 810 027
	Travel	1 459 277	1 724 725
	Security	3 165 412	1 919 028
	Communication	2 362 940	1 523 308
	Donations	987 770	895 816
	Subscriptions	997 303	702 677
	Operational losses/(loss recoveries)	109 269	(142 580)
	Mastercard and Visa expenses	6 600 804	5 660 379
	Other administration expenses	11 541 301	28 550 451
	Staff costs (note 26.1)	44 929 888	100 387 546
	Directors' remuneration (note 26.2)	9 920 509	17 731 574
	Audit fees:		
	- Financial statements audit-current year fees	251 429	1 101 953
	- Financial statements audit-prior year fees	767 531	58 632
	- Other services	-	-
	Depreciation	2 385 583	4 427 521
	Amortisation and impairment loss (note 11)	91 143	7 855
	Short term leases	120 146	11 897
		101 730 360	**176 395 191**
		123 944 383	**198 856 875**
26.1	**Staff costs**		
	Salaries and allowances	42 389 744	96 943 513
	Social security	502 616	1 071 644
	Pension contribution	2 872 955	3 023 932
		45 765 315	**101 039 089**
26.2	**Directors' remuneration**		
	Board fees	1 897 142	1 545 410
	Other emoluments	7 990	18 451
	For services as management	8 015 377	16 167 713
		9 920 509	**17 731 574**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025	31 Dec 2024 Restated*
26	**OPERATING EXPENSES (CONTINUED)**	**USD**	**USD**
26.3	**Leases as lessee**		
	Right-of-use assets		
	Cost		
	Balance at 1 January	1 468 703	1 151 836
	Additions	-	-
	Remeasurement adjustments	1 893 559	316 867
	Balance at 31 December	**3 362 262**	**1 468 703**
	Accumulated depreciation		
	Balance at 1 January	665 327	518 056
	Charge for the year	469 624	147 271
	Balance at 31 December	**1 134 951**	**665 327**
	Carrying amount at 31 December	**2 227 311**	**803 376**
	Amounts recognised in profit and loss		
	Depreciation expense on right-of-use assets	469 624	147 271
	Interest expense on lease liabilities	196 229	90 922
	Expenses relating to variable lease payments not included		
	- in the measurement of lease liabilities	(15 820)	-
	Income from sub-leasing right-of-use assets	17 933	14 131
	The total committed value for short term leases is	-	-
	The total cash outflow for leases amount to	1 170 092	92 915
	Lease liabilities		
	Opening	872 842	557 968
	Additions for the period	-	-
	Finance cost	196 229	90 922
	Remeasurement adjustments*	1 893 559	316 867
	Cash movements	(1 170 092)	(92 915)
		1 792 538	**872 842**
	Analysed as:		
	0-1 year	414 960	436 544
	1-5 years	1 377 578	436 298
		1 792 538	**872 842**

The Group leases some of its banking branches and premises. The leases typically run for a period of 1 year. Lease payments are reviewed in line with prevailing market conditions on an annual basis to align them to market rentals. The leases provide for additional rent payments that are based on changes in the local price index. The leased properties are all for office use.

	31 Dec 2025	31 Dec 2024 Restated*
Amounts recorded in profit or loss		
Lease expense	120 146	11 897

*Re-measurement adjustments include effects of changes in presentation currency.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025	31 Dec 2024 Restated*
27	**INCOME TAX EXPENSE:**	**USD**	**USD**
27.1	**Charge for the year**		
	Current income tax on income for the reporting year	8 720 901	3 872 075
	Prior year under provision	5 928 433	359 645
	Deferred income tax	(13 643 524)	(5 075 656)
	Income tax expense/(credit)	1 005 810	(843 936)

a) The prior year under provision relates to accrual of tax following a claim by the tax authorities in current year

b) The deferred tax credit relates to release of deferred tax liabilities recognised on exchange gains in previous years. Due to the change in functional currency in current year, the prior years gains will not be realised resulting in a reversal of the deferred tax liability

c) The income tax rate applicable to the Group`s taxable income for the year ended 31 December 2025 is 25.75% (2024: 25.75%).

		31 Dec 2025	31 Dec 2024 Restated*
27.2	**Reconciliation of income tax expense**	**USD**	**USD**
	The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the principal tax rate of 25.75% (2024: 25.75%) as follows;		
	Profit before income tax	31 378 994	17 076 820
	Income tax charged based on profit for the year at 24.72% (2024:24.72%)	7 756 887	4 221 390
	Tax effect of:		
	Exempt income*	(2 245 170)	(12,492,423)
	Additional/(savings) tax resulting from permanent differences	7 864	32
	Income subject to tax at lower rates	475 271	(107,942)
	Impairment allowance	6 716 422	697,421
	Expenses not deductible for tax purposes**	2 792 690	14,579,505
	Prior year under provision	5 253 326	(635,130)
	Other liabilities including payrol related provisions	(19 751 480)	(7,106,789)
	Income tax expense	1 005 810	(843 936)
	Effective rate	3%	-5%

* Included in exempt income is dividend income and unrealised exchange gains.

** Expenses not deductable for tax purposes constitute depreciation, intermediary tax, entertainment costs and donations.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

28 RELATED PARTY TRANSACTIONS

The Group has related party relationships with its shareholders who own, directly or indirectly, 10% or more of its share capital or those shareholders who control in any manner, the election of the majority of the Directors of the Company or have the power to exercise controlling influence over the management or financial and operating policies of the Group. The Group carried out banking and investments related transactions with various companies related to its shareholders, all of which were undertaken in compliance with the relevant banking regulations. The following is a list of related parties to the Group and transactions with them:

Key management

Name	Position
Trynos Kufazvinei	Group Chief Executive
Abel Magwaza	Group Finance Director
Kleto Chiketsani	Managing Director (FBC Reinsurance Limited)
Webster Rusere	Managing Director (FBC Bank Limited)
Pius Rateiwa	Managing Director (FBC Properties Limited)
Mubaiwa Mubaiwa	Managing Director (FBC Crown Limited)
Esau Gwasira	Managing Director (Microplan Financial Services (Private) Limited)
Tichaona Mabeza	Group Company Secretary
Benson Gasura	Managing Director (FBC Securities (Private) Limited)
Alice Chiedza	Managing Director (FBC Insurance Company (Private) Limited)
Barnabas Vera	Divisional Director Internal Audit
Alfred Chitanda	Executive Director (FBC Bank Limited)
Agnes Kanhukamwe	Executive Director (FBC Crown Limited)
Martin Makonese	Executive Director (FBC Bank Limited)
Patrick Takawira	Executive Director (FBC Bank Limited)
Joachim Matsvimbo	Executive Director (FBC Reinsurance Limited)
Alice Chiedza	Executive Director (FBC Reinsurance Limited)
Patricia Nyazenga	Divisional Director Credit Management
Mudzingwa Nhiwatiwa	Head of Group Strategy
Dorcas Chihota	Executive Director (FBC Reinsurance Limited)
Agrippa Mugwagwa	Executive Director (FBC Bank Limited)

The following are companies and a trust related to directors, key management and the Group:
Arena Investments (Private) Limited (owned by FBC Holdings Limited board member)
Cotition Investments (Private) Limited (owned by FBC Bank Limited board member)
Wedgeport Investments (Private) Limited (owned by FBC Holdings Limited board member)
Dinkrain Investments (Private) Limited (owned by FBC Bank Limited board member)
Rus Enterprises (Private) Limited (owned by FBC Holdings Limited board member)
Codchem (Private) Limited (owned by FBC Building Society board member)
Altiwave Investments (Private) Limited (related to FBC Bank Limited)
GB Holdings Limited (related to FBC Holdings Executive)
Vidrly International (PVT) LTD (related to FBC Holdings Executive)

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

28 RELATED PARTY TRANSACTIONS

Below are the companies related to directors, key senior management and Group and their loan balances as at 31 December 2025.

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
MATAMBO RUMBIDZAI MRS	87 220	98 983
PADARE ESTATES	-	102 595
NYEMBA VIMBAI	8 166	19 934
MACHINGAIDZE MARY NETSAI MRS	18 354	-
RUS LOGQUIP PVT LTD	-	10 283
ETHICAL LEAF TOBACCO PRIVATE LIMITED	2 345 051	2 585 646
MUCHENA FREDERICK	40 000	10
NORTON GRINDING MEDIA FOUNDRY	4 164 125	-
MNANDI LA GOURMET PRIVATE LIMITED	94 292	-
	6 757 208	**2 817 451**

These transactions are at arms length.

Loans and advances to executive directors		
Balance as at 1 January	7 134 588	2 065 818
Additions due to business acquisition	-	56 457
Effects of changes in presentation currency	(5 767 979)	(1 875 668)
Advances during the year	529 210	8 396 135
Repayments made during the year	(125 219)	(1 508 154)
Balance as at 31 December	**1 770 600**	**7 134 588**
Interest charged during the year	69 885	5 929

Loans and advances to directors and officers of the Group have, along with other loans and advances, been subjected to impairment procedures. Their terms and conditions are the same as those of ordinary customers.

Compensation for executive directors and key management		
Short term employee benefits	8 015 377	16 167 713
Post- employment benefits	7 990	18 451
Long service awards	-	14 185 383
	8 023 367	**30 371 547**

Group entities	interest 2025	interest 2024
FBC Bank Limited	100%	100%
FBC Building Society	0%	100%
FBC Reinsurance Limited	100%	100%
FBC Securities (Private) Limited	100%	100%
Microplan Financial Services (Private) Limited	100%	100%
FBC Insurance Company (Private) Limited	95.4%	95.4%
OutRisk Underwriting Management Agency (Private) Limited	100%	100%
FBC Crown Bank Limited	100%	100%

Other related party transactions

Other related party transactions include contributions to FBC Holdings Limited Pension Fund, a self administered post employment benefit fund and director’s remuneration. Details of these transactions are disclosed in note 37 and note 26.1 respectively.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

29 PRINCIPAL SUBSIDIARIES
The Group had the following subsidiaries at 31 December 2025

Group and Company

Name	Nature of business	Proportion of ordinary shares directly held by the parent (%)	Proportion of ordinary shares held by the Group (%)	Proportion of ordinary shares held by non-controlling interests (%)
FBC Bank Limited	Commercial banking	100	100	-
FBC Reinsurance Limited	Short term reinsurance	100	100	-
FBC Securities (Private) Limited	Stockbroking	100	100	-
FBC Insurance Company (Private) Limited	Short term insurance	95	95	5
Microplan Financial Services (Private) Limited	Microlending	100	100	-
OutRisk Underwriting Management Agency (Private) Limited	Insurance broking	100	100	-
FBC Crown Bank Limited	Wholesale banking	100	100	-

All subsidiaries were incorporated in Zimbabwe, which is also their place of business.
All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

Significant restrictions
There are no material restrictions with regards to any of the subsidiaries' ability to access or use assets, and settle liabilities of the Group.

30 EARNINGS PER SHARE
30.1 Basic earnings
Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares in issue excluding ordinary shares purchased by the Company and held as treasury shares.

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
Profit attributable to equity holders of the parent	30 346 748	17 849 145
Total	**30 346 748**	**17 849 145**
Basic earnings per share		
Basic earnings per share for continuing operations (USD cents)	4.96	2.92
	4.96	**2.92**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

30 EARNINGS PER SHARE (CONTINUED)
30.1 Basic earnings (continued)

Year ended 31 December 2025	Shares issued	Treasury shares	Shares outstanding	Weighted
Weighted average number of ordinary shares				
Issued ordinary shares as at 1 January 2025	671 949 927	61 591 105	610 358 822	610 358 822
Treasury shares purchased	-	-	-	-
Treasury shares sold	-	(1 575 400)	1 575 400	1 011 055
Weighted average number of ordinary shares as at 31 December 2025	**671 949 927**	**60 015 705**	**611 934 222**	**611 369 877**
Year ended 31 December 2024				
Weighted average number of ordinary shares				
Issued ordinary shares as at 1 January 2024	671 949 927	61 406 905	610 543 022	610 543 022
Treasury shares purchased	-	184 200	(184 200)	(41 887)
Treasury shares sold	-	-	-	-
Weighted average number of ordinary shares as at 31 December 2024	**671 949 927**	**61 591 105**	**610 358 822**	**610 501 135**

30.2 Diluted earnings
Diluted earnings per share is calculated after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have dilutive ordinary shares.

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
Earnings		
Profit attributable to equity holders of the parent	30 346 748	17 849 145
Total	**30 346 748**	**17 849 145**
Weighted average number of ordinary shares at 31 December	611 369 877	610 501 135
Diluted earnings per share		
Diluted earnings per share for continuing operations (USD cents)	4.96	2.92
	4.96	**2.92**

30.3 Headline earnings per share
Headline earnings is calculated by starting with the basic earnings number and then excluding the following re-measurements;
- Gains/losses on the loss of control of a subsidiary
- Impairment/subsequent reversal of impairment of all assets
- Disposal gains/losses of all assets
- Compensation from third parties for assets that were impaired or lost
- The reclassification of all other remeasurements from other comprehensive income to profit or loss
- The reclassification of gains and losses on financial assets at fair value through other comprehensive income upon impairment or disposal and subsequent impairment losses
- The post-tax gain or loss on the disposal of assets or a disposal group constituting discontinued operations

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 2025	31 Dec 2024 Restated*
30	**EARNINGS PER SHARE (CONTINUED)**	**USD**	**USD**
30.3	**Headline earnings per share (continued)**		
	Profit attributable to equity holders of the parent	30 346 748	17 849 145
	Adjusted for excluded remeasurements		
	Loss on disposal of property and equipment (note 25)	388 129	41 453
	Impairment on asset (note 11 & 12)	-	-
	Headline earnings	**30 734 877**	**17 890 598**
	Weighted average number of ordinary shares at 31 December	**611 369 877**	**610 501 135**
	Headline earnings per share (USD cents)	**5.03**	**2.93**
30.4	**Diluted headline earnings per share**		
	Diluted headline earnings per share is calculated after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have dilutive ordinary shares.		
	Profit attributable to equity holders of the parent	30 346 748	17 849 145
	Adjusted for excluded remeasurements		
	Loss on disposal of property and equipment (note 25)	388 129	41 453
	Impairment on asset (note 11 & 12)	-	-
	Headline earnings	**30 734 877**	**17 890 598**
	Weighted average number of ordinary shares at 31 December	**611 369 877**	**610 501 135**
	Headline earnings per share (USD cents)	**5.03**	**2.93**

31 FINANCIAL RISK MANAGEMENT

The Group has a defined risk appetite that is set by the Board and it outlines the amount of risk that business is prepared to take in pursuit of its objectives and it plays a pivotal role in the development of risk management plansand policies. The Group regularly reviews its policies and systems to reflect changes in markets, products, regulations and best market practice.

The policies specifically cover foreign exchange risk, liquidity risk, interest rate risk , credit risk and the general use of financial instruments. Group Risk and Compliance, Group Internal audit review from time to time the intergrity of the risk control systems in place and ensure that risk policies and strategies are effectively implemented within the Group.

The Group's risk management strategies and plans are aimed at achieving an appropriate balance between risk and return and minimise potential adverse effects on the Group's financial performance.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

The Group's activities and operations results in exposure to the following risks:

(a) Credit risk
(b) Market risk
(b.i) Interest rate risk,
(b.ii) Currency risk, and
(b.iii) Price risk
(c) Liquidity risk
(d) Settlement risk
(e) Operational risk
(f) Capital risk
g) Climate risk
h) Insurance risk

Other risks:

(i) Reputational risk
(j) Compliance risk
(k) Strategic risk

The Group controls these risks by diversifying its exposures and activities among products, clients, and by limiting its positions in various instruments and investments.

31.1 Credit risk

Credit risk is the risk of loss due to the inability or unwillingness of a counterparty to meet their obligations as and when they fall due. Credit risk arises from lending, trading, insurance products and investment activities and products. Credit risk and exposure to losses are inherent parts of the Group's business.

The Group manages, limits and controls concentrations of credit risk in respect of individual counterparties and groups. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one counterparty or group or counterparties and to geographical and industry segments. Such risks are monitored on a revolving basis and are subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product and industry sector are approved by the Board of Directors of the subsidiary companies.

The Board Credit Committees of the Bank, Microplan and the Building Society periodically review and approve the Group's policies and procedures to define, measure and monitor the credit and settlement risks arising from the Group's lending and investment activities. Limits are established to control these risks. Any facility exceeding established limits of the subsidiary's Management Credit Committee must then be approved by the subsidiary Board Credit Committee.

The Group Credit Management Division evaluates the credit exposures and assures ongoing credit quality by reviewing individual credit and concentration and monitoring of corrective action.

The Group Credit Division periodically prepares detailed reports on the quality of the customers for review by the Board Loans Review Committees of the subsidiary companies and assess the adequacy of the impairment allowance. Any loan or portion thereof which is classified as a 'loss' is written off. To maintain an adequate allowance for credit losses, the Group generally provides for a loan or a portion thereof, when a loss is probable.

Credit policies, procedures and limits

The Group has sound and well-defined policies, procedures and limits which are reviewed at least once every year and approved by the Board of Directors of the subsidiary companies and strictly implemented by management. Credit risk limits include delegated approval and write-off limits to Credit Managers, Management, Board Credit Committees and the Board. In addition there are counterparty limits, individual account limits, group limits and concentration limits.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)

Credit risk mitigation and hedging

As part of the Group's credit risk mitigation and hedging strategy, various types of collateral are taken by the banking subsidiaries. These include mortgage bonds over residential, commercial and industrial properties, cession of book debts and the underlying moveable assets financed. In addition, a guarantee is often required particularly in support of a credit facility granted to counterparty. Generally, guarantor counterparties include parent companies and shareholders. Creditworthiness for the guarantor is established in line with the credit policy.

Credit risk stress testing

The Group recognises the possible events or future changes that could have a negative impact on the credit portfolios which could affect the Group's ability to generate more business. To mitigate this risk, the Group has put in place a stress testing framework that guides the Group's banking subsidiaries in conducting credit stress tests.

Significant increase in credit risk

The Group monitors all financial assets that are subject to impairment requirments to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on the lifetime rather than 12-month ECL.

Credit terms:

Default

This is failure by a borrower to comply with the terms and conditions of a loan facility as set out in the facility offer letter or loan contract. Default occurs when a debtor is either unwilling or unable to repay a loan.

Past due loans

These are loans in which the debtor is in default by exceeding the loan tenure or expiry date as expressly set out in the loan contract i.e. the debtor fails to repay the loan by a specific given date.

Impaired loans

The Group's policy regarding impaired/doubtful loans is that all loans where the degree of default becomes extensive such that the Group no longer has reasonable assurance of collection of the full outstanding amount of principal and interest; all such loans are classified in the categories 8, 9 and 10 under the Basel II ten tier grading system and stage 3 under IFRS 9 staging matrix.

Provisioning policy and write offs

The Group has adopted IFRS 9 along side Reserve Bank of Zimbabwe provisioning requirements to determine expected credit losses (ECL).

The table below shows the mapping of the RBZ Supervisory Rating Scale to the IFRS 9 staging matrix

<table>
<tr><th>Rating</th><th>Descriptive classification</th><th>Risk level</th><th>Level of allowance</th><th>2012 Grading and level of allowance</th><th>IFRS 9 grading/tier system</th><th>Type of allowance</th></tr>
<tr><td>1</td><td>Prime grade</td><td>Insignificant</td><td>1%</td><td rowspan="3">A (1%)</td><td rowspan="3">Stage 1</td><td rowspan="3">12 Months ECL</td></tr>
<tr><td>2</td><td>Strong</td><td>Modest</td><td>1%</td></tr>
<tr><td>3</td><td>Satisfactory</td><td>Average</td><td>2%</td></tr>
<tr><td>4</td><td>Moderate</td><td>Acceptable</td><td>3%</td><td rowspan="4">B (3%)</td><td rowspan="4">Stage 2</td><td rowspan="4">Lifetime ECL</td></tr>
<tr><td>5</td><td>Fair</td><td>Acceptable with care</td><td>4%</td></tr>
<tr><td>6</td><td>Speculative</td><td>Management attention</td><td>5%</td></tr>
<tr><td>7</td><td>Speculative</td><td>Special mention</td><td>10%</td></tr>
<tr><td>8</td><td>Substandard</td><td>Vulnerable</td><td>20%</td><td>C (20%)</td><td rowspan="3">Stage 3</td><td rowspan="3">Lifetime ECL</td></tr>
<tr><td>9</td><td>Doubtful</td><td>High default</td><td>50%</td><td>D (50%)</td></tr>
<tr><td>10</td><td>Loss</td><td>Bankrupt</td><td>100%</td><td>E (100%)</td></tr>
</table>

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.1 Credit risk (continued)

General allowance for impairment under Reserve Bank of Zimbabwe provisioning requirements

Prime to highly speculative grades "1 to 7"

General allowance for impairment for facilities in this category are maintained at the percentage (detailed in table above) of total customer account outstanding balances and off balance sheet (i.e. contingent) risks.

Specific allowance for impairment

Sub-standard to loss grades "8 to 10" - Timely repayment and/or settlement may be at risk

Specific allowance for impairment for facilities in this category are currently maintained at the percentages (detailed above) of total customer outstanding balances and off balance sheet (i.e. contingent) risks less the value of tangible security held.

The basis for writing off assets

When an advance which has been identified as impaired and subjected to a specific allowance for impairment continues to deteriorate, a point will come when it may be concluded that there is no realistic prospect of recovery. Board approval will be sought by Group Credit Management Division for the exposure to be immediately written off from the Group's books while long term recovery strategies are then pursued.

Credit risk and Basel II

The Group applied Credit Risk Basel II standards in line with the regulatory authorities' approach. Internal processes have been revamped to comply with the requirements. Policies and procedure manuals have been realigned to comply with the minimum requirements of Basel II.

Expected Credit Losses (ECL) under IFRS 9

In the context of IFRS 9, it is the probability-weighted estimate of credit losses (i.e., the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract (scheduled or contractual cashflows) and the cash flows that the entity expects to receive (actual expected cashflows)

Expected Credit Losses are the product of Probability of Default(PD)*Exposure at Default (EAD)* Loss Given Default(LGD)

Probability of Default (PD)

It is the chance that borrowers will fail to meet their contractual obligations in the future. The PD is derived using historical internal credit rating data.

Exposure at Default (EAD)

It is the total value that a bank is exposed to at the time of a loan's default. In most cases and for most loan products, EAD is taken as the gross outstanding balance at time of default. It also includes off -balance sheet exposures such as guarantees and lending commitments which are then modelled based on historical experience to determine the appropriate exposure estimates.

Loss Given Default (LGD)

It is an estimate of the loss from a transaction given that a default has occurred. The LGD estimate is calculated as the quotient of the set of estimated cash flows resulting from the workout and/or collections process (the loss of principal, the carrying costs of non-performing loans e.g. interest income foregone and workout expenses. The estimates take into account the time value of money. by discounting the recoveries to the date of default

For detailed information on ECL's under IFRS 9 refer to note 2.5.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
Forward looking Information

- The Group Economics Research team determines the macroeconomic outlook for the country and a Group view of commodities prices over a planning horizon of at least one year. The outlook is provided to Group management and management of the lending units namely FBC Bank Limited, Microplan Financial Services Pvt Ltd and FBC Building Society for review and approval by the Group Assets and Liabilities Committee.
- Macroeconomic outlook take into account various variables such as gross domestic product, central bank policy on interest rates, inflation, exchange rates and treasury bill rates. Of significant importance in terms of the variables used by management are gross domestic product and Inflation.
- The macroeconomic variables used were obtained from the International Monetary Fund (IMF).
- Narrative for the country's economic outlook, being bear, base and bull cases, are compiled and typically include consideration of the country's economic background, sovereign risk, foreign exchange risk; financial sector, liquidity and monetary policy positions.
- Probabilities are assigned to each of the bear, base and bull cases based on primary macroeconomic drivers and are reviewed annually.
- The forward looking economic expectations are updated on a bi-annual basis or more regularly when deemed appropriate.

The scenario probability weightings applied in measuring ECL are as follows.

	2025			2024		
At 31 December	**Base**	**Bear**	**Bull**	**Base**	**Bear**	**Bull**
Scenario probability weighting	30%	50%	20%	30%	50%	20%

The Zimbabwean economy is projected to record positive growth during the year 2026 though concerns remain over the geopolitical risks.

The macro economic environment is currently volatile therefore forward looking information as considered by management has not had a significant impact on the expected credit loss recorded in the Financial statements.

31.1.1 Exposure to credit risk

	31 Dec 2025 USD	31 Dec 2024 USD
Loans and advances		
Stage 3/Grade 8	1 659 073	11 131 193
Stage 3/Grade 9	1 769 396	526 116
Stage 3/Grade 10	13 620 267	983 036
Gross amount	**17 048 736**	**12 640 345**
Impairment allowance	(8 914 402)	(2 862 645)
Carrying amount	**8 134 334**	**9 777 700**
Stage 2/Grade 4 - 7:	60 578 767	51 695 464
Stage 1/Grade 1 - 3:	350 239 152	280 527 399
Gross amount	**410 817 919**	**332 222 863**
Impairment allowance	(8 115 249)	(3 524 845)
Carrying amount	**402 702 670**	**328 698 018**
Total carrying amount	**410 837 004**	**338 475 718**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
Loans and advances

	ECL staging				ECL staging			
	Stage 1 12-month ECL USD	Stage 2 Lifetime ECL USD	Stage 3 Lifetime ECL USD	Total USD	Stage 1 12-month ECL USD	Stage 2 Lifetime ECL USD	Stage 3 Lifetime ECL USD	Total USD
Credit grade								
Investment grade	350 239 152	-	-	350 239 152	280 527 399	942 269	-	281 469 668
Standard monitoring	-	44 500 385	-	44 500 385	-	9 723 359	-	9 723 359
Special monitoring	-	16 078 382	-	16 078 382	-	41 029 836	-	41 029 836
Default	-	-	17 048 736	17 048 736	-	-	12 640 345	12 640 345
Gross loans and advances	350 239 152	60 578 767	17 048 736	427 866 655	280 527 399	51 695 464	12 640 345	344 863 208
Impairment allowance	(4 416 580)	(3 698 669)	(8 914 402)	(17 029 651)	(2 677 431)	(847 414)	(2 862 645)	(6 387 490)
Net loans and advances	**345 822 572**	**56 880 098**	**8 134 334**	**410 837 004**	**277 849 968**	**50 848 050**	**9 777 700**	**338 475 718**
Analysis								
Gross amount								
Balance as at January	280 527 399	51 695 464	12 640 345	344 863 208	210 548 527	63 623 631	3 204 594	277 376 752
Effects of changes in presentation currency	-	-	-	-	(41 853 180)	(19 247 751)	(472 158)	(61 573 089)
Transfers	(4 727 887)	1 229 214	3 498 673	-	(2 759 348)	2 187 208	572 140	-
Stage 1	(10 368 249)	8 148 575	2 219 673		(4 946 060)	4 619 628	326 432	
Stage 2	5 566 658	(6 967 518)	1 400 861		2 174 387	(2 466 513)	292 126	
Stage 3	73 704	48 157	(121 861)		12 325	34 093	(46 418)	
New issue	179 688 616	41 862 064	2 691 138	224 241 818	168 153 718	22 496 204	11 214 652	201 864 574
Repayments	(83 933 849)	(34 056 578)	(1 969 960)	(119 960 387)	(53 562 318)	(17 363 828)	(1 487 369)	(72 413 515)
Amounts written off during the year as uncollectible	(21 315 127)	(151 397)	188 540	(21 277 984)	-	-	(391 514)	(391 514)
Balance as at December	**350 239 152**	**60 578 767**	**17 048 736**	**427 866 655**	**280 527 399**	**51 695 464**	**12 640 345**	**344 863 208**
Impairment								
Balance as at January	2 677 431	847 414	2 862 645	6 387 490	3 149 750	4 313 534	2 097 126	9 560 410
	-	-	-	-	1 219 750	41 957	2 585	1 264 292
Effects of changes in presentation currency	6 638	1 043	2 798	10 479	(2 859 828)	(3 916 491)	(1 904 094)	(8 680 413)
Transfers	11 164	(30 233)	19 069	-	(1 685 789)	1 849 469	(163 680)	-
Stage 1	(123 836)	104 654	19 184		(1 413 591)	1 409 917	3 675	
Stage 2	94 244	(154 078)	59 834		(280 323)	424 459	(144 136)	
Stage 3	40 756	19 191	(59 949)		8 125	15 093	(23 219)	
Net change due to new issues and repayments	1 138 730	2 813 013	6 937 979	10 889 722	1 782 491	(1 371 070)	3 108 467	3 519 888
Interest in suspense (reclassifaction)	860 689	169 693	(441 110)	589 272	-	-	-	-
Changes in parameters	(278 072)	(102 261)	96 527	(283 806)	993 328	(112 451)	(44 395)	836 482
Amounts written off during the year as uncollectible	-	-	(563 506)	(563 506)	77 729	42 466	(233 364)	(113 169)
Balance as at December	**4 416 580**	**3 698 669**	**8 914 402**	**17 029 651**	**2 677 431**	**847 414**	**2 862 645**	**6 387 490**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.1 Credit risk (continued)

Sensitivity analysis of ECL

	31 Dec 2025 USD	31 Dec 2024 USD
If all assets move to stage 3 ECL will increase to	154 031 995	119 574 428
If all assets move to stage 1 ECL will decrease to	3 080 640	2 391 489

Loans and advances in grade 1 to 3

Loans and advances in grade 1 to 3 and which are not part of renegotiated loans are considered to be within Stage 1. Stage 1 loans and advances are those whose repayments (capital and interests) are outstanding for more than 30 days.

Loans and advances in grade 4 to 7

Late processing and other administrative delays on the side of the borrower can lead to a financial asset being in stage 2. Loans and advances less than 90 days past due are not considered impaired, unless other information is available to indicate the contrary.

	Personal loans USD	Corporate loans USD	Mortgages USD	Total USD
As at 31 December 2025				
Stage 2 over due up to 1 month	9 235 866	35 127 917	3 262 444	47 626 227
Stage 2 over due 1-3 months	2 751 445	1 539 801	1 836 738	6 127 984
Stage 2 over due 3-6 months	194 127	1 646 780	75 352	1 916 259
Stage 2 over due 6 - 12 months	267 006	658 828	22 509	948 343
Stage 2 over 12 months	51 042	3 907 608	1 303	3 959 953
Total	**12 499 486**	**42 880 934**	**5 198 346**	**60 578 766**
Value of collateral	-	180 260 281	11 664 975	191 925 256
Amount of (under)/over collateralisation	**(12 499 486)**	**137 379 347**	**6 466 629**	**131 346 490**
As at 31 December 2024				
Stage 2 over due up to 1 month	3 772 705	27 837 352	84 820	31 694 877
Stage 2 over due 1-3 months	1 964 620	17 190 150	603 061	19 757 831
Stage 2 over due 3-6 months	74 889	69 702	1 481	146 072
Stage 2 over due 6 - 12 months	20 211	3 044	444	23 699
Stage 2 over 12 months	3 119	69 775	92	72 986
Total	**5 835 544**	**45 170 023**	**689 898**	**51 695 465**
Value of collateral	438 178	56 428 641	755 709	57 622 528
Amount of (under)/over collateralisation	**(5 397 366)**	**11 258 618**	**65 811**	**5 927 063**

Collateral is mainly comprised of immovable properties.

Loans and advances in grade 8 to 10

The individually impaired loans and advances to customers before taking into consideration the cash flows from collateral held is USD 17 048 736 (2024: USD12 640 345).

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)

The breakdown of the fair value of related collateral held by the Group as security, are as follows;

	Personal loans USD	Corporate loans USD	Total USD
As at 31 December 2025			
Gross carrying amount	2 265 088	14 783 648	17 048 736
Less allowance for impairment	(66 220)	(8 848 182)	(8 914 402)
Net carrying amount	**2 198 868**	**5 935 466**	**8 134 334**
Value of collateral	**25 134 669**	**113 198 923**	**138 333 592**
As at 31 December 2024			
Gross carrying amount	3 746 376	8 893 969	12 640 345
Less allowance for impairment	(896 780)	(1 965 865)	(2 862 645)
Net carrying amount	**2 849 596**	**6 928 104**	**9 777 700**
Value of collateral	**14 447 110**	**11 067 621**	**25 514 731**

Terms and conditions on collateral:
a) Valuation is by professional valuers or done internally
b) Valuation is reviewed after every 3 years

Type of collateral accepted
a) Movable property
b) Cession of insurance policies
c) Cash cover
d) Pledges
e) Guarantees
f) Cessions
g) Deeds of Hypothecation

There are no financial instruments for which loss allowance has not been recognised due to collateral held by the Group. There are no significant changes to the quality of collateral held by the Group during the period.

Loans and advances renegotiated
Restructuring activities include extended payment arrangements, approved external management plans, modification and deferral of payments. Restructuring policies and practices are based on indicators or criteria that, in the judgement of management, indicate that payment will most likely continue. These loans are kept under continuous review.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)

	31 Dec 2025 USD	31 Dec 2024 USD
Renegotiated loans and advances to customers -		
- Continuing to be impaired after restructuring	1 112 275	11 572 016
- Non-impaired after restructuring – would otherwise have been impaired	659 757	2 773 438
- Non-impaired after restructuring – would otherwise not have been impaired	-	1 013 518
Total	**1 772 032**	**15 358 972**

There were no net modification gain or loss recognised for financial assets for which the contractual cashflows have been modified during the period.

	31 Dec 2025 USD	31 Dec 2024 USD
Repossessed collateral		
During the year the Group repossessed collateral valued at	294,980	-

Sectorial analysis of utilizations of loans and advances to customers

	2025 USD	%	2024 USD	%
Mining	17 205 443	4%	9 342 210	3%
Manufacturing	65 002 797	15%	60 780 732	18%
Mortgages	21 172 220	5%	19 639 531	6%
Wholesale	14 364 582	3%	7 128 084	2%
Distribution	34 228 266	8%	31 410 643	9%
Individuals	97 529 920	23%	71 988 500	21%
Agriculture	40 708 234	10%	24 219 431	7%
Communication	2 056 164	0%	2 291 819	1%
Construction	11 912 955	3%	5 384 647	2%
Local authorities	839 098	0%	400 064	0%
Other services	122 846 976	29%	112 277 547	33%
	427 866 655	**100%**	**344 863 208**	**100%**

Risk concentrations

There are material concentrations of loans and advances to the following sectors; Individual 23% (2024:21%), agriculture 10% (2024: 7%), other services 29% (2024: 33%) and manufacturing 15% (2024: 18%).

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)

Analysis of credit quality by sector - loans and advances to customers

As at 31 December 2025

	Stage 1/ Grades 1 to 3 USD	Stage 2/ Grades 4 to 7 USD	Stage 3/ Grade 8 USD	Stage 3/ Grade 9 USD	Stage 3/ Grade 10 USD	Total USD
Sector						
Manufacturing	38 193 954	15 156 646	-	-	11 652 197	65 002 797
Wholesale	12 724 713	1 639 869	-	-	-	14 364 582
Individuals	88 741 598	7 113 799	733 456	808 707	132 360	97 529 920
Mortgages	17 518 854	3 059 624	425 101	90 751	77 890	21 172 220
Agriculture	28 776 011	10 240 663	3 911	5 918	1 681 731	40 708 234
Distribution	23 159 011	10 883 080	-	160 243	25 932	34 228 266
Construction	10 956 572	30 532	332 057	593 794	-	11 912 955
Communication	2 056 164	-	-	-	-	2 056 164
Local Authorities	-	839 098	-	-	-	839 098
Mining	6 126 362	11 078 133	-	948	-	17 205 443
Other services	121 985 913	537 323	164 547	109 035	50 158	122 846 976
	350 239 152	**60 578 767**	**1 659 072**	**1 769 396**	**13 620 268**	**427 866 655**
Percentage of total loans	82%	14%	0%	0%	3%	100%

As at 31 December 2024

	Stage 1/ Grades 1 to 3 USD	Stage 2/ Grades 4 to 7 USD	Stage 3/ Grade 8 USD	Stage 3/ Grade 9 USD	Stage 3/ Grade 10 USD	Total USD
Sector						
Manufacturing	41 546 276	9 353 468	9 880 980	-	8	60 780 732
Wholesale	5 874 157	1 253 927	-	-	-	7 128 084
Individuals	65 906 450	5 514 834	370 341	155 348	41 527	71 988 500
Mortgages	17 868 912	1 570 642	125 111	73 598	1 268	19 639 531
Agriculture	7 531 589	15 162 116	526 199	82 128	917 399	24 219 431
Distribution	21 827 402	9 391 820	65 341	126 025	55	31 410 643
Construction	5 384 647	-	-	-	-	5 384 647
Communication	2 291 819	-	-	-	-	2 291 819
Local Authorities	33	400 031	-	-	-	400 064
Mining	1 785 029	7 557 181	-	-	-	9 342 210
Other services	110 511 086	1 491 445	163 221	89 017	22 778	112 277 547
	280 527 400	**51 695 464**	**11 131 193**	**526 116**	**983 035**	**344 863 208**
Percentage of total loans	81%	15%	3%	0%	0%	100%

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.1 Credit risk (continued)

Reconciliation of allowance for impairment for loans and advances

INFLATION ADJUSTED

	31 Dec 2025			31 Dec 2024		
	Specific allowance / Stage 3 USD	Collective allowance / Stage 1-2 USD	Total USD	Specific allowance / Stage 3 USD	Collective allowance / Stage 1-2 USD	Total USD
Balance at 1 January	2 862 645	3 524 845	6 387 490	2 097 126	7 463 284	9 560 410
Effects of changes in presentation currency	2 798	7 766	10 564	(1 904 094)	(6 776 319)	(8 680 413)
Additions due to business acquisition	-	-	-	2 585	1 261 707	1 264 292
Impairment loss allowance	6 612 465	4 582 638	11 195 103	2 874 377	399 377	3 273 754
Impairment reversal	-	-	-	26 015	1 056 601	1 082 616
Amounts written off during the year	(563 506)	-	(563 506)	(233 364)	120 195	(113 169)
	8 914 402	**8 115 249**	**17 029 651**	**2 862 645**	**3 524 845**	**6 387 490**

	31 Dec 2025 USD	31 Dec 2024 USD
31.1.2 Trade and other receivables including insurance receivables		
Default	-	-
Allowance for impairment	-	-
Carrying amount	**-**	**-**
Past due amounts	-	-
Amounts up to date	206 765	7 097
Gross amount, not impaired	**206 765**	**7 097**
Allowance for impairment	-	-
Carrying amount, not impaired	**206 765**	**7 097**
Total carrying amount	**206 765**	**7 097**

As at 31 December 2025, nil trade receivables (2024:nil) were past due but not impaired. There were no significant changes in the nature and quality of trade and other receivables from prior year.

As at 31 December 2025 trade receivables amounting to nil (2024:nil) were impaired

	31 Dec 2025 USD	31 Dec 2024 USD
Reconciliation of the allowance for impairment of trade receivables		
Allowances for impairment		
Balance as at 1 January	-	-
Effects of IAS29	-	-
Allowance for trade receivables including insurance receivables' impairment	-	-
Effects of IFRS 17	-	-
Impairment reversal	-	-
Balance as at 31 December	**-**	**-**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.3 Financial assets at amortised cost

	31 Dec 2025				31 Dec 2024			
	ECL staging				ECL staging			
	Stage 1 12-month ECL USD	Stage 2 Lifetime ECL USD	Stage 2 Lifetime ECL USD	Total USD	Stage 1 12-month ECL USD	Stage 2 Lifetime ECL USD	Stage 3 Lifetime ECL USD	Total USD
Credit grade								
Investment grade	10 685 139	-	-	10 685 139	5 769 852	-	-	5 769 852
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross financial assets at amortised cost	**10 685 139**	**-**	**-**	**10 685 139**	**5 769 852**	**-**	**-**	**5 769 852**
Impairment allowance	(103 370)	-	-	(103 370)	(40 928)	-	-	(40 928)
Net financial asset at amortised cost	**10 581 769**	**-**	**-**	**10 581 769**	**5 728 924**	**-**	**-**	**5 728 924**
Analysis								
Gross amount								
Balance as at 1 January	5 769 852	-	-	5 769 852	16 067 644	-	-	16 067 644
Effects of IAS29	-	-	-	-	(14 588 685)	-	-	(14 588 685)
Transfers	-				-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
New issue	8 807 841	-	-	8 807 841	5 632 186	-	-	5 632 186
Repayments	(3 892 554)	-	-	(3 892 554)	(1 341 293)	-	-	(1 341 293)
Amounts written off during t he year as uncollectible	-	-	-	-	-	-	-	-
Balance as at 31 December	**10 685 139**	**-**	**-**	**10 685 139**	**5,769,852**	**-**	**-**	**5,769,852**
Impairment								
Balance as at 1 January	40 928	-	-	40 928	78 679	-	-	78 679
Changes on initial application of IFRS 9	-	-	-	-	-	-	-	-
Effects of IAS29	-	-	-	-	(71 437)	-	-	(71 437)
Transfers	-				-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Net change due to new issues and repayments	62 442	-	-	62 442	24 663	-	-	24 663
Interest in suspense (reclassifaction0	-	-	-	-	-	-	-	-
Changes in parameters	-	-	-	-	-	-	-	-
Amounts written off during the year as uncollectible	-	-	-	-	9 023	-	-	9 023
Balance as at 31 December	**103 370**	**-**	**-**	**103 370**	**40 928**	**-**	**-**	**40 928**

Sensitivity analysis of ECL

	31 Dec 2025 USD	31 Dec 2024 USD
If all assets move to stage 3 ECL will increase to	3 846 650	2 077 147
If all assets move to stage 1 ECL will decrease to	76,933	41,543

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.4 Credit exposure on undrawn loan commitments and guarantees

	31 Dec 2025				31 Dec 2024			
	ECL staging				ECL staging			
	Stage 1 12-month ECL USD	Stage 2 Lifetime ECL USD	Stage 2 Lifetime ECL USD	Total USD	Stage 1 12-month ECL USD	Stage 2 Lifetime ECL USD	Stage 3 Lifetime ECL USD	Total USD
Credit grade								
Investment grade	46 307 468	-	-	46 307 468	8 943 213	-	-	8 943 213
Standard monitoring	-	-	-	-	-	-	-	-
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross undrawn loan commitments and guarantees	**46 307 468**	**-**	**-**	**46 307 468**	**8 943 213**	**-**	**-**	**8 943 213**
Impairment allowance	(277 962)	-	-	(277 962)	(145 262)	-	-	(145 262)
Net undrawn loan commitments and guarantees	**46 029 506**	**-**	**-**	**46 029 506**	**8 797 951**	**-**	**-**	**8 797 951**
Analysis								
Gross amount								
Balance as at 1 January	8 943 213	-	-	8 943 213	16 715 697	-	-	16 715 697
Effects of IAS29	-	-	-	-	(15 177 087)	-	-	(15 177 087)
Transfers	-			-	-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
New issue	53 727 100	-	-	53 727 100	11 027 732	-	-	11 027 732
Repayments	(16 362 845)	-	-	(16 362 845)	(3 623 129)	-	-	(3 623 129)
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Balance as at 31 December	**46 307 468**	**-**	**-**	**46 307 468**	**8 943 213**	**-**	**-**	**8 943 213**
Impairment								
Balance as at 1 January	145 262	-	-	145 262	112 222	-	-	112 222
Changes on initial application of IFRS 9	(120 010)	-	-	(120 010)	-	-	-	-
Effects of IAS29	-	-	-	-	(101 892)	-	-	(101 892)
Transfers	-			-	-	-	-	
Stage 1	-	-	-		-	-	-	
Stage 2	-	-	-		-	-	-	
Stage 3	-	-	-		-	-	-	
Net change due to new issues and repayments	252 710	-	-	252 710	134 932	-	-	134 932
Interest in suspense (reclassifaction)	-	-	-	-	-	-	-	-
Changes in parameters	-	-	-	-	-	-	-	-
Amounts written off during the year as uncollectible	-	-	-	-	-	-	-	-
Balance as at 31 December	**277 962**	**-**	**-**	**277 962**	**145 262**	**-**	**-**	**145 262**

Sensitivity analysis of ECL	**31 Dec 2025 USD**	**31 Dec 2024 USD**
If all assets move to stage 3 ECL will increase to	16 670 688	3 219 557
If all assets move to stage 1 ECL will decrease to	333 414	64 391

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.1 Credit risk (continued)
31.1.5 Maximum exposure to credit risk before collateral held or other credit enhancement

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
Credit risk exposures relating to on-balance sheet assets are as follows;		
Loans and advances to customers;		
- Individuals	97 529 920	71 988 500
- Corporates	330 336 735	272 874 708
	427 866 655	**344 863 208**
Financial assets at amortised cost	10 685 139	5 769 852
Balances with banks	158 934 723	139 776 826
Trade and other receivables including insurance receivables	206 765	7 097
Total on balance sheet	**597 693 282**	**490 416 983**
Off balance sheet credit exposure		
- Financial guarantees and letters of credit	9 174 197	6 811 751
- Loan commitments	32 181 924	2 129 597
Total off balance sheet credit exposure	**41 356 121**	**8 941 348**
Total credit exposure	**639 049 403**	**499 358 331**

The above table represents a worst case scenario of credit risk exposure to the Group as at 31 December 2025, without taking account of any collateral held or other credit enhancements attached. For on balance sheet assets, the exposures set out above are based on gross carrying amounts as reported in the statement of financial position.

Credit quality of balances with other banks Counterparties with external credit rating		INFLATION ADJUSTED 31 Dec 2025 USD	 31 Dec 2024 USD
Rating	**Agency**		
A+	Fitch	11 028 242	8 553 027
BB	JCR Eurasia Rating	146 315	129 927
BB	S&P Global Ratings	6 220 085	1 468 971
A+	Fitch	36 608	1 461 941
A+	Fitch	2 218 305	607 748
A+	Fitch	1 144	13 938
A+	Fitch	253 142	9 568
A1	Moody’s	642 451	8 706 672
A+	Fitch	13 213	4 810 000
A+	Fitch	-	360 951
A+	Fitch	6 756 136	99
A1	Moody’s	-	-
A+	Fitch	1 072 371	-
A+	Fitch	124	-
Baa1	Moody’s	1 170 552	
BB	S&P	5 243 545	
		34 802 233	**26 122 842**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.1 Credit risk (continued)

Balances with the Reserve Bank of Zimbabwe

Balances with the RBZ represent amounts in current accounts available for daily transactional use. As at the reporting date, the amount has been considered to be recoverable in full.

Write-off policy

The Group writes off an irrecoverable debt when the Board Credit Committee of the subsidiary determines that the debt is uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower/issuer's financial position such that the borrower/issuer can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure. For smaller balances and standardised loans, write off decisions are generally based on a product specific past due status.

Exposure to credit risk is also managed through regular analysis of the ability of debtors to meet interest and capital payment obligations and by changes to these lending limits where appropriate.

31.2 Liquidity risk

Liquidity risk is the risk of not being able to generate sufficient cash to meet financial commitments to extend credit, meet deposit maturities, settle claims and other unexpected demands for cash. Liquidity risk arises when assets and liabilities have differing maturities.

Management of liquidity risk

The Group does not treat liquidity risk in isolation as it is often triggered by consequences of other financial risks such as credit risk and market risk. The Group's liquidity risk management framework is therefore designed to ensure that its subsidiaries have adequate liquidity to withstand any stressed conditions. To achieve this objective, the Board of Directors of the subsidiary companies through the Board Asset Liability Committees of the Bank, Microplan and the Building Society and their Board Risk and Compliance Committees is ultimately responsible for liquidity risk management. The responsibility for managing the daily funding requirements is delegated to the Heads of Treasury Divisions for banking entities and Finance Managers for non-banking entities with independent day to day monitoring being provided by Group Risk Management.

Liquidity and funding management

The Group's management of liquidity and funding is decentralised and each entity is required to fully adopt the liquidity policy approved by the Board with independent monitoring being provided by the Group Risk Management Department. The Group uses concentration risk limits to ensure that funding diversification is maintained across the products, counterparties and sectors. Major sources of funding are in the form of deposits across a spectrum of retail and wholesale clients for banking subsidiaries.

Cash flow and maturity profile analysis

The Group uses the cash flow and maturity mismatch analysis on both contractual and behavioural basis to assess their ability to meet immediate liquidity requirements and plan for their medium to long term liquidity profile.

Liquidity contingency plans

In line with the Group's liquidity policy, liquidity contingency plans are in place for the subsidiaries in order to ensure a positive outcome in the event of a liquidity crisis. The plans clearly outline early warning indicators which are supported by clear and decisive crisis response strategies. The crisis response strategies are created around the relevant crisis management structures and address both specific and market crises.

Liquidity stress testing

It is the Group's policy that each entity conducts stress tests on a regular basis to ensure that they have adequate liquidity to withstand stressed conditions. In this regard, anticipated on-and-off balance sheet cash flows are subjected to a variety of specific and systemic stress scenarios during the period in an effort to evaluate the impact of unlikely events on liquidity positions.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.2 Liquidity risk (continued)

The table below analyses the Group's financial assets and liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual maturity analysis On balance sheet items as at 31 December 2025	Up to 3 months USD	3 months to 1 year USD	Over 1 year USD	Total USD
Liabilities				
Deposits from customers	479 324 396	3 215 930	188 189	482 728 515
Deposits from other banks	4 485 114	-	-	4 485 114
Borrowings	10 509 053	32 718 631	55 789 031	99 016 715
Insurance liabilities	18 835 846	-	-	18 835 846
Current income tax liabilities	220 423	129 359	247 173	596 955
Trade and other liabilities excluding defferred income	43 814 685	2 037 705	10 467 992	56 320 382
Total liabilities - (contractual maturity)	**557 189 517**	**38 101 625**	**66 692 385**	**661 983 527**
Assets held for managing liquidity risk (contractual maturity dates)				
Balances with banks and cash	208 332 213	-	-	208 332 213
Financial assets at amortised cost	10 527 651	-	54 118	10 581 769
Loans and advances to customers	66 232 913	84 740 892	259 863 199	410 837 004
Bonds and debentures	-	-	-	-
Insurance assets	13 633 062	-	-	13 633 062
Trade and other receivables	206 765	-	-	206 765
Financial assets at fair value through profit or loss	7 415 126	34 381 667	4 558 524	46 355 317
Financial assets at fair value through other comprehensive income	-	50 737	5 955 497	6 006 234
Other assets excluding time share assets, deferred acquisition costs, stationary and prepayments	13 664 943	1 322 525	-	14 987 468
	320 012 673	**120 495 821**	**270 431 338**	**710 939 832**
Liquidity gap	**(237 176 844)**	**82 394 196**	**203 738 953**	**48 956 305**
Cumulative liquidity gap - on balance sheet	**(237 176 844)**	**(154 782 648)**	**48 956 305**	**-**
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	1 090 008	8 084 188	-	9 174 196
Commitments to lend	32 181 924	-	-	32 181 924
Total liabilities	**33 271 932**	**8 084 188**	**-**	**41 356 120**
Liquidity gap	**(33 271 932)**	**(8 084 188)**	**-**	**7 600 185**
Cumulative liquidity gap - on and off balance sheet	**(270 448 776)**	**(196 138 768)**	**7 600 185**	**-**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.2 Liquidity risk (continued)

Contractual maturity analysis On balance sheet items as at 31 December 2024	Up to 3 months USD	3 months to 1 year USD	Over 1 year USD	Total USD
Liabilities				
Deposits from customers	291 832 398	30 740	-	291 863 138
Deposits from other banks	40 623 872	367 660	2 323 189	43 314 721
Borrowings	9 183 366	17 357 016	82 199 843	108 740 225
Insurance liabilities	11 167 970	-	-	11 167 970
Current income tax liabilities	-	-	-	-
Trade and other liabilities excluding deferred income	60 727 914	12 794 510	14 244 495	87 766 919
Total liabilities - (contractual maturity)	**413 535 520**	**30 549 926**	**98 767 527**	**542 852 973**
Assets held for managing liquidity risk (contractual maturity dates)				
Balances with banks and cash	173 039 693	-	-	173 039 693
Financial assets at amortised cost	4 379 889	1 351 468	69 178	5 800 535
Loans and advances to customers	21 450 366	140 550 078	189 168 093	351 168 537
Bonds and debentures	-	-	-	-
Insurance assets	2 033 588	4 067 177	2 033 588	8 134 353
Trade and other receivables	7 097	-	-	7 097
Financial assets at fair value through profit or loss	41 191 282	-	3 801 207	44 992 489
Financial assets at fair value through other comprehensive income	314 357	-	6 297 371	6 611 728
Other assets excluding time share assets, deferred acquisition costs, stationary and prepayments	55 066 797	1 510 096	7 983 066	64 559 959
	297 483 069	**147 478 819**	**209 352 503**	**654 314 391**
Liquidity gap	**(116 052 451)**	**116 928 893**	**110 584 976**	**111 461 418**
Cumulative liquidity gap - on balance sheet	**(116 052 451)**	**876 442**	**111 461 418**	**-**
Off balance sheet items				
Liabilities				
Guarantees and letters of credit	-	6 811 751	-	6 811 751
Commitments to lend	2 129 597	-	-	2 129 597
Total liabilities	**2 129 597**	**6 811 751**	**-**	**8 941 348**
Liquidity gap	**(2 129 597)**	**(6 811 751)**	**-**	**102 520 070**
Cumulative liquidity gap - on and off balance sheet	**(118 182 048)**	**(8 064 906)**	**102 520 070**	**-**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.2 Liquidity risk (continued)
The Group determines ideal weights for maturity buckets which are used to benchmark the actual maturity profile. Maturity mismatches across the time buckets are managed through the tenor of new advances and the profile of time deposits.

Management of liquidity gap on short-term maturities
The cash flows presented above reflect the cash flows that will be contractually payable over the residual maturity of the instruments. In practice, however, certain liability instruments behave differently from their contractual terms and typically, for short-term customer accounts, extend to a longer period than their contractual maturity. The Group therefore seeks to manage its liabilities both on a contractual and behavioural basis. The Group prescribes various liquidity stress scenarios as part of stress testing that include accelerated withdrawal of deposits over a period of time and prescribed measures are in place to ensure that cash inflows exceed outflows under such scenarios.

31.3 Market risk
Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

The market risk for the trading portfolio is managed and monitored based on a collection of risk management methodologies to assess market risk including Value-at-Risk ("VaR") methodology that reflects the interdependency between risk variables, stress testing, loss triggers and traditional risk management measures. Non–trading positions are managed and monitored using other sensitivity analysis. The market risk for the non-trading portfolio is managed as detailed in notes 31.3.1 to 31.3.3.

31.3.1 Interest rate risk
Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The interest rate risk profile is assessed regularly based on the fundamental trends in interest rates, economic developments and technical analysis. The Group's policy is to monitor positions on a daily basis to ensure positions are maintained within the established limits.

Interest rate risk exposure stems from assets and liabilities maturing or being repriced at different times. For example:
i) Liabilities may mature before assets, necessitating the rollover of such liabilities until sufficient quantity of assets mature to repay the liabilities. The risk lies in that interest rates may rise and that expensive funds may have to be used to fund assets that are yielding lower returns.
ii) Assets may mature before liabilities do, in which case they have to be reinvested until they are needed to repay the liabilities. If interest rates fall the re-investment may be made at rates below those being paid on the liabilities waiting to be retired.

This risk is managed by ALCO through the analysis of interest rate sensitive assets and liabilities, using such models as Value at Risk ("VAR"), Scenario Analysis and control and management of the gap analysis.

Scenario analysis of net interest income
The Group's trading book is affected by interest rate movements on net interest income. The desired interest rate risk profile is achieved through effective management of the statement of financial position composition. When analyzing the impact of a shift in the yield curve on the Group's interest income, the Group recognizes that the sensitivity of changes in the interest rate environment varies by asset and liability class. Scenarios are defined by the magnitude of the yield curve shift assumed. Analysis of the various scenarios is then conducted to give an appreciation of the distribution of future net interest income and economic value of equity as well as their respective expected values.

	Impact on earnings as at 31 December			
Scenario :	INFLATION ADJUSTED			
	2025		2024	
5% increase in interest rates	USD	USD	USD	USD
Assets	500 964 026	3 506 748	382 189 059	2 524 234
Liabilities	368 193 880	(1 288 679)	262 342 297	(448 157)
Net effect		**2 218 069**		**2 076 077**

In calculating the sensitivity, shocks are defined in terms of simple interest rate. The analysis assumes a static portfolio, that there will be no defaults, prepayments or early withdrawals and the analysis is limited to a 30 day period. A 5% increase is based on past experience.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.3.1 Interest Rate Risk (continued)
INTEREST RATE REPRICING AND GAP ANALYSIS
Total position as at 31 December 2025

	0 - 30 days USD	31 - 90 days USD	91-180 days USD	181-365 days USD	Over 365 days USD	Total USD
Assets						
Balances with other banks and cash	87 142 590	384 901	-	-	-	87 527 491
Financial assets at amortised cost	1 452 816	4 460 340	-	-	54 118	5 967 274
Loans and advances to customers	274 818 523	6 637 173	21 512 587	20 078 357	84 422 621	407 469 261
Total assets	**363 413 929**	**11 482 414**	**21 512 587**	**20 078 357**	**84 476 739**	**500 964 026**
Liabilities						
Deposits from customers	215 683 562	18 076 877	3 215 930	-	188 190	237 164 559
Deposits from other banks	18 404 110	-	-	-	2 424 852	20 828 962
Borrowings	44 368 985	1 316 787	13 632 952	4 914 883	45 966 751	110 200 358
Total liabilities	**278 456 657**	**19 393 664**	**16 848 882**	**4 914 883**	**48 579 793**	**368 193 879**
Interest rate repricing gap	**84 957 272**	**(7 911 250)**	**4 663 705**	**15 163 474**	**35 896 946**	**132 770 147**
Cumulative gap interest rate repricing gap	**84 957 272**	**77 046 022**	**81 709 727**	**96 873 201**	**132 770 147**	

INTEREST RATE REPRICING AND GAP ANALYSIS
Total position as at 31 December 2024

	0 - 30 days USD	31 - 90 days USD	91-180 days USD	181-365 days USD	Over 365 days USD	Total USD
Assets						
Balances with other banks and cash	19 554 882	10 007 460	4 911 639	184 303	-	34 658 284
Financial assets at amortised cost	977 695	1 501 326	1 334 783	41 113	68 324	3 923 241
Loans and advances to customers	198 435 811	17 243 854	13 674 211	6 015 491	108 238 165	343 607 532
Total assets	**218 968 388**	**28 752 640**	**19 920 633**	**6 240 907**	**108 306 489**	**382 189 057**
Liabilities						
Deposits from customers	110 098 794	96 683	-	30 740	-	110 226 217
Deposits from other banks	32 260 587	8 363 285	142 510	225 150	2 417 182	43 408 714
Borrowings	-	2 984 188	-	16 859 614	88 863 565	108 707 367
Total liabilities	**142 359 381**	**11 444 156**	**142 510**	**17 115 504**	**91 280 747**	**262 342 298**
Interest rate repricing gap	**76 609 007**	**17 308 484**	**19 778 123**	**(10 874 597)**	**17 025 742**	**119 846 759**
Cumulative gap interest rate repricing gap	**76 609 007**	**93 917 491**	**113 695 614**	**102 821 017**	**119 846 759**	

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)
31.3.2 Currency risk

The Group operates locally and the majority of its customers transact in ZWL, the functional currency of the Group and its subsidiaries. The Group is exposed to various currency exposures primarily with respect to the South African rand, United states dollar, Botswana pula, British pound and the Euro, mainly due to the cash holding and switch transactions in the banking subsidiary.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. This is the risk from movement in the relative rates of exchange between currencies. The risk is controlled through control of open position as per ALCO directives, Reserve Bank of Zimbabwe requirements and analysis of the market. The Group manages this risk through monitoring long and short positions and assessing the likely impact of forecast movements in exchange rates on the Group's profitability.

The table below indicates the extend to which the Group was exposed to currency risk.

Foreign exchange gap analysis as at 31 December 2025

Base currency Assets	ZWG USD equivalent	ZAR USD equivalent	EUR USD equivalent	BWP USD equivalent	GBP USD equivalent	TOTAL USD equivalent
Balances with other banks and cash	72 229 076	3 364 374	1 630 104	230 109	781 918	78 235 581
Trade and other receivables	46 638 837	(202 880)	200 841	(38)	-	46 636 760
Loans and advances to customers	515 284 213	1 087	-	-	-	515 285 300
Total assets	**634 152 126**	**3 162 581**	**1 830 945**	**230 071**	**781 918**	**640 157 641**
Liabilities						
Deposits from customers	135 423 986	821 872	475 504	13 607	212 685	136 947 654
Trade and other payables	103 571 898	104 260	104 069	82	37 778	103 818 087
Total liabilities	**238 995 884**	**926 132**	**579 573**	**13 689**	**250 463**	**240 765 741**
Net currency position	**395 156 242**	**2 236 449**	**1 251 372**	**216 382**	**531 455**	**399 391 900**

Foreign exchange gap analysis as at 31 December 2024

Base currency Assets	ZWG USD equivalent	ZAR USD equivalent	EUR USD equivalent	BWP USD equivalent	GBP USD equivalent	TOTAL USD equivalent
Balances with other banks and cash	172 114 925	1 591 336	3 199 722	140 073	777 821	177 823 877
Trade and other receivables	40 112 186	-	-	-	-	40 112 186
Loans and advances to customers	307 394 018	1 202	-	-	-	307 395 220
Total assets	**519 621 129**	**1 592 538**	**3 199 722**	**140 073**	**777 821**	**525 331 283**
Liabilities						
Deposits from customers	401 902 583	404 589	1 530 550	14 221	413 450	404 265 393
Trade and other payables	59 486 229	3 541 304	458 723	111 991	32 573	63 630 820
Total liabilities	**461 388 812**	**3 945 893**	**1 989 273**	**126 212**	**446 023**	**467 896 213**
Net currency position	**58 232 317**	**(2 353 355)**	**1 210 449**	**13 861**	**331 798**	**57 435 070**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

Below are major cross rates to the USD used by the Group as at 31 December:

Currency	31 Dec 2025 Cross rate	31 Dec 2024 Cross rate
British pound ("GBP")	1.3455	1.2552
SA rand ("ZAR")	16.5763	18.7482
Euro ("EUR")	1.1734	1.0405
Pula ("BWP")	13.6101	13.9670
Zimbabwe gold ("ZWG")	25.9807	25.7985

The table below summarises the impact of increases or decreases of exchange rates on the Group's post-tax profit for the year. The analysis is based on the assumption that the exchange rates have increased or decreased by 10% based on past experience with all other variables held constant.

INFLATION ADJUSTED

Impact of 10% increase in exchange rates:	USD USD	ZAR USD	EUR USD	BWP USD	GBP USD	TOTAL USD
For the year ended 31 December 2025						
Assets	63 415 213	316 258	183 095	23 007	78 192	64 015 765
Liabilities	(23 899 588)	(92 613)	(57 957)	(1 369)	(25 046)	(24 076 573)
Net impact on profit or loss and equity	**39 515 625**	**223 645**	**125 138**	**21 638**	**53 146**	**39 939 192**
For the year ended 31 December 2024						
Assets	51 962 113	159 254	319 972	14 007	77 782	52 533 128
Liabilities	(46 138 881)	(394 589)	(198 927)	(12 621)	(44 602)	(46 789 620)
Net impact on profit or loss and equity	**5 823 232**	**(235 335)**	**121 045**	**1 386**	**33 180**	**5 743 508**

31.3.3 Price risk

The Group is exposed to equity price risk because of investments held by the Group and classified on the consolidated statement of financial position as at fair value through profit or loss and fair value through other comprehensive income. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

The table below summarises the impact of increases or decreases of the Zimbabwe Stock Exchange ("ZSE") on the Group's total comprehensive income for the year. The analysis is based on the assumption that the equity index has increased or decreased by 25% based on experience with all other variables held constant and the Group's equity instruments moved according to the historical correlation with the index.

Impact of 25% increase or decrease in the equity index:	31 Dec 2025 USD	31 Dec 2024 USD
Financial assets at fair value through profit or loss	11 588 829	11 248 122
Financial assets at fair value through other comprehensive income	1 501 559	1 652 932

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.4 Settlement risk

The Group's activities may give rise to risk at the time of settlement of transactions and trades. Settlement risk is the risk of loss due to the failure of a counterparty to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For certain types of transactions the Group mitigates this risk by conducting settlements through a settlement/clearing agent to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations. Settlement limits form part of the credit approval / limit monitoring process. Acceptance of settlement risk on free settlement trades requires transaction specific or counterparty specific approvals from Group Risk.

31.5 Capital risk

31.5.1 Regulatory Capital and Financial Risk Management

Capital risk refers to the risk of the Group's subsidiaries own capital resources being adversely affected by unfavourable external developments. The Group's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To comply with the capital requirements set by the regulators of the Group's subsidiaries;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its businesses.

Capital adequacy and the use of regulatory capital are monitored daily by the Group's management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the Reserve Bank of Zimbabwe (the "RBZ"), for supervisory purposes for the banking subsidiaries. The required information is filed with the RBZ on a quarterly basis.

It is the intention of the Group to maintain a ratio of total regulatory capital to its risk-weighted assets (the "Capital Adequacy Ratio") above the minimum level set by the Reserve Bank of Zimbabwe which takes into account the risk profile of the Group.

The regulatory capital requirements are strictly observed when managing economic capital. The banking subsidiaries' regulatory capital is analysed into three tiers;

- Tier 1 capital, which includes ordinary share capital and premium, retained profits, non distributable reserves and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.
- Tier 2 capital, which includes qualifying subordinated liabilities, revaluation reserve, collective impairment allowances and the element of the fair value reserve relating to unrealised gains on equity instruments classified as financial assets at fair value through other comprehensive income.
- Tier 3 capital or market and operational risk capital includes market risk capital and operational risk capital. Operational risk includes legal risk. Market risk capital is allocated to the risk of losses in the on and off balance sheet position arising from movements in market prices.

Various limits are applied to elements of the capital base. The amount of capital qualifying for tier 2 capital cannot exceed tier 1 capital and the qualifying term subordinated loan capital may not exceed 50 percent of tier 1 capital. There are also restrictions on the amount of collective impairment allowances that may be included as part of tier 2 capital. Other deductions from capital include the carrying amounts of investments in subsidiaries that are not included in the regulatory consolidation, investment in the capital of other banks and certain other regulatory items. The Group's operations are categorised as either banking or trading book, and risk weighted assets are determined according to specified requirements that seek to reflect the varying levels or risk attached to assets and off balance sheet exposures.

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Overall, the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. The Group and its individually regulated operations have always complied with all externally imposed capital requirements throughout the period.

Notes to the Consolidated Financial Statements (Continued)

For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.5 Capital risk (continued)

The Securities Commission of Zimbabwe ("SECZ") sets and monitors capital requirements for the stockbroking subsidiary and the Insurance and Pensions Commission ("IPEC") sets and monitors capital requirements for the insurance subsidiaries. The following subsidiaries have their capital regulated by the regulatory authorities:

Company	Regulatory Authority	Minimum capital required USD	Minimum capital required ZWG	Net regulatory capital ZWG	Total equity ZWG
As at 31 December 2025					
FBC Bank Limited	RBZ	30 000 000	779 421 000	1 002 259 156	1 504 350 381
FBC Reinsurance Limited	RBZ	-	150 000 000	281 053 627	281 053 627
FBC Securities (Private) Limited	IPEC	-	150 000	22 012 826	22 012 826
FBC Insurance Company (Private) Limited	SECZ	-	37 500 000	112 161 929	112 161 929
Microplan Financial Services (Private) Limited	IPEC	25 000	649 518	152 686 028	152 686 028
FBC Crown Bank Limited	RBZ	30 000 000	779 421 000	905 105 356	1 020 921 282
As at 31 December 2024					
FBC Bank Limited	RBZ	30 000 000	779 421 000	1 023 183 294	2 474 595 208
FBC Building Society	RBZ	20 000 000	519 614 000	729 338 601	767 845 695
FBC Reinsurance Limited	IPEC	-	151 059 364	228 789 601	228 789 601
FBC Securities (Private) Limited	SECZ	-	151 059	11 812 867	11 812 867
FBC Insurance Company (Private) Limited	IPEC	-	37 764 841	87 909 271	87 909 271
Microplan Financial Services (Private) Limited	RBZ	25 000	649 518	76 097 914	76 097 914
FBC Crown Bank Limited	RBZ	30 000 000	779 421 000	646 255 489	947 595 089

31.5.2 Capital allocation

The allocation of capital between specific operations is, to a large extent, driven by optimisation of the return achieved on the capital allocated. The amount of capital allocated to each subsidiary is firstly premised on minimum regulatory requirements. The process of allocating capital to specific operations and subsidiaries is undertaken independently of those responsible for the operations. The Assets and Liability Committee ("ALCO") at the banking subsidiaries set the Assets and Liability Management ("ALM") policies which determine the eventual asset allocation dependent on desired risk return profiles based on ALCO forecasts on the different markets the Group participates in and economic fundamentals.

Group Risk monitors and ensures adherence to these policies as well as continuously measure the efficacy of these policies through ALCO and various other credit committees.

Although maximisation of the return on risk adjusted capital is the principal basis used in determining how capital is allocated within the Group to particular operations or activities, it is not the sole basis used for decision making. Account is also taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Group's longer term strategic objectives. The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.5 Capital risk (continued)

Capital adequacy ratios	31 Dec 2025 USD	31 Dec 2024 USD
FBC Bank Limited capital adequacy ratio		
Ordinary share capital	3 198 283	3 198 283
Share premium	2 281 333	2 281 333
Retained profits	42 786 443	78 207 555
General reserve	-	-
Capital allocated for market and operational risk	(244 254)	(13 599 260)
Advances to insiders	(9 444 740)	(29 488 044)
Tier 1 capital	**38 577 065**	**40 599 867**
Other reserves	9 636 552	10 285 568
Tier 1 and 2 capital	**48 213 617**	**50 885 435**
Tier 3 capital allocated for market and operational risk	244 255	13 599 260
	48 457 872	**64 484 695**
Risk weighted assets	**307 084 053**	**529 104 225**
Tier 1 ratio (%)	13%	10%
Tier 2 ratio (%)	3%	2%
Tier 3 ratio (%)	0%	3%
Capital adequacy ratio (%)	**16%**	**15%**
Minimum Statutory Capital adequacy ratio	**12%**	**12%**
FBC Crown Limited capital adequacy ratio		
Ordinary share capital	138 609	138 609
Share premium	18 479 585	18 479 585
Retained profits	16 241 751	12 513 974
General reserve	-	-
Capital allocated for market and operational risk	-	-
Advances to insiders	(22 340)	-
Tier 1 capital	**34 837 605**	**31 132 168**
Other reserves	4 435 428	4 476 937
Tier 1 and 2 capital	**39 273 033**	**35 609 105**
Tier 3 capital allocated for market and operational risk	-	-
	39 273 033	**35 609 105**
Risk weighted assets	**107 871 088**	**87 865 569**
Tier 1 ratio (%)	32%	35%
Tier 2 ratio (%)	4%	5%
Tier 3 ratio (%)	0%	0%
Capital adequacy ratio (%)	**36%**	**41%**
Minimum Statutory Capital adequacy ratio	**12%**	**12%**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

31 FINANCIAL RISK MANAGEMENT (CONTINUED)

31.5 Climate related risk

'Climate-related risks' are potential negative impacts on the Group arising from climate change. Climate-related risks have an impact on the principal risk categories discussed above (i.e. credit, liquidity, market and operational risks), but due to their pervasive nature have been identified and managed by the Group on an overall basis.

The Group distinguishes between physical risks and transition risks. Physical risks arise as the result of acute weather events such as hurricanes, floods and wildfires, and longer-term shifts in climate patterns, such as sustained higher temperatures, heat waves, droughts and rising sea levels. Transition risks arise as a result of measures taken to mitigate the effects of climate change and transition to a low-carbon economy – e.g. changes to laws and regulations, litigation due to failure to mitigate or adapt, and shifts in supply and demand for certain commodities, products and services due to changes in consumer behaviour and investor demand.

The Group has set up a Committee, which is responsible for developing group-wide policies, processes and controls to incorporate climate risks in the management of principal risk categories.

The Group has developed a climate risk framework for:
- identifying risk factors and assessing their potential impact on the Group's financial statements; and
- allocating responsibilities for managing each identified risk factor.

The Group has also set out principles on how to incorporate climate-related risk into stress test scenarios.

The Group has identified the following climate-related risk factors as having an impact on the Group's financial instruments and included them in its principal risk management processes.

- Industries exposed to increased transition risks: The Group has identified industries that are subject to increased risk of climate regulation negatively affecting their business model. The Group Credit Committee has set overall lending limits for these industries.
- Physical risk to real estate: The Group has identified areas in which it operates that are exposed to increased physical risk such as hurricanes or floods. Heightened physical risk is considered in valuing collateral, such as real estate, plant or inventory.

In addition, the Group is in the process of developing models that aim to assess how borrowers' performance is linked to climate change. The Group plans to use these models in pricing credit risk and in calculating ECLs.

32 FAIR VALUE OF ASSETS AND LIABILITIES

IFRS 13 'Fair value measurement' requires an entity to classify its assets and liabilities according to a hierarchy that reflects the observability of significant market inputs. Fair value is an estimate of 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 three levels of the fair value hierarchy are defined below.

Quoted market prices (level 1)
Assets and liabilities are classified as level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets of liabilities in active markets where the quoted price is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.

Valuation technique using observable inputs (level 2)
Assets and liabilities classified as level 2 have been valued using models whose inputs are observable in an active market either directly (that is, as prices) or indirectly (that is, derived from prices).

Valuation technique using significant and unobservable inputs (Level 3)
Assets and liabilities are classified as level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

32 FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

The following table shows the Group's assets and liabilities that are held at fair value disaggregated by valuation technique (fair value hierarchy);

	Valuation technique using			
As at 31 December 2025	Quoted market prices Level 1 USD	Observable inputs Level 2 USD	Significant unobservable inputs Level 3 USD	Total USD
Assets				
Financial assets at fair value through profit or loss	41 796 792	-	4 558 524	46 355 316
Financial assets at fair value through other comprehensive income	6 006 234	-	-	6 006 234
Investment property	-	-	65 649 019	65 649 019
Property and equipment	-	-	36 882 420	36 882 420
Liabilities	-	-	-	-
As at 31 December 2024				
Assets				
Financial assets at fair value through profit or loss	35 771 933	-	9 220 556	44 992 489
Financial assets at fair value through other comprehensive income	6 611 728	-	-	6 611 728
Investment property	-	-	60 420 375	60 420 375
Property and equipment	-	-	38 385 881	38 385 881
Liabilities	-	-	-	-

Valuation techniques and sensitivity analysis

Sensitivity analysis is performed on valuations of assets and liabilities with significant unobservable inputs (level 3) to generate a range of reasonable possible alternative valuations, The sensitivity methodologies applied take account of the nature of valuation techniques used, as well as the availability and reliability of observable proxy and historical data and the impact of using alternative methods. Land and buildings under level 3 comprises commercial and residential properties. Refer to property and equipment note 12.

Investment property

The valuation approaches taken for investment property are the comparison approach. The comparison basis considers evidence on transactions from similar properties in terms of size, standard of finishes and age. In this approach, similar properties that had been recently sold or which are currently on sale and situated in comparable areas were utilised to derive the fair value. Market evidence from other estate agents was taken into consideration. These valuations are done in USD. Refer to investment property note 10.

Comparison of carrying amounts and fair values for assets and liabilities not held at fair value

The carrying amounts of financial assets and liabilities held at amortised cost approximate fair values. The following methods and assumptions were used to estimate the fair values;

Loans and advances to customers

The fair value of loans and advances to customers, for the purposes of this disclosure, is derived from discounting expected cash flows in a way that reflects the current market price for lending to issuers of similar credit quality. Gross loan values are discounted at a rate of the Group's contractual margins depending on credit quality and period to maturity. As such Group product margins are deemed significant inputs in the fair value models for the purposes of this disclosure, the related balances are classified as level 3 since the inputs are unobservable.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

32 FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Trade and other receivables

The fair value of trade and other receivables, for the purposes of this disclosure, is calculated by the use of discounted cash flow techniques where the gross receivables are discounted at the Group's borrowing rate. Significant inputs in the valuation model are unobservable and are thus classified as level 3 for purposes of this disclosure.

Deposits from banks and amounts due to customers

The fair value disclosed approximates carrying value because the instruments are short term in nature. The deposits from banks and customers are classified as level 2. There are no deposits with long term maturities.

Borrowings

The fair value of current borrowings equals their carrying amount as the impact of discounting is not significant due to the market terms (rates and tenor) available. The fair value of the non current portion, for purposes of this disclosure are based on cash flows discounted using a rate based on the contractual borrowing rates which is an observable input. Therefore borrowings are within level 3 of the fair value hierarchy. The carrying amount equals the carrying amounts for borrowings with longer term maturities as the discount rate approximates the liabilities' effective interest rates.

Insurance liabilities and trade and other payables

The fair value disclosed approximates carrying value because the instruments are short term in nature.

Guarantees, acceptances and other financial facilities

The fair value disclosed approximates carrying value because the instruments are short term in nature.

Unlisted Equity investments

Since the prices are not readily determinable, fair value is based on internal valuation models and management estimates of amounts that could be realized under current market conditions. The key unobservable input in determining fair values for these investment has been the net asset value. The translation of part of these investments that are foreign currency denominated is based on the year-end exchange rate while transactions are translated at the average exchange rate for the reporting period.The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset is not active, or quoted prices cannot be obtained without undue effort, the Group uses the next closest available net asset value per share based on the most recent published financial statements of companies we are invested in.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

33 FINANCIAL INSTRUMENTS
Financial assets and liabilities
Accounting classifications and fair values
The table below sets out the Group's classification of each class of financial assets and liabilities

33.1 Position as at 31 December 2025

	At fair value through pofit and loss Held for trading USD	Equities At fair value through other comprehensive income USD	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total carrying amount USD
Assets					
Balances with other banks and cash	-	-	208 332 213	-	208 332 213
Financial assets at amortised cost			10 581 769		10 581 769
Loans and advances to customers	-	-	410 837 004	-	410 837 004
Trade and other receivables	-	-	206 765	-	206 765
Financial assets at fair value through profit or loss	46 355 316	-	-	-	46 355 316
Financial assets at fair value through other comprehensive income	-	6 006 234	-	-	6 006 234
Total	**46 355 316**	**6 006 234**	**629 957 751**	**-**	**682 319 301**
Liabilities					
Deposits from customers	-	-	-	482 728 515	482 728 515
Deposits from other banks	-	-	-	4 485 114	4 485 114
Borrowings	-	-	-	99 016 715	99 016 715
Trade and other liabilities	-	-	-	43 918 369	43 918 369
Total	**-**	**-**	**-**	**630 148 713**	**630 148 713**

33.1 Position as at 31 December 2024

	At fair value through pofit and loss Held for trading USD	Equities At fair value through other comprehensive income USD	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total carrying amount USD
Assets					
Balances with other banks and cash	-	-	173 039 693	-	173 039 693
Financial assets at amortised cost			5 728 924		5 728 924
Loans and advances to customers	-	-	338 475 718	-	338 475 718
Trade and other receivables	-	-	7 097	-	7 097
Financial assets at fair value through profit or loss	44 992 489	-	-	-	44 992 489
Financial assets at fair value through other comprehensive income	-	6 611 728	-	-	6 611 728
Total	**44 992 489**	**6 611 728**	**517 251 432**	**-**	**568 855 649**
Liabilities					
Deposits from customers	-	-	-	291 863 138	291 863 138
Deposits from other banks	-	-	-	43 314 721	43 314 721
Borrowings	-	-	-	108 740 225	108 740 225
Trade and other liabilities	-	-	-	92 223 582	92 223 582
Total	**-**	**-**	**-**	**536 141 666**	**536 141 666**

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

34 INSURANCE RISK MANAGEMENT

Insurance risk management specifically applies to the two subsidiaries; FBC Reinsurance Limited and FBC Insurance (Private) Company. Insurance and reinsurance contracts expose the Group to underwriting risk, which comprises insurance risk, policyholder behaviour risk and expense risk. In addition, the Group is exposed to financial and operational risks from insurance and reinsurance contracts.

34.1 Risk management objectives and policies for mitigating risk

The risk under an insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the resulting claim. By the very nature of an insurance contract, this risk is random and therefore unpredictable.

For a portfolio of insurance contracts where the theory of probability is applied to pricing and provisioning, the principal risk that the Group faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amount of claims and benefits will vary from year to year from the level established using statistical techniques.

The Group has developed its insurance underwriting strategy to diversify the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

The reinsurers and retrocessionaires that the Group transacted with for the year had the following ratings;

Year ended 31 December Ratings	Number of reinsurers and retrocessionaires	
	2025	2024
AA+	0	0
AA-	1	1
A+	2	2
A-	4	4
B	1	1
B++	0	0
B+	5	5
BB+	0	0
BBB	0	0
BBB-	1	1
Non rated	0	0
Total	**14**	**14**

34.2 Underwriting strategy

The Group's underwriting strategy seeks diversity to ensure a balanced portfolio and is based on a large portfolio of similar risks over a geographical area, as such; it is believed that this reduces the variability of the outcome. The underwriting strategy is set out in an annual business plan that sets out the classes of business to be written, the regions in which business is to be written and the industry sectors to which the Group is prepared to expose itself. This strategy is cascaded down to individual underwriters through detailed underwriting authorities that set out the limits that any one underwriter can write by the size, and class of business in order to enforce appropriate risk selection within the portfolio. The underwriters have the right to refuse renewal or to change the terms and conditions of the contract with 60 days notice, as well as the right to reject the payment of a fraudulent claim.

Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs (i.e., subrogation). Adherence to the underwriting authorities is measured through a series of exception reports that are run on a regular basis covering size of risk, class and industry.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

34 INSURANCE RISK MANAGEMENT (CONTINUED)

34.3 Reinsurance strategy

The short-term insurance company reinsures all business in excess of its underwriting capacity as determined by the statement of financial position. The short-term insurance company utilises quota share, surplus, excess of loss and facultative reinsurance programmes with reputable reinsurers.

The treaties are a combination of proportional and non proportional in order to minimise the net exposure to the Group. The Group also participates in the facultative reinsurance in certain specified circumstances.

34.4 Retrocession strategy

The reinsurance company reinsures a portion of the risks it underwrites in order to control its exposures to losses and protect capital resources. The main classes covered include fire and engineering classes. The Group utilises international reinsurance brokers for the arrangement and placement of retrocession programmes with reputable reinsurers. This is led by Aon Sub Sahara Africa in South Africa and J B Boda Reinsurance Brokers (Pvt) Ltd of India. The treaties are a combination of proportional and non proportional treaties in order to minimise the net exposure to the company.

34.5 Terms and conditions of short- term insurance contracts

The terms and conditions of insurance contracts that are underwritten by the Group that have a material effect on the amount, timing and uncertainty of future cash flows arising from insurance contracts are set out below:

i) The premium must be paid to the insurer before cover commences on direct clients and in the case of clients through intermediaries, payment should be made within a stipulated credit period;

ii) The Group shall not be liable under the contract for any claims which are notified after the expiry of three months from the date of loss; and

iii) Both parties to the contract shall give 30 days notice of cancellation of the policy.

Nature of risks covered

The following gives an assessment of the Group's main products and the ways in which it manages the associated risks and the concentrations of these risks. The Group through its subsidiary, FBC Insurance Company Limited, writes the following types of business within its Commercial and Personal Lines;

Products	Commercial	Personal Lines
Fire		
Assets all risks	*	*
House owners	*	*
Fire combined	*	*
Accident		
Money	*	x
Glass	*	x
Goods in transit	*	*
Theft	*	*
Personal all risks	*	*
Business all risks	*	x
Fidelity guarantee	*	x
Householders	*	*
Personal accident		
Group personal accident	*	x
Personal accident	*	*

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

34 INSURANCE RISK MANAGEMENT (CONTINUED)

Products	Commercial	Personal Lines
Motor		
Private motor	*	*
Commercial motor	*	*
Motor cycle	*	*
Trailer	*	*
Motor fleet	*	*
Engineering		
Electronic equipment	*	x
Machinery breakdown	*	x
Machinery breakdown loss of profits	*	x
Contractors all risks	*	x
Erection all risks	*	x
Civil engineering completed risks	*	x
Plant all risks	*	x
Marine		
Marine cargo	*	*
Marine hull	*	*
Liability		
Public liability	*	*
Employers liability	*	x
Professional indemnity	*	x
Products liability	*	x
Directors and officer liability	*	x
Bonds and guarantees		
Court bond	*	x
Performance bond	*	x
Bid bond	*	x
Advance payment bond	*	x
Government/customs bonds	*	x

Legend
* class of business underwritten
x class of business not underwritten

Commercial department underwrites small to large business from companies. Personal department provides insurance to the general public in their personal capacities.

The following perils are covered under the different types of business:
- Fire – fire, storm, explosions, malicious and earthquake
- Accident – all risks of accidental loss or damage to property
- Personal accident – death, permanent disablement, total disablement and medical expenses
- Motor – private and commercial (comprehensive, full third party, fire and theft)
- Engineering – accidental physical loss or damage to machinery on an all risks basis
- Marine – loss or damage to cargo in transit or vessel
- Liability – legal liability following death or injury to third parties or damage to third party property
- Bonds and guarantees – guarantees that contractual obligations will be met in case of default

The return to shareholders arises from the total premiums charged to policyholders and investment returns less the amounts paid to cover claims and administrative expenses incurred by the Group.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

34 INSURANCE RISK MANAGEMENT (CONTINUED)
34.6 Terms and conditions of short- term reinsurance contracts

Nature of risks covered

The following gives an assessment of the Group's main products and the ways in which it manages the associated risks and the concentrations of these risks:

The Group, through its subsidiary, FBC Reinsurance Limited writes the following types of business within its Treaty and Facultative Departments;

Products	Treaty	Facultative
Fire	*	*
Miscellaneous accident	*	*
Motor	*	*
Engineering	*	*
Marine - hull and cargo	*	*
Aviation	*	*
Credit	*	*

* class of business underwritten
x class of business not underwritten

Both Treaty and Facultative Departments provide cover on commercial and personal lines basis. Commercial policies cover small to large business from companies. Personal lines policies cover the general public in their personal capacities. The following perils are covered under the different types of business;
- Fire - fire, storm, explosions, riot, malicious and earthquake.
- Accident - all risks of accidental loss or damage to property.
- Personal accident - death, permanent disablement, total disablement and medical expenses.
- Motor - private and commercial (comprehensive, full third party, fire and theft).
- Engineering - accidental physical loss or damage to machinery on an all risks basis.
- Marine - loss or damage to cargo in transit or vessel.
- Liability - legal liability following death or injury to third parties or damage to third party property.
- Bonds and guarantees - guarantees that contractual obligations will be met in case of default

The return to shareholders under these products arises from the total premiums charged to policyholders and investment returns less the amounts paid to cover commissions, retrocessions, claims and operating expenses incurred by the Group.

There is scope for the Group to earn investment income owing to the time delay between the receipt of premiums and the payment of claims.

The event giving rise to a claim usually occurs suddenly (such as a fire) and the cause is easily determinable. The claim will thus be notified promptly and can be settled without delay.

The key risks associated with these products for the Group are underwriting risk, competitive risk, and claims experience risk (including the variable incidence of natural disasters), as well as fraud risk.

Underwriting risk is the risk that the Group does not charge premiums appropriate for the risk that they accept. The risk on any policy will vary according to factors such as location, safety measures in place, age of property etc. Calculating a premium commensurate with the risk for these policies will be subjective and risky. The risk is managed through pricing, product design, risk selection, appropriate investment strategy, rating and reinsurance. The Group monitors and reacts to changes in the environment in which they operate.

The Group is also exposed to the risk of false or invalid claims from the policyholders. External control systems and fraud detection measurements are in place to improve the Group's ability to proactively detect fraudulent claims.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

34 INSURANCE RISK MANAGEMENT (CONTINUED)

34.7 Concentration of insurance risk

With the insurance process, concentration of risk may arise where a particular event or series of events could impact heavily upon the Group's liabilities. Such concentration may arise from a single insurance contract or through a small number of related contracts, and relate to circumstances where significant liabilities could arise.

Property is subject to a number of risks, including theft, fire, business interruption and weather. For property business there is risk that external factors such as adverse weather conditions may adversely impact upon a large proportion of a particular geographical portion of the property risks. Claim inducing perils such as storms, floods, subsidence, fires, explosions, and rising crime levels will occur on a regional basis, meaning that the Group has to manage its geographical risk dispersion very carefully.

For motor business the main risks relates mainly to losses arising from theft, fire, third party losses and accident. Claims including perils such as increase in crime levels, adverse weather and bad road networks will occur meaning that the Group has to ensure that all products are adequately priced and that salvage recovery is pursued in order to mitigate losses.

34.8 Claims development

The Group is liable for all insured events that occurred during the term of the contract, even if the loss is discovered after the contract term, subject to pre-determined time scales dependent on the nature of the insurance contract. The Group takes all reasonable steps to ensure that they have appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions, it is likely that the final outcome will prove to be different from the original liability established. The claims liability comprises a provision for outstanding claims and a provision for claims incurred but not yet reported ("IBNR") at statement of financial position date.

In calculating the estimated cost of outstanding claims, the Group uses the estimates determined by external assessors who would have calculated the total estimated cost of the claim. The Group provides for IBNR at 18% (2024 - 15%) of net premium written for the reinsurance subsidiary and 5% (2024 - 5%) of net premium written for the short term insurance subsidiary based on past experience.

34.9 Management of risk relating to changes in underwriting variables

Profit or loss and equity are sensitive to changes in variables that have a material effect on them. These variables are mainly significant classes of transactions and their corresponding balances. These variables are gross premium written, commissions, IBNR and outstanding claims. The Group has put in place procedures to identify and control the impact of these variables on the profit or loss and equity through financial analysis which entails scrutiny of key performance indicators (includes ratio analysis) on a regular basis. The results of the financial information are taken into account when budgets are made and when pricing decisions for different types of policies is done to ensure that the companies are adequately pricing their insurance products to avoid future losses.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

35 SEGMENT REPORTING

Segment information is presented in respect of business segments.

Segment revenue, expenses, liabilities and assets are items that are directly attributable to the business segment or which can be allocated on a reasonable basis to a business segment. The Group comprises of eight business segments i.e. commercial banking, wholesale banking, microlending, mortgage financing, short term reinsurance, short term insurance, stockbroking and insurance broking.

Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group Executive Committee.

31 Dec 2025	Commercial banking USD	Wholesale banking USD	Microlending USD	Mortgage financing USD	Short term reinsurance USD	Short term insurance USD	Stockbroking USD	Insurance Broking USD	Consolidated USD
Total segment net income									
Interest income	57 925 947	9 489 936	11 216 907	9 414 648	277 985	610 228	44 930	-	88 980 581
Interest expense	(24 653 745)	(1 652 262)	(1 345 453)	(5 614 118)	-	-	(24 007)	(9 527)	(33 299 112)
Net interest income	33 272 202	7 837 674	9 871 454	3 800 530	277 985	610 228	20 923	(9 527)	55 681 469
Sales	-	-	-	1 710 096	-	-	-	-	1 710 096
Cost of sales	-	-	-	(691 666)	-	-	-	-	(691 666)
Gross profit	-	-	-	1 018 430	-	-	-	-	1 018 430
Insurance service result	-	-	-	-	2 910 657	1 240 552	-		4 151 209
Net fee and commission income	40 920 327	14 008 150	6 996	6 992 677	-	-	198 316	110 805	62 237 271
- Retail service fees	40 597 452	12 543 238	-	5 492 301	-	-	-	-	
- Credit related fees	322 875	1 464 912	6 996	1 500 376	-	-	-	-	
- Investment banking fees	-	-	-	-	-	-	-	-	
- Brokerage commission	-	-	-	-	-	-	198 316	110 805	
Net trading income and other income	8 839 154	4 857 021	366 995	3 881 353	1 556 872	1 526 645	555 497	6 431	21 589 968
Total net income for reported segments	83 031 683	26 702 845	10 245 445	15 692 990	4 745 514	3 377 425	774 736	107 709	144 678 347
Intersegment revenue	(1 855 351)	(255 302)	(24 307)	(286 843)	(1 631 527)	(6 407 363)	(63 594)	(148 197)	(10 672 484)
Intersegment interest expense and commission	5 405 609	298 911	1 771 381	1 104 535	321 752	2 327 008	31 080	10 059	11 270 335
Net income from external customers	**86 581 941**	**26 746 454**	**11 992 519**	**16 510 682**	**3 435 739**	**(702 930)**	**742 222**	**(30 429)**	**145 276 198**
Segment profit/(loss) before income tax	**11 632 047**	**5 080 636**	**4 324 838**	**4 529 884**	**1 201 718**	**648 927**	**325 010**	**(964 409)**	**26 778 651**
Impairment allowances on financial assets	9 783 703	599 821	589 271	488 933	-	22 139	-	-	11 483 867
Depreciation	1 228 133	258 480	97 612	494 761	76 969	141 911	6 133	55 751	2 359 750
Amortisation	86 448	1 785	31	-	184	-	131	2 563	91 142
Segment assets	**518 694 811**	**169 206 104**	**19 267 016**	**106 424 277**	**27 422 175**	**14 623 387**	**2 049 255**	**731 148**	**858 418 173**
Total assets include :									
Additions to non-current assets	1 026 124	228 877	109 396	243 135	13 312	40 219	8 413	1 632	1 671 108
Segment liabilities	**460 792 200**	**129 910 732**	**13 390 114**	**74 351 628**	**16 604 389**	**10 306 264**	**1 201 979**	**1 698 257**	**708 255 563**
Type of revenue generating activity	Commercial and retail banking	Wholesale and retail banking	Microlending	Mortgage financing	Underwriting general classes of short term re-insurance	Underwriting general classes of short term insurance	Equity market dealing	Short term insurance broking	

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

35 SEGMENT REPORTING (CONTINUED)

31 Dec 2024 Restated*	Commercial banking USD	Wholesale banking USD	Microlending USD	Mortgage financing USD	Short term reinsurance USD	Short term insurance USD	Stockbroking USD	Insurance Broking USD	Consolidated USD
Total segment net income									
Interest income	56 400 680	2 861 875	12 205 541	5 840 015	135 995	392 625	6 948	-	77 843 679
Interest expense	(19 805 453)	(172 704)	(1 107 084)	(2 068 601)	-	(2 464)	(31 159)	(19 008)	(23 206 473)
Net interest income	36 595 227	2 689 171	11 098 457	3 771 414	135 995	390 161	(24 211)	(19 008)	54 637 206
Sales	-	-	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-	-	-
Insurance service result	-	-	-	-	(1 780 941)	(91 991)	-	-	(1 872 932)
Net fee and commission income	36 877 576	4 660 158	25 887	5 569 572	-	-	147 730	64 734	47 345 657
- Retail service fees	36 378 883	4 228 899	-	4 802 349	-	-	-	-	
- Credit related fees	229 049	431 258	25 887	767 223	-	-	-	-	
- Investment banking fees	269 644	-	-	-	-	-	-	-	
- Brokerage commission	-	-	-	-	-	-	147 730	64 734	
Net trading income and other income	53 943 480	4 903 065	3 329 819	(922 712)	9 782 486	4 528 574	360 132	57 788	75 982 632
Total net income for reported segments	127 416 283	12 252 394	14 454 163	8 418 274	8 137 540	4 826 744	483 651	103 514	176 092 563
Intersegment revenue	(985 419)	(51 524)	(108)	(259 224)	(258 004)	(4 133 805)	(22 202)	(92 824)	(5 803 110)
Intersegment interest expense and commission	3 150 068	68 913	1 773 621	813 614	53 065	839 739	33 951	20 268	6 753 239
Net income from external customers	**129 580 932**	**12 269 783**	**16 227 676**	**8 972 664**	**7 932 601**	**1 532 678**	**495 400**	**30 958**	**177 042 692**
Segment profit/(loss) before income tax	**(18 893 114)**	**4 161 678**	**3 987 714**	**1 714 716**	**4 544 324**	**1 085 571**	**(2 091)**	**110 812**	**(3 290 390)**
Impairment allowances on financial assets	4 491 563	(2 165 654)	430 223	711 998	-	9 023	-	-	3 477 153
Depreciation	3 761 040	96 674	93 583	257 116	70 614	103 903	4 570	26 914	4 414 414
Amortisation	4 182	-	31	-	126	-	-	3 517	7 856
Segment assets	**516 229 231**	**122 992 995**	**12 518 606**	**89 320 250**	**20 284 969**	**12 061 483**	**1 260 882**	**494 277**	**775 162 693**
Total assets include :									
Additions to non-current assets	1 580 354	88 686	192 712	261 930	125 186	101 052	3 683	-	2 353 603
Segment liabilities	**406 560 815**	**86 519 956**	**11 299 922**	**59 606 912**	**11 465 954**	**7 966 014**	**773 757**	**758 573**	**584 951 903**
Type of revenue generating activity	Commercial and retail banking	Wholesale and retail banking	Microlending	Mortgage financing	Underwriting general classes of short term re-insurance	Underwriting general classes of short term insurance	Equity market dealing	Short term insurance broking	

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

35 SEGMENT REPORTING (CONTINUED)	31 Dec 2025	31 Dec 2024 Restated*
Operating segments reconciliations	USD	USD
Net income		
Total net income income for reportable segments	144 678 347	176 092 563
Total net income for non reportable segments	6 834 837	51 044 672
Elimination of intersegment revenue received from the holding company	(134 848)	(66 582)
Intersegment eliminations	(6 776 801)	(7 767 665)
Group total net income	**144 601 535**	**219 302 988**
Group profit before tax		
Total profit before income tax for reportable segments	26 778 651	(3 290 390)
Intersegment eliminations	4 600 343	20 367 210
Profit before income tax	**31 378 994**	**17 076 820**
Group assets		
Total assets for reportable segments	858 418 173	714 208 607
Other group assets	98 456 727	95 287 937
Deferred tax asset allocated to the holding company	(333 750)	4 330 224
Intersegment eliminations	(119 055 060)	(116 337 937)
Group total assets	**837 486 090**	**697 488 831**
Group liabilities		
Total liabilities for reportable segments	708 255 563	584 951 904
Other group liabilities and elimination of intersegment payables	(27 635 983)	(18 785 805)
Group total liabilities	**680 619 580**	**566 166 099**

In the normal course of business, group companies trade with one another and the material intergroup transactions include:
1) Underwriting of insurance risk by the insurance subsidiary;
2) Reinsurance of the insurance subsidiary's insurance risk by the reinsurance subsidiary;
3) Borrowings from the banking subsidiary by group companies and placement of funds and operating of current accounts; and
4) Placement of funds with the Bank and the Building Society by Group companies.

These transactions result in income, expenses, assets and liabilities that are eliminated on consolidation.

	31 Dec 2025	31 Dec 2024 Restated*
Entity wide information	USD	USD
Breakdown of total net income from all services is as follows;		
Analysis of net income by category:		
- Gross profit from residential properties	1 018 430	-
Revenue	1 710 096	-
Cost of sales	(691 666)	-
- Net income from services	143 583 105	219 302 988
Total	**144 601 535**	**219 302 988**

The Group is domiciled in Zimbabwe. All revenue was earned from external customers in Zimbabwe. All assets of the Group are located in Zimbabwe. Total net income was earned by a variety of customers with no significant concentration on one customer.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2025

36 BORROWING POWERS

The Directors may exercise all the powers of the Group to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, stock and other securities whether outright or as security for any debt, liability or obligation of the Group or of any third party.

37 POST EMPLOYMENT BENEFITS

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
Contributions made during the year are as follows:		
Self administered pension fund	2 872 955	3 023 932
National Social Security Authority ("NSSA") Scheme	502 616	1 071 644
	3 375 571	**4 095 576**

The Group operates a defined contribution pension scheme whose assets are held independently of the Group's assets in separate trustee administered funds. All permanent employees are members of this fund.

The NSSA Scheme was promulgated under the National Social Security Authority Act (Chapter 17:04). The Group contributions under the scheme are limited to specific contributions as legislated from time to time and are presently 3.5% (2024 : 3.5%) of pensionable salary to a maximum as set from time to time.

38 CAPITAL COMMITMENTS

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
Capital expenditure authorised but not yet contracted	42 682 359	50 099 697

Capital commitments will be funded from the Group's own resources.

39 CONTINGENT LIABILITIES

(a) Letters of credit

	31 Dec 2025 USD	31 Dec 2024 Restated* USD
The contingent liabilities relate to guarantees and letters of credit undertaken on behalf of various customers.	9 174 196	6 811 751

(b) Legal proceedings

The Group had no other material contingent liabilities as at 31 December 2025 (2024 - USD nil).

(c) Potential tax obligations

The Group is involved in ongoing discussions with the tax authorities regarding the tax treatment of certain transactions in prior years. Management believes that its interpretations of the relevant tax legislation is appropriate.
Consequently, no provision has been recognised in the financial statements.

If the tax authority were to successfully challenge these positions, additional taxes of approximately USD 9.4 million and ZWG 49.4 million could arise, excluding penalties and interest.

40 DIVIDEND

Notice is hearby given that a final dividend of USD 0.32 cents per share and ZWG3.9 cents per share was declared by the Board on 671 949 927 ordinary shares in issue on 26 March 2026 in respect of the year ended 31 December 2025.

The dividend is payable to Shareholders registered in the books of Company at the close of business on Friday 17 April 2026. The shares of the Company will be traded cum-dividend on the Zimbabwe Stock Exchange up to the market day of 15 April 2026 and ex-dividend as from 16 April 2026. Dividend payment will be made to Shareholders on or about 29 April 2026.

41 SUBSEQUENT EVENTS

Subsequent to the reporting date, there have been significant geopolitical and regulatory developments. The escalation of the 2026 Iran war, involving the United States, Israel, and Iran, has disrupted key oil supply routes through the Strait of Hormuz and contributed to volatility in global financial markets, with resultant increases in fuel prices in Zimbabwe impacting the cost of doing business. In addition, Zimbabwe announced a ban on the export of raw lithium ores and concentrates to promote local value addition. Management has assessed both developments as non-adjusting events, as they do not reflect conditions existing at the reporting date. However, they may have implications for the Group's future financial performance, including potential impacts on investment valuations, liquidity, credit risk exposures, and broader macroeconomic conditions. The Group continues to monitor these developments and will assess their financial impact as further clarity emerges.

Company Financial Statements

Company Statement of Financial Position
As at 31 December 2025

	Note	31 Dec 25 USD	31 Dec 24 Restated* USD	1 Jan 24 Restated* USD
ASSETS				
Balances with banks and cash		1 489 022	1 472 799	7 927 723
Amounts due from related parties	2	13 910 717	3 625 140	6 223 265
Financial assets at fair value through other comprehensive income	3	50 737	14 967	7 240
Financial assets at fair value through profit or loss	4	34 381 667	37 757 721	9 420 644
Investments in subsidiaries	5	41 300 861	46 527 326	14 219 136
Time - share asset	6	910 905	900 000	778 619
Other assets	7	559 777	334 664	455 770
Current income tax asset		913 009	-	-
Deferred tax asset	12.4	-	323 389	12 294
Property and equipment	8	5 153 529	4 655 320	3 235 349
Total assets		**98 670 224**	**95 611 326**	**42 280 040**
EQUITY AND LIABILITIES				
Liabilities				
Amounts due to related parties	9	682 752	22 150 617	3 626 309
Borrowings	10	-	-	10 288 428
Other liabilities	11	16 995 077	23 933 778	8 234 316
Current income tax liability		-	352 325	50 598
Deferred tax liability	12.4	333 750	-	417 817
Total liabilities		**18 011 579**	**46 436 720**	**22 617 468**
Equity				
Share capital and premium	18	2 435 558	2 435 558	2 435 558
Other reserves	19	39 283 129	11 503 944	10 085 577
Retained profits		38 939 958	35 235 104	7 141 437
Total equity		**80 658 645**	**49 174 606**	**19 662 572**
Total equity and liabilities		**98 670 224**	**95 611 326**	**42 280 040**

The Company financial statements on pages 185 to 202 were authorised for issue by the board of directors on 31 March 2026 and were signed on its behalf.

*The Company is presenting a statement of financial position as at 1 January 2024 to reflect the change in the presentation currency from ZWG to USD.

Herbert Nkala
(Chairman)

Trynos Kufazvinei
(Group Chief Executive)

Tichaona K. Mabeza
(Company Secretary)

Company Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2025

	Note	31 Dec 25 USD	31 Dec 24 USD
Interest income calculated using the effective interest method	13.1	816 448	1 123 399
Interest and related expense	13.2	-	(1 249 418)
Net interest related income		**816 448**	**(126 019)**
Net foreign currency dealing and trading income		822 845	4 885 748
Net (loss)/gain from financial assets at fair value through profit or loss	13.3	(2 287 665)	31 862 591
Other operating income	13.4	7 483 208	14 422 352
Total other income		**6 018 388**	**51 170 691**
Total net income		**6 834 836**	**51 044 672**
Operating expenditure	14	1 322 060	(29 460 373)
Impairment allowance	2.1	(8 315)	(13 864)
Monetary gain		-	19 146 471
Profit before tax		**8 148 581**	**40 716 906**
Taxation	15	22 025	738 724
Profit for the year after taxation		**8 170 606**	**41 455 630**
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Gain on financial assets at fair value through other comprehensive income		35 770	14 300
Tax		(537)	(215)
Gain on property and equipment revaluation		595 790	1 905 052
Tax		(131 301)	(407 834)
Other comprehensive income, net income tax		**499 722**	**1 511 303**
Total comprehensive income for the year		**8 670 328**	**42 966 933**
Profit for the year attributable to:			
Equity holders of parent		8 170 606	41 455 630
Total profit for the year		**8 170 606**	**41 455 630**
Total comprehensive income attributable to:			
Equity holders of parent		8 670 328	42 966 933
Total comprehensive income for the year		**8 670 328**	**42 966 933**
Earnings per share (USD cents)			
Basic	16.1	1.34	6.79
Diluted	16.2	1.34	6.79
Headline	16.3	1.34	6.79
Diluted headline	16.4	1.34	6.79

Company Statement of Changes in Equity
For the year ended 31 December 2025

	Share capital USD	Share premium USD	Revaluation reserves USD	Non distributable reserves USD	Treasury share reserves USD	Financial assets at fair value reserves USD	Retained profits USD	Total USD
At 1 January 2024	**1 161**	**2 434 397**	**2 483 928**	**11 331 216**	**(4 364 808)**	**635 241**	**7 141 437**	**19 662 572**
Gain on financial assets as fair value through other comprehensive income	-	-	-	-	-	14 300	-	14 300
Deferred tax on Gain on financial assets as fair value through other comprehensive income revaluation loss	-	-	-	-	-	(215)	-	(215)
Profit for the year	-	-	-	-	-	-	41 455 630	41 455 630
Gain on revaluation of property and equipment, net of tax	-	-	1 497 123	-	-	-	-	1 497 123
Sale of treasury shares	-	-	-	-	(92 841)	-	-	(92 841)
Dividend declared and paid	-	-	-	-	-	-	(13 361 963)	(13 361 963)
Balance at 31 December 2024	**1 161**	**2 434 397**	**3 981 051**	**11 331 216**	**(4 457 649)**	**649 326**	**35 235 104**	**49 174 606**
Gain on financial assets as fair value through other comprehensive income	-	-	-	-	-	35 770	-	35 770
Deferred tax on Gain on financial assets as fair value through other comprehensive income revaluation loss	-	-	-	-	-	(537)	-	(537)
Profit for the year	-	-	-	-	-	-	8 170 606	8 170 606
Gain on revaluation of property and equipment, net of tax	-	-	464 475	-	-	-	-	464 475
Sale of treasury shares				430 658	2 635			433 293
Dividend declared and paid	-	-	-	-	-	-	(4 465 752)	(4 465 752)
Reserve Arising from Transfer of Net Assets from FBC Building Society	-	-	-	26 846 184	-	-	-	26 846 184
Balance at 31 December 2025	**1 161**	**2 434 397**	**4 445 526**	**38 608 058**	**(4 455 014)**	**684 559**	**38 939 958**	**80 658 645**

Company's Statement of Cash Flows
For the year ended 31 December 2025

		31 Dec 25 USD	31 Dec 24 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		8 148 581	40 716 906
Non cash items:			
Monetary Gain		-	(19 146 471)
Depreciation		205 833	496 314
Provisions*		(6 173 254)	24 414 663
Fair value adjustment on financial assets at fair value through profit or loss		2 287 665	(31 862 591)
Net unrealised exchange gains and losses		795 861	(27 346 103)
Credit impairment loss		8 315	13 864
Net cash generated before changes in operating assets and liabilities		**5 273 001**	**(12 713 418)**
Changes in operating assets and liabilities			
Increase in amounts due from related parties		928 623	2 139 264
Increase in other assets		(224 843)	(424 508)
(Decrease)/increase in amounts due to related parties		(963 020)	21 816 830
Decrease in other liabilities		(1 220 452)	(2 327 900)
(Increase)/decrease in financial assets at fair value through profit or loss		1 087 509	(1 991 649)
		(392 183)	**19 212 037**
Income tax paid		(718 014)	(96 478)
Net cash generated in operating activities		**4 162 804**	**6 402 141**
Cash flows from investing activities			
Change in subsidiary investments		-	(32 308 190)
Purchase of property and equipment		(119 164)	(946)
Cash used in investing activities		**(119 164)**	**(32 309 136)**
Cash flows from financing activities			
Purchase of treasury shares		-	(92 841)
Sale of treasury shares		433 293	-
Dividend paid		(4 465 752)	(13 361 963)
Repayment of borrowings	10	-	(947 007)
Net cash used in financing activities		**(4 032 459)**	**(14 401 811)**
Net (decrease) / increase in cash and cash equivalents		**11 181**	**(40 308 806)**
Cash and cash equivalents at beginning of the year		**1 472 799**	**7 927 723**
Effect of changes in exchange rates		5 042	7 509 402
Effects of inflation on cash and cash equivalents		-	26 344 480
Cash and cash equivalents at the end of year		**1 489 022**	**1 472 799**

*Provisions are comprised of staff related provisions

Notes to the Company Financial Statements
For the year ended 31 December 2025

1 COMPANY ACCOUNTING POLICIES

The financial statements of the Company for the year ended 31 December 2025 are prepared in accordance with the same principles used in preparing consolidated financial statements of the Group. For detailed accounting policies refer to the Group's financial statements.

	31 Dec 25 USD	31 Dec 24 USD
2 AMOUNTS DUE FROM RELATED PARTIES		
Other intercompany receivables:		
FBC Bank Limited	225 282	11 866
FBC Crown Bank Limited	245 000	-
FBC Reinsurance Limited	1 607 043	-
FBC Securities (Private) Limited	982 617	188 119
FBC Insurance Company (Private) Limited	2 373 874	29 215
OutRisk Underwriting Management Agency	1 606 638	32 858
Microplan Financial Services (Private) Limited	6 894 768	3 379 273
Gross carrying amount	**13 935 222**	**3 641 331**
Impairment allowance	(24 505)	(16 191)
	13 910 717	**3 625 140**
Current	13 910 717	3 625 140
Non-current	-	-
Total	**13 910 717**	**3 625 140**

Amounts receivable from group companies were at arm's length

2.1 Movement in credit impairment losses

	Amounts due from related parties USD	Total USD
Movement in credit impairment losses		
Balance at 01 January 2024	25 279	25 279
Effects of IAS 29	(22 953)	(22 953)
Impairment loss allowance	13 864	13 864
Balance as at 31 December 2024	**16 190**	**16 190**
Balance at 01 January 2025	16 190	16 190
Impairment loss allowance	8 315	8 315
Balance as at 31 December 2025	**24 505**	**24 505**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 25 USD	31 Dec 24 USD
3	**FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**		
	As at 1 January	14 967	7 240
	Net fair value gain/(loss) transfer to equity	35 770	14 300
	Effects of IAS 29 application	-	(6 573)
	As at 31 December	**50 737**	**14 967**

The financial assets at fair value through other comprehensive income consist of the Zimbabwe Stock Exchange Holdings listed shares. The fair value was USD 50 737 for these shares for the year.

		31 Dec 25 USD	31 Dec 24 USD
4	**FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**		
	As at 1 January	37 757 721	9 420 644
	Acquisitions	359 076	157 383
	Disposals	(1 639 858)	-
	Net fair value gain/(loss) transfer to profit or loss	(2 287 665)	31 862 591
	Effects of changes in presentation currency	192 393	4 895 444
	Effects of IAS 29 application	-	(8 578 341)
	As at 31 December	**34 381 667**	**37 757 721**
	Listed Securities	34 381 667	37 757 721
	Unlisted securities	-	-
		34 381 667	**37 757 721**

		Equity interest 2025	31 Dec 25 USD	31 Dec 24 USD
5	**INVESTMENT IN SUBSIDIARIES**			
5.1	**Investment in subsidiaries**			
	FBC Bank Limited	100%	6 832 626	6 832 626
	FBC Building Society	100%	-	5 226 465
	FBC Reinsurance Limited	100%	1 799 145	1 799 145
	FBC Securities (Private) Limited	100%	65 559	65 559
	FBC Insurance Company (Private) Limited	95.4%	294 477	294 477
	Microplan Financial Services (Private) Limited	100%	864	864
	FBC Crown Bank Limited	100%	32 308 190	32 308 190
			41 300 861	**46 527 326**

		31 Dec 25 USD	31 Dec 24 USD
5.2	**Movement analysis - investment in subsidiaries**		
	As at 1 January	46 527 326	14 219 136
	*Derecognition of Investment in FBC Building Society	(5 226 465)	-
	Acquisition date fair value investment in FBC Crown Bank Limited	-	15 923 350
	Additional recapitalisation in FBC Crown Bank Limited	-	16 384 840
	As at 31 December	**41 300 861**	**46 527 326**

*During the period, the holding company derecognised its investment in FBC Building Society as part of the merger transaction between FBC Bank Limited and FBC Building Society. The transaction had no impact on profit or loss, as it was accounted for as a common control transaction. It reduced the carrying amount of the investment by USD 5 226 465, eliminated intercompany balances for FBC Bank amounting to USD 32 072 649, and the resulting gain of USD 26 846 184 was recognised directly in equity under the merger reserve.

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 25 USD	31 Dec 24 USD
6	**TIME - SHARE ASSET**		
	The Company owns 95% share in a houseboat for use by the Company's employees. The value stated is the value of the share held according to a professional valuation performed as at the reporting date.		
	Balance at 1 January	900 000	778 619
	Acquisition	-	131 795
	Depreciation	(180 000)	(483 205)
	Revaluation gain	190 905	472 791
	Balance as at 31 December	**910 905**	**900 000**
	The time - share asset is included in prepayments and other assets in the consolidated statement of financial position.		
7	**OTHER ASSETS**		
	Client verification fees	386 231	172 868
	Prepayments	135 311	116 372
	Other	38 235	45 424
		559 777	**334 664**

8 PROPERTY AND EQUIPMENT

	Land USD	Marine Vessels USD	Computer equipment USD	Furniture and Office equipment USD	Total USD
Year ended 31 December 2024					
Opening net book amount	3 176 766	-	58 584	-	3 235 350
Additions	-	-	-	946	946
Revaluation of property	1 438 554	-	(6 294)	(127)	1 432 133
Depreciation	-	-	(13 093)	(16)	(13 109)
Closing net book amount	**4 615 320**	**-**	**39 197**	**803**	**4 655 320**
As at 31 December 2024					
Cost or valuation	4 615 320	-	52 290	819	4 668 429
Accumulated depreciation	-	-	(13 093)	(16)	(13 109)
Accumulated impairment	-	-	-	-	-
Net book amount	**4 615 320**	**-**	**39 197**	**803**	**4 655 320**
Year ended 31 December 2025					
Opening net book amount	4 615 320	-	39 197	803	4 655 320
Additions	-	116 372	1 069	1 722	119 163
Revaluation of property	384 610	11 265	8 938	65	404 878
Depreciation	-	(11 637)	(13 986)	(209)	(25 832)
Closing net book amount	**4 999 930**	**116 000**	**35 218**	**2 381**	**5 153 529**
As at 31 December 2025					
Cost or valuation	4 999 930	127 637	49 204	2 590	5 179 361
Accumulated depreciation	-	(11 637)	(13 986)	(209)	(25 832)
Accumulated impairment	-	-	-	-	-
Net book amount	**4 999 930**	**116 000**	**35 218**	**2 381**	**5 153 529**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

	31 Dec 25 USD	31 Dec 24 USD
If land was stated on historical cost basis, the amount would be as follows;		
Land	782 160	782 160
Computer equipment	30 212	29 143
Marine Vessels	116 372	-
Furniture and office equipment	2 668	946
	931 412	**812 249**

For fair value techniques used to derive fair values please refer to Note 12 in the consolidated financial statements of the Group.

9 AMOUNTS DUE TO RELATED PARTIES

	31 Dec 25 USD	31 Dec 24 USD
Other intercompany payables		
FBC Bank Limited	1 968	21 871 849
FBC Reinsurance Limited	6 147	5 222
FBC Securities (Private) Limited	232 904	11 983
FBC Insurance Company (Private) Limited	6 028	6 070
Microplan Financial Services (Private) Limited	10 407	10 480
FBC Crown Bank Limited	425 298	245 013
	682 752	**22 150 617**

These transactions are at arm's length

10 BORROWINGS

	31 Dec 25 USD	31 Dec 24 USD
Opening	-	10 288 428
Repayments	-	(947 007)
Non cash movements	-	(9 341 421)
Closing balance	**-**	**-**

11 OTHER LIABILITIES

	31 Dec 25 USD	31 Dec 24 USD
Provisions*	16 683 328	23 635 415
Tax Obligations	208 991	227 988
Other	102 758	70 375
	16 995 077	**23 933 778**

*The provisions include provision for leave pay, provision for long service awards and provision for bonus.

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

12 DEFERRED TAX ASSET AND LIABILITY

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax authority. Deferred income taxes are calculated on all temporary differences under the liability method using an effective corporate tax rate of 25.75% (2024: 25.75%) and capital gains tax rate of 20% (2024: 20%).

	31 Dec 25 USD	31 Dec 24 USD
The movement on the deferred tax account is as follows:		
As at 1 January	(323 389)	405 523
Statement of profit or loss charge (note 15)	525 302	(1 136 928)
Tax charge relating to components of other comprehensive income	131 837	408 016
As at 31 December	**333 750**	**(323 389)**

12.1 Analysis of charge in the statement of profit or loss

	31 Dec 25 USD	31 Dec 24 USD
The deferred tax charge in the statement of profit or loss comprises the following temporary differences:		
Allowance for loan impairment	(2 141)	2 080
Property and equipment allowances	129 495	(6)
Unrealised gains on foreign exchange and equities	206 315	1 736 019
Accrual for leave pay	29 569	1 314 624
Prepayments and other assets	3 106	6 543
Other liabilities	158 958	(4 196 188)
Total	**525 302**	**(1 136 928)**

12.2 Analysis of charge in the statement of comprehensive income

	31 Dec 25 USD	31 Dec 24 USD
Property and equipment revaluations	131 301	407 801
Investment in securities at FVOCI	536	215
	131 837	**408 016**

12.3 Deferred income tax assets and liabilities

	31 Dec 25 USD	31 Dec 24 USD
Deferred tax assets and liabilities are attributable to the following items:		
Allowance for loan impairment	(2 141)	2 080
Financial assets at fair value through other comprehensive income	-	215
Property and equipment allowances	129 495	(6)
Unrealised gains on foreign exchange and equities	206 315	1 736 019
Accrual for leave pay	29 569	1 314 624
Prepayments and other assets	3 106	6 543
Other provisions	(32 594)	(3 382 864)
	333 750	**(323 389)**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 25 USD	31 Dec 24 USD
12.4	**Timing of reversal temporary differences**		
	Deferred income tax assets		
	Deferred tax asset to be recovered after more than 12 months	1 730 483	4 330 223
	Total	**1 730 483**	**4 330 223**
	Deferred income tax liabilities		
	Deferred tax liability to be recovered after more than 12 months	2 064 233	4 006 834
	Net deferred income tax liability/(asset)	333 750	(323 389)

The deferred tax arising from property and equipment allowances has been determined using income tax values that the Company has ascertained with the aid of guidance issued by the Zimbabwe Revenue Authority ("ZIMRA").

Deferred tax assets arise from staff costs provisions which are disclosed for tax purposes.

		31 Dec 25 USD	31 Dec 24 USD
13	**REVENUE**		
13.1	**Interest and related income**		
	Loans to investment subsidiaries	816 448	1 123 399
		816 448	**1 123 399**
13.2	**Interest and related expense**		
	Norsad Line of Credit	-	1 249 418
		-	**1 249 418**
13.3	**Net gain from Financial Instruments carried at fair value**		
	Net gain on financial assets at fair value through profit or loss	(2 287 665)	31 862 591
		(2 287 665)	**31 862 591**
13.4	**Other operating income**		
	Dividend income	6 374 259	9 289 631
	Gain on Government Treasury bonds	-	2 949 245
	Guarantee Fees	937 700	809 942
	Legal fees (written off)/recoveries	-	967 200
	Fair value adjustment on gold coins	82 380	167 342
	KYC Service fee	65 098	144 991
	Sundry Income	23 771	94 001
		7 483 208	**14 422 352**
14	**OPERATING EXPENDITURE**		
	Staff costs	(2 805 872)	27 203 229
	Administration expenses	1 394 690	2 190 937
	Audit fees-financial statement audit	63 289	53 099
	Depreciation	25 833	13 108
		(1 322 060)	**29 460 373**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

		31-Dec-25 USD	31-Dec-24 USD
15	**TAXATION**		
	The following constitute the major components of income tax expense recognised in the statement of comprehensive income		
	Analysis of tax charge in respect of the profit for the year		
	Current income tax charge	661 839	(398 204)
	Deferred income tax	(525 302)	1 136 928
	Prior year under provision	(114 512)	-
	Income tax expense	**22 025**	**738 724**
	The income tax rate applicable to the Group`s taxable income for the year ended 31 December 2025 is 25.75% (2024: 25.75%).		
15.1	**Reconciliation of income tax expense**		
	The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the principal tax rate of 25.75% (2024: 25.75%) as follows;		
	Profit before income tax	**8 148 581**	**40 716 906**
	Income tax charged based on profit for the year at 25.75% (2024: 25.75%)	(2 098 260)	(10 484 603)
	Tax effect of:		
	Exempt income		
	dividend income	1 641 372	2 392 080
	unrealised fair value gains	605 346	8 239 298
	unrealised exchange gains	(206 315)	1 258 080
	Additional/(savings) tax resulting from permanent differences	(7 864)	(32)
	Income subject to tax at lower rates	(5 534)	(215)
	Impairment allowance	(2 141)	(3 570)
	Expenses not deductible for tax purposes		
	Provisions	1 568 453	(6 405 882)
	Other	(51 523)	(29 923)
	Prior year under provision	(114 512)	-
	Movement in deferred tax	(525 302)	1 136 928
	Other	(781 695)	4 636 563
	Income tax expense	**22 025**	**738 724**
	Effective rate	0.3%	1.8%
16	**EARNINGS PER SHARE**		
16.1	**Basic earnings per share**		
	Profit attributable to equity holders of the parent	8 170 606	41 455 630
	Total	**8 170 606**	**41 455 630**
	Basic earnings per share (USD cents)	1.34	6.79

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

	Shares issued	Treasury shares	Shares outstanding	Weighted
Year ended 31 December 2025				
Issued ordinary shares as at 1 January	671 949 927	61 591 105	610 358 822	610 358 822
Treasury shares purchased	-	-	-	-
Treasury shares sold	-	(1 575 400)	1 575 400	1 011 055
Weighted average number of ordinary shares as at 31 December	**671 949 927**	**60 015 705**	**611 934 222**	**611 369 877**

	Shares issued	Treasury shares	Shares outstanding	Weighted
Year ended 31 December 2024				
Issued ordinary shares as at 1 January	671 949 927	61 406 905	610 543 022	610 543 022
Treasury shares purchased	-	184 200	(184 200)	(41 887)
Treasury shares sold	-	-	-	-
Weighted average number of ordinary shares as at 31 December	**671 949 927**	**61 591 105**	**610 358 822**	**610 501 135**

16.2 Diluted earnings per share

Diluted earnings per share is calculated after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have dilutive ordinary shares.

	31 Dec 25 USD	31 Dec 24 USD
Earnings		
Profit attributable to equity holders of the parent	8 170 606	41 455 630
Total	**8 170 606**	**41 455 630**
Weighted average number of ordinary shares at 31 December	**611 369 877**	**610 501 135**
Diluted earnings per share (USD cents)`	**1.34**	**6.79**

16.3 Headline earnings per share

Profit attributable to equity holders of the parent	8 170 606	41 455 630
Adjusted for excluded remeasurements	-	-
Headline earnings	**8 170 606**	**41 455 630**
Weighted average number of ordinary shares at 31 December	**611 369 877**	**610 501 135**
Headline earnings per share (USD cents)	**1.34**	**6.79**

16.4 Diluted headline earnings per share

Diluted headline earnings per share is calculated after adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company does not have dilutive ordinary shares.

Profit attributable to equity holders of the parent	8 170 606	41 455 630
Adjusted for excluded remeasurements	-	-
Diluted headline earnings	**8 170 606**	**41 455 630**
Weighted average number of ordinary shares at 31 December	**611 369 877**	**610 501 135**
Headline earnings per share (USD cents)	**1.34**	**6.79**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

17 FINANCIAL RISK MANAGEMENT

The Company is exposed through its operations to the following financial risks:
- Credit risk, interest rate risk, price risk, liquidity risk and foreign exchange risk.

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments.

This note describes the Company's objectives, policies and processes for managing those risks and methods used to measure them. Further quantitative information in respect of these risks is presented throughout these inflation adjusted financial statement

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

Risk management is carried out by management under policies approved by the Board of Directors. Management identifies and evaluates financial risk in close cooperation with the operating units. The Board provides written principles for overall risk manage

Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

a) Amounts due from related parties
b) Balances with bank and cash
c) Amounts due to related parties
d) Borrowings
e) Financial assets at fair value through profit or loss
f) Financial assets at fair value through other comprehensive income
g) Other liabilities

General objectives, policies and processes

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function.

17.1 Fair value of assets and liabilities

The company uses three levels of the fair value hierarchy as per note 32 in the Group financial statements. The following table shows the Company's assets and liabilities that are held at fair value disaggregated by valuation technique (fair value hierarchy);

	Quoted market prices Level 1 USD	Significant unobservable inputs Level 3 USD	Total USD
As at 31 December 2025			
Assets			
Financial assets at fair value through profit or loss	34 381 667	-	34 381 667
Financial assets at fair value through other comprehensive income	50 737	-	50 737
Investment property	-	-	-
Property and equipment	-	5 153 529	5 153 529
Liabilities	-	-	-
As at 31 December 2024			
Assets			
Financial assets at fair value through profit or loss	37 757 721	-	37 757 721
Financial assets at fair value through other comprehensive income	-	14 967	14 967
Investment property	-	-	-
Property and equipment	-	4 655 320	4 655 320
Liabilities	-	-	-

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

Valuation techniques and sensitivity analysis

Sensitivity analysis is performed on valuations of assets and liabilities with significant unobservable inputs (level 3) to generate a range of reasonable possible alternative valuations, The sensitivity methodologies applied take account of the nature of valuation techniques used, as well as the availability and reliability of observable proxy and historical data and the impact of using alternative methods. Land under level 3 is a commercial property. Refer to property and equipment note 8.

Unlisted equity investments

Since the prices are not readily determinable, fair value is based on internal valuation models and management estimates of amounts that could be realized under current market conditions. The key unobservable input in determining fair values for these investment has been the net asset value. The translation of part of these investments that are foreign currency denominated is based on the year-end exchange rate while transactions are translated at the average exchange rate for the reporting period.The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset is not active, or quoted prices cannot be obtained without undue effort, the company uses the next closest available net asset value per share based on the most recent published financial statements of companies we are invested in.

Borrowings

The fair value of current borrowings equals their carrying amount as the impact of discounting is not significant due to the market terms (rates and tenor) available. The fair value of the non current portion, for purposes of this disclosure are based on cash flows discounted using a rate based on the contractual borrowing rates which is an observable input. Therefore borrowings are within level 3 of the fair value hierarchy. The carrying amount equals the carrying amounts for borrowings

Amounts due from related parties

The fair value of amounts due from related parties, for the purposes of this disclosure, is calculated by the use of discounted cash flow techniques where the gross receivables are discounted at the company's borrowing rate. Significant inputs in the valuation model are unobservable and are thus classified as level 3 for purposes of this disclosure.

Amounts due to related parties and other payables

The fair value disclosed approximates carrying value because the instruments are short term in nature.

17.2 Financial instruments by category

A summary of the financial instruments held by category is provided below:

	31 Dec 25 USD	31 Dec 24 USD
Financial assets		
At amortised cost		
Balances with bank and cash	1 489 022	1 472 799
Amounts due from related parties	13 910 717	3 625 140
At fair value through profit or loss		
Financial assets at fair value through profit or loss	34 381 667	37 757 721
Financial assets at fair value through other comprehensive income	50 737	14 967
	49 832 143	**42 870 627**
Financial liabilities		
At amortised cost		
Borrowings	-	-
Amounts due to related parties	682 752	22 150 617
Other liabilities	302 377	294 810
	985 129	**22 445 427**

Financial instruments not measured at fair value

Financial instruments not measured at fair value include balances with bank and cash, amounts due from related parties, amounts due to related parties, borrowings, and other liabilities. The carrying value of these instruments approximates their fair value.

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

17.3 Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from amounts due from related parties. The credit risk with respect to amounts due from related parties is limited to intercompany balances shareholder loans to subsidiaries. Further disclosures regarding amounts due from related parties are provided in note 2.

The carrying amounts of financial assets represent the maximum credit exposure.

The Company does not require collateral in respect of amounts due from related parties. The Company does have amounts due from related parties for which loss allowance has been recognised. Credit on assets at amortised cost is insignificant.

	31 Dec 25 USD	31 Dec 24 USD
17.4 Reconciliation of Amounts due from related parties		
Past due and impaired	-	-
Allowance for impairment	-	-
Carrying amount	**-**	**-**
Past due but not impaired	-	-
Neither past due nor impaired	13 935 222	3 641 331
Gross amount	**13 935 222**	**3 641 331**
Allowance for impairment	(24 505)	(16 191)
Carrying amount	**13 910 717**	**3 625 140**
Total carrying amount	**13 910 717**	**3 625 140**

As at 31 December 2025, amounts due from related parties amounting to USD13 910 717 (2024 : USD6 232 356) were neither past due nor impaired. These relate to intercompany balances shareholder loans to subsidiaries.

17.5 Liquidity risk

Liquidity risk refers to the risk that the Company will not be able to meet its obligations promptly in respect of all maturing liabilities, increase in financing assets, including commitments and any other financial obligations, or will only able to do so at materially disadvantageous terms. Day-to-day liquidity management is performed by management within Board approved credit limits, such that there is sufficient liquidity to fund probable operational cash flow requirements on a monthly basis. The amounts disclosed in the table below are the contractual undiscounted cash flows:

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

	Up to 3 months USD	Between 3 and 12 months USD	Between 1 and 2 years USD	Over 2 years USD	Total USD
As at 31 December 2025					
Liabilities					
Borrowings	-	-	-	-	-
Amounts due to related parties	682 752	-	-	-	682 752
Other liabilities	-	16 995 077	-	-	16 995 077
	682 752	**16 995 077**	**-**	**-**	**17 677 829**
Assets					
Balances with banks and cash	1 489 022	-	-	-	1 489 022
Amounts due from related parties	-	13 910 717	-	-	13 910 717
Financial assets at fair value through other comprehensive income	50 737	-	-	-	50 737
Financial assets at fair value through profit or loss	34 381 667	-	-	-	34 381 667
Other assets	-	559 777	-	-	559 777
	35 921 426	**14 470 494**	**-**	**-**	**50 391 920**
Liquidity gap	**35 238 674**	**(2 524 583)**	**-**	**-**	**32 714 091**
Cumulative liquidity gap-on balance sheet	**35 238 674**	**32 714 091**	**32 714 091**	**32 714 091**	**-**
As at 31 December 2024					
Liabilities					
Borrowings	-	-	-	-	-
Amounts due to related parties	22 150 617	-	-	-	22 150 617
Other liabilities	-	294 810	-	-	294 810
	22 150 617	**294 810**	**-**	**-**	**22 445 427**
Assets					
Balances with banks and cash	1 472 799	-	-	-	1 472 799
Amounts due from related parties	3 625 140	-	-	-	3 625 140
Financial assets at fair value through other comprehensive income	14 967	-	-	-	14 967
Financial assets at fair value through profit or loss	37 757 721	-	-	-	37 757 721
Other assets	296 166	-	-	-	296 166
	43 166 793	**-**	**-**	**-**	**43 166 793**
Liquidity gap	**21 016 176**	**(294 810)**	**-**	**-**	**20 721 366**
Cumulative liquidity gap-on balance sheet	**21 016 176**	**20 721 366**	**20 721 366**	**20 721 366**	**-**

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

17.6 Market risk

Market risk is the risk that the value of a financial position or portfolio will decline due to adverse movements in market rates.

a) Price - The Company does trade in equities therefore, is significantly exposed to price risk fluctuations. The price risk exposures on equities is material as the equities are listed on the Zimbabwe Stock Exchange. The Company is not exposed to commodity price risk.

A 25% positive or negative change in stock market prices would affect the Company's profit before tax and equity as follows:

Financial assets at fair value through profit or loss	31 Dec 25		
	USD	Change	Effect on profit before tax USD
	(2 287 665)	25%	(571 916)

b) Foreign exchange risk - Emanating from transactions with local, regional and international financiers, the foreign exchange risk arises from fluctuations in foreign exchange rates on assets and liabilities denominated in a currency other than the USD. As at 31 December 2025, the company held both receivables and liabilities and is, therefore, exposed to foreign exchange risk. Included in the financial statements are liabilities relating to lines of credit owed to foreign suppliers at a USD/ZWG closing rate of ZWG25.9807: USD 1.

31 Dec 25			
	Foreign currency amount (ZWG)	Rate of exchange	Equivalent ZWG
Amounts due from related parties	158 950 606	25.9807	6 118 026
Amounts due to related parties	7 995 834	25.9807	307 761
ZWG Bank balance	7 308 471	25.9807	281 304

A 10% positive or negative change in foreign currency would affect the Company's profit before tax and equity as follows:

Exchange gains or losses	31 Dec 25		
	USD	Change	Effect on profit before tax USD
	(822 845)	10%	(82 285)

17.7 Interest rate risk

Interest rate risk is the risk that fluctuating interest rates will unfavourably affect the Company's earnings and the value of its assets, liabilities and capital. The Company held interest bearing liabilities as at 31 December 2025.

The following table demonstrates the sensitivity to a change in interest bearing debts. With all other variables held constant, the Company's profit before tax and equity are affected as follows:

	Profit or loss USD	
Interest rate repricing	**Increase**	**Decrease**
2025		
5% Interest rate movement	-	-
2024		
5% Interest rate movement	(62 471)	62 471

Notes to the Company Financial Statements (Continued)
For the year ended 31 December 2025

		31 Dec 25 USD	31 Dec 24 USD
18	**SHARE CAPITAL AND SHARE PREMIUM**		
18.1	**Authorised**		
	Number of ordinary shares, with a nominal value of ZWG0,000000004002042	800 000 000	800 000 000
18.2	**Issued and fully paid**		
	Number of ordinary shares, with a nominal value of ZWG0,000000004002042	671 949 927	671 949 927

18.3	**Share capital movement**	Number of Shares	Share Capital USD	Share Premium USD	Total USD
	INFLATION ADJUSTED				
	As at 31 December 2025	671 949 927	1 161	2 434 397	2 435 558
	As at 31 December 2024	671 949 927	1 161	2 434 397	2 435 558

The unissued share capital is under the control of the directors subject to the restrictions imposed by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31), Zimbabwe Stock Exchange Listing Requirements and the Articles and Memorandum of Association of the Company.

		31 Dec 25 USD	31 Dec 24 USD
19	**OTHER RESERVES**		
	Revaluation reserves	4 445 526	3 981 051
	*Non distributable reserves	38 608 058	11 331 216
	Financial assets at fair value through other comprehensive income reserve	684 559	649 326
	Treasury shares reserves	(4 455 014)	(4 457 649)
		39 283 129	**11 503 944**

The definitions of the reserves are as follows;
The revaluation reserve consists of increases in the value of property and equipment on revaluation.

Non-distributable reserves comprise the cumulative net impact of historical restatements and remeasurements of assets and liabilities arising from prior functional currency conditions. The balance is stated net of deferred tax and excludes amounts subsequently capitalised into share capital and share premium.

Financial assets at fair value reserve comprises the changes in the fair value of financial assets at fair value through other comprehensive income, net of tax.

Treasury share reserve represents shares the Company has issued and subsequently reacquired.

*During the year, the holding company consolidated the banking operations of FBC Bank Limited and FBC Building Society into FBC Bank. This transaction resulted in the recognition of a merger reserve of USD26 846 184 under non-distributable reserves.

20 SUBSEQUENT EVENTS

Subsequent to the reporting date, there have been significant geopolitical and regulatory developments. The escalation of the 2026 Iran war, involving the United States, Israel, and Iran, has disrupted key oil supply routes through the Strait of Hormuz and contributed to volatility in global financial markets, with resultant increases in fuel prices in Zimbabwe impacting the cost of doing business. In addition, Zimbabwe announced a ban on the export of raw lithium ores and concentrates to promote local value addition. Management has assessed both developments as non-adjusting events, as they do not reflect conditions existing at the reporting date. However, they may have implications for the holding company's future financial performance, including potential impacts on investment valuations, liquidity, credit risk exposures, and broader macroeconomic conditions. The holding company continues to monitor these developments and will assess their financial impact as further clarity emerges.

Shareholding Information
For the year ended 31 December 2025

Spread of shareholding

Range	Shareholders Number	% of Holders	Shares held Number('000)	% of Shares
0 - 500	5480	65.00	1 210 809	0.18
501 - 1 000	971	11.52	684 451	0.10
1 001 - 10 000	1490	17.67	4 604 455	0.69
10 001 - 50 000	302	3.58	6 317 928	0.94
50 001 - 100 000	61	0.72	4 613 800	0.69
100 001 - 500 000	71	0.84	16 541 577	2.46
500 001 - 1 000 000	9	0.11	6 428 357	0.96
1 000 001 - 10 000 000	37	0.44	141 158 662	21.01
10 000 001 -	10	0.12	490 389 888	72.98
Total	**8 431**	**100.00**	**671 949 927**	**100.00**

Analysis of shareholding

Industry	Shares held Number	%
Banks	54 760	0.01
Companies	285 977 362	42.56
Employee	761 625	0.11
Deceased Estate	16 322	0.00
External Companies	1 525 784	0.23
Fund Managers	42 109	0.01
Insurance Companies	1 073 722	0.16
Investment Trusts And Property	334 898	0.05
Local Resident	33 952 502	5.05
Nominees Local	5 121 073	0.76
Non Residents	15 226	0.00
Non Resident Individual	82 650	0.01
Other Corporate Holdings	36 318	0.01
Pension Fund	342 955 576	51.04
Total	**671 949 927**	**100.00**

Top ten shareholders

Institution	Shares held Number('000)	%	Beneficiaries
NATIONAL PENSION SCHEME	236 037	35.13	The country's national pension scheme
PUBLIC SERVICE FUND 2 - OLDM	76 109	11.33	The country's civil service pension scheme
FBC HOLDINGS LIMITED	53 103	7.90	Treasury Shares
TIRENT INVESTMENTS (PRIVATE) LIMITED	45 842	6.82	Mushayavanhu Family Trust
CASHGRANT INVESTMENTS (PVT) LTD	27 620	4.11	DMH Law Firm
STRAUSS ZIMBABWE (PVT)LTD	17 126	2.55	Joshi Family
STANBIC NOMINEES (PRIVATE) LIMITED	13 577	2.02	Various local Shareholders
DINKRAIN INVESTMENTS	11 608	1.73	Trynos Kufazvinei
VIDRYL INTERNATIONAL (PVT) LTD	11 408	1.70	Trynos Kufazvinei
KETAN JOSHI	10 914	1.62	Ketan Joshi
Total	**503 344**	**74.91**	

Performance on the Zimbabwe Stock Exchange	2025	2024
Number of shares in issue	671 949 927	671 949 927
Market prices (ZWG cents per share)		
Closing	1 245.00	1 085.00
High	1 245.00	1 265.00
Low	650.00	183.00
Market Capitalisation (ZWG)	**8 365 776 591**	**7 290 656 708**

Notice of Annual General Meeting

Notice is hereby given that the Twenty-Second Annual General Meeting of Shareholders of FBC Holdings Limited will be held in the Main Lounge, Royal Harare Golf Club, 5th Street Extension, Harare on Thursday, 25 June 2026 at 1500 hours.

Agenda

1. To receive, consider and adopt the financial statements and the reports of the directors and auditors of the Company for the financial year ended 31 December 2025.

2. To sanction the dividend paid. An interim dividend for the six months ended 30 June 2025 of USD 0.32 cents per share on 671 949 927 ordinary shares in issue was declared on 26 August 2025 and paid in October 2025. A final dividend of USD 0.32 cents per share and ZWG 3.9 cents per share on 671 949 927 ordinary shares in issue was declared on 26 March 2026 and paid in April 2026.

3. To elect Directors of the Company.

3.1 In terms of Article 95 of the Company's Articles of Association, Messrs. Aeneas Chuma, Charles Msipa and Sifiso Ndlovu retire by rotation. Being eligible, Messrs. Chuma, Msipa, and Ndlovu are offering themselves for re-election. The directors will be elected by separate resolutions.

3.2 To approve the appointment of Mrs. Muchaneta Ndachena to the Board.

3.3 To note the retirement of Mr. Webster Rusere from the Board.

4. To approve the remuneration of the Directors for the past financial year.

5. External Auditors

5.1 To approve the remuneration of the auditor, Axcentium for the past audit and to re-appoint Axcentium as auditor of the Company. Axcentium are in their second year of auditing the Group.

6. Special business

Share buy-back as special resolutions.

To consider, and if deemed fit, to resolve by way of special resolution with or without modification the following:

6.1 Purchase of own shares

That the Directors be and hereby authorized in terms of section 50 of the Company's Articles of Association and Section 128(1) of the Companies and Other Business Entities Act (Chapter 24:31) to purchase the Company's own shares subject to the following terms and conditions: The purchase price shall not be lower than the nominal value of the Company's shares and not greater than 5% (five percent) nor 5% (five percent) below the weighted average trading price for such ordinary shares traded over (5) business days immediately preceding the date of purchase of such shares by the Company.

Notice of Annual General Meeting (Continued)

6.2 The shares to be acquired under this resolution shall be ordinary shares in the Company and the maximum number of shares which may be acquired under this resolution shall be 10% (ten percent) of the ordinary shares of the Company in issue prior to the date of this resolution.

6.3 This authority shall expire on the date of the Company's next Annual General Meeting.

6.4 That the shares purchased according to this resolution shall be utilized for treasury purposes.

6.5. The shares to be acquired under this resolution will be disposed of within a period of 12 months from the date of this resolution.

Directors' statement
In relation to the aforesaid proposed resolution, the Directors of the Company state that:

(i) The Company is in a strong financial position and will, in the ordinary course of business, be able to pay its debts for a period of 12 months after the Annual General Meeting.
(ii) The assets of the Company will be in excess of its liabilities for a period of 12 months after the Annual General Meeting.
(iii) The ordinary capital and reserves of the Company will be adequate for a period of 12 months after the Annual General Meeting.
(iv) The working capital of the Company will be adequate for a period of 12 months after the Annual General Meeting.

7. To transact all such other business as may be transacted at an Annual General Meeting.

A member of the company entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company.

To be effective, proxy forms must be delivered or posted to the Transfer Secretaries, First Transfer Secretaries (Private) Limited, 1 Armagh Avenue, Eastlea, P O Box 11, Harare or to the Company Secretary, 6th Floor, FBC Centre, 45 Nelson Mandela, Harare so as to reach either of these addresses not later than 1200 hours on Tuesday, 23 June 2026.

By Order of the Board

Tichaona Mabeza
Company Secretary

6th Floor, FBC Centre,
45 Nelson Mandela Avenue
HARARE
3 June 2026

Proxy Form
For the year ended 31 December 2025

I/We ……
Names (in block letters)

of …….
(address in block letters)

Being (a) member(s) of the Company and entitled to vote, do hereby appoint……………………………………………………………………

……

Or, failing him/her ……

as my/our proxy to attend and speak and vote for me/us and on my/our behalf at the Annual General Meeting of members of the Company to be held on Thursday, 25 June 2026 at 1500 hours and at any adjournment thereof, as follows:-

				In favour of	Against	Abstain
1	Resolution to adopt the company annual financial statements					
2	Resolution to sanction payment of dividend					
3	3.1	Resolution to re-elect retiring directors				
		3.1.1	Resolution to elect Aeneas Chuma			
		3.1.2	Resolution to elect Charles Msipa			
		3.1.3	Resolution to elect Sifiso Ndlovu			
	3.2	Resolution to approve appointment of Mrs. Muchaneta Ndachena to the Board				
4	Resolution to approve the remuneration of the Directors for the past financial year					
5	Resolution to approve the remuneration of auditors, Axcentium Chartered Accountants and to re-appoint them.					
6	Resolution to purchase the company's own shares					

Please indicate with an 'X' in the appropriate spaces provided how you wish your vote to be cast. If no indication is given, the proxy may vote or abstain as he/she thinks fit.

A member of the company entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company.

Signed at……………………………………………………………on……………………………………………………………2026

Full name(s) ………
(in block letters)

Signature(s) ………

Notes:
To be effective, proxy forms must be delivered or posted to the Transfer Secretaries, First Transfer Secretaries (Private) Limited, 1 Armagh Avenue, Eastlea, P O Box 11, Harare or to the Company Secretary, 6th Floor, FBC Centre, 45 Nelson Mandela Avenue, Harare so as to reach this address not later than 1200 hours on Tuesday, 23 June 2026.