



2025

ANNUAL REPORT

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Belief comes first.

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Interactive content

Proud to be
Zimbabwe's Bank of the year

The Banker Awards (Financial Times UK)

Grow Your **Business** . Build your **Savings** . Invest in Your **Future**



Bank of the year award 2025



Best International Bank 2025



VFEX Best Investor Returns 2025



Best ESG Campaign 2025



AA Long Term Stable Outlook



Botswana • Malawi • Mozambique • Zambia • Zimbabwe

First Capital Bank is a Registered Commercial Bank & a member of the Deposit Protection Scheme

Belief comes first.

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About this report

This report is the year-end report of First Capital Bank Limited (Zimbabwe), known as First Capital Bank or the Bank, to its stakeholders. The report provides insights into matters of importance to our stakeholders, including a review of strategic progress, corporate governance and financial statements to give stakeholders a balanced and accurate assessment of the Bank's performance in the financial year under review.

Scope and boundary

The report covers the material information about the financial and non-financial performance of First Capital Bank for the financial year ended 31 December 2025. Where applicable and relevant, information after this date and up to the date of Board approval has been included.

The report provides insights into matters of importance to our stakeholders, highlighting how the Bank is governed, the material matters we identified and the risks and opportunities that could impact our business.

The report encompasses all the Bank's activities, which comprise consumer banking, corporate and institutional banking, and treasury activities and the provision of other products and services including digital payment platforms, money transfer services, bill payments, cash management and other banking services.

The report demonstrates how the Bank's operating environment and stakeholders influence our business model, strategic objectives, and future plans to create and sustain value for our stakeholders in the short, medium, and long term.

Reporting principles and frameworks

The content of this report has also been informed by:

- Accounting Standards as issued by the International Accounting Standards Board
- The Companies and Other Business Entities Act, (Chapter 24:31)
- International Integrated Reporting Framework (<IR> Framework) of the IFRS Foundation
- The Zimbabwe Banking Act (Chapter 24:20) and the Banking Amendment Act of 2015
- Reserve Bank of Zimbabwe (RBZ) regulations
- Listing requirements of the Zimbabwe Stock Exchange (ZSE) and the Victoria Falls Stock Exchange (VFEX)

Developments in corporate reporting

The Bank is cognisant of developments in global reporting standards, including the creation of the International Sustainability Standard Board (ISSB), which has published two sustainability reporting standards and taken on the responsibility for monitoring climate-related disclosures previously monitored through the Taskforce on Climate-related Disclosures (TCFD). We are committed to an ongoing journey in terms of environmental, social and governance (ESG) and other sustainability-related disclosures as global and local standards evolve. We are making progress towards compliance with the RBZ Guideline No.01-2023/BSD: Climate Risk Management and ZSE Practice Note 16.

Materiality and time horizons

The report content focuses on matters that materially impact our ability to create and sustain value over time. The time horizons considered cover the short (up to one year), medium (two to five years) and long term (more than five years).

The Bank applies integrated thinking and a pragmatic approach in defining material matters, which form an integral part of our strategic planning activities. Our determination of materiality in integrated reporting is based on the guidelines of the <IR> Framework and Accounting Standards as issued by

the International Accounting Standards Board.

Management is not aware of the unavailability of any reliable information or any legal prohibitions to disclosing any material information.

A dedicated process is followed in the preparation and approval of this report. Information contained in this report is derived from the Bank's own internal resources and from information available in the public domain.

Forward-looking statements

All forward-looking statements are based on beliefs and assumptions relative to information currently available to the Bank's management. There can be no assurance that such statements will be accurate and actual results and future events could differ materially from those anticipated in such statements.

For purposes of this report, the words 'believe', 'anticipate', 'estimate', 'expect', 'intend', and similar expressions are intended to identify forward-looking statements. Forward-looking statements are subject to certain risks, uncertainties and assumptions. These risks include but are not limited to, general market conditions, our ability to manage growth, performance and changes in the regulatory environment, among others.

First Capital Bank undertakes no obligation to update forward-looking statements to reflect subsequently occurring events or circumstances or to reflect unanticipated events or developments.

Feedback on this report

We are committed to improving this report and welcome constructive feedback. Please email your comments to customer-service@firstcapitalbank.co.zw

Board approval

The Board and its sub-committees acknowledge their responsibility for overseeing the integrity and completeness of this report. The Board confirms that it has collectively reviewed the contents, preparation and presentation of this report.

Furthermore, it believes that it has appropriately considered the accuracy and completeness of the material matters as well as the reliability of all data and information presented herein.

The Board approved the Annual Report on 26 March 2026.

On behalf of the Board,



Patrick Devenish
Chairman



Tapera Mushoriwa
Chief Executive Officer

Assurance

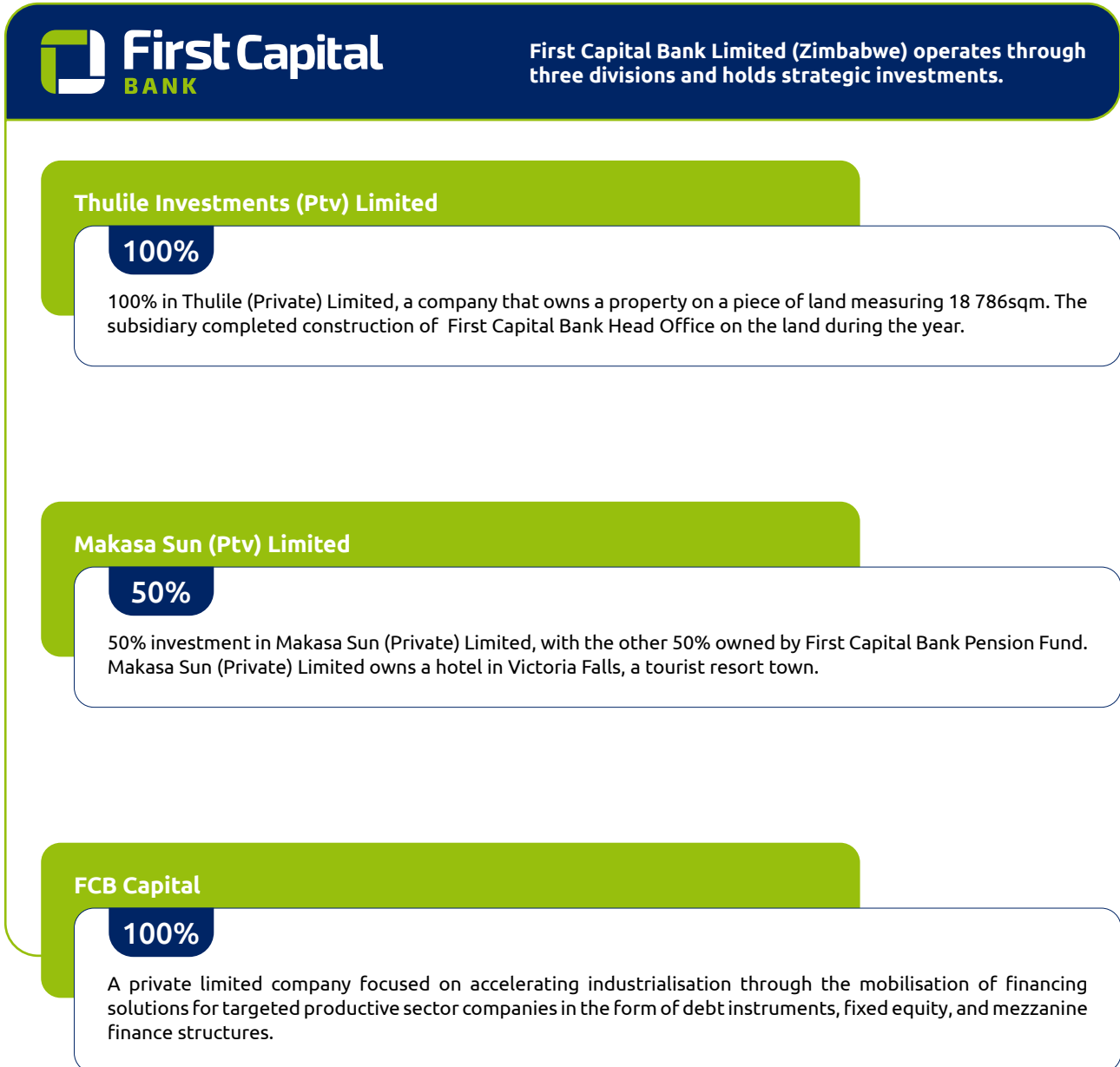
Ernst & Young performed an independent audit of the Bank's annual financial statements and have reviewed this report.

Who we are

First Capital Bank Limited (Zimbabwe) is a customer-centric bank with deep roots in the country. It is part of a banking Group with a solid track record of excellence across the Southern African region.

First Capital Bank Limited (Zimbabwe) is a proud member of FMBcapital Holdings Plc, the Mauritius-based holding company of the FMBcapital Group, serving the cross-border banking needs of businesses operating in five SADC countries in the sub-Saharan region. As part of a regional banking group, First Capital Bank Zimbabwe is ideally positioned to facilitate seamless cross-border trade and offer customers unique trade finance solutions across the region.

Our company structure



At a glance

The Bank delivers value to a wide customer base in Zimbabwe through an extensive branch and service centre network and robust digital platforms. It offers a comprehensive product range, while acting responsibly to serve the community and manage risk.

Branches 25 2024: 25	Employees 478 2024: 438	ATMs¹ 34 2024: 25	Customers 341 095 2024: 297 995
POS² machines 1 870 2024: 2 525	Return on equity 33% 2024: 28%	Capital adequacy ratio 26% 2024: 27%	Satellite branches (seasonal) 2 2024: 2

1 Automated teller machines. 2 Point of Sale.



Our footprint

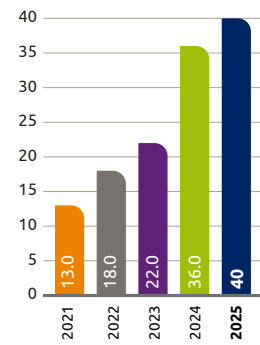
First Capital Bank has 25 branches inclusive of three service centers dotted across the 10 provinces of Zimbabwe. Harare, the capital city with most population and high business traffic, carries 10 branches for the bank. To ensure convenient and all-time service to customers, both banked and unbanked, the bank has 34 active ATMs across the country with 27 additional units in pipeline for installation. These ATMs are fully active in dispensing both USD and ZWG currency notes. The bank is ready for the new notes to be introduced by the government in 2026 “the big five notes” which is testament to its motto to keenly move with government agenda for sustainable financial inclusion in the country leaving no place and no one behind.

The government strategy, NDS1 which ran its course and now superseded by NDS2, are all remarkable frameworks guiding and supporting the bank operations with the bank sustainably responding through timely stakeholder engagement including bank regulators, tax authorities, peer bankers, customers, employees and the community which is the source of growth and development.

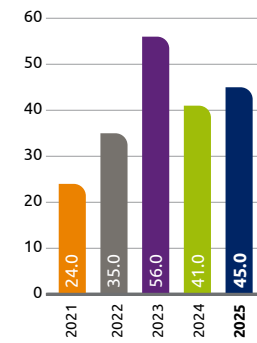
2025 Highlights

Our performance is a testament to our drive and ambition to grow, with a singular focus on meeting the needs of our stakeholders.

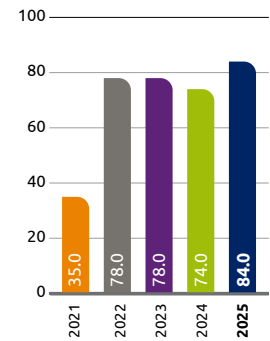
Net interest income
(US\$ million)



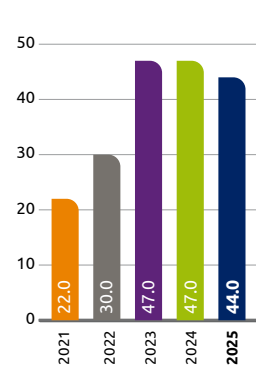
Non funded income
(US\$ million)



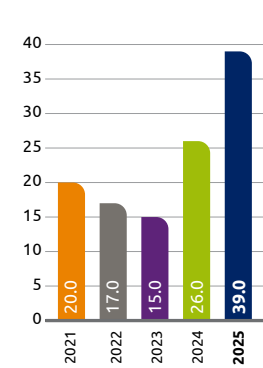
Total income
(US\$ million)



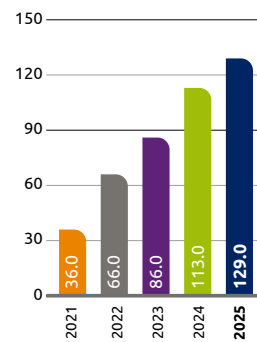
Total operating costs
(US\$ million)



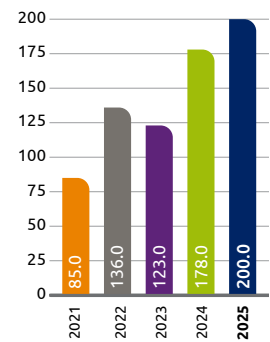
Profit before tax
(US\$ million)



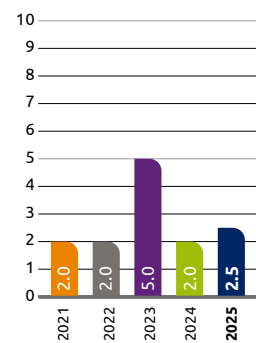
Loans and advances to customers
(US\$ million)



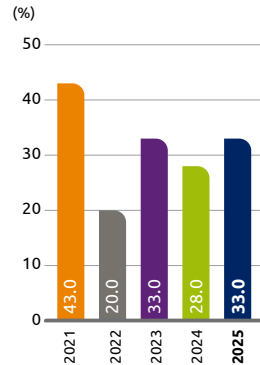
Deposits from customers
(US\$ million)



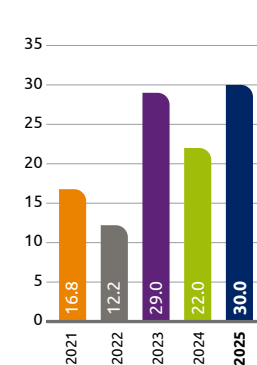
Impairment coverage ratio
(%)



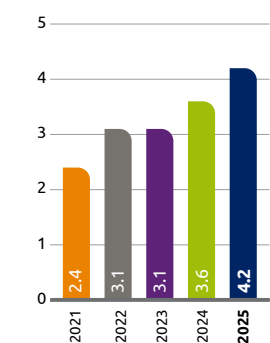
Return on average equity
(%)



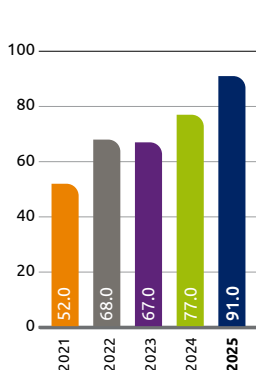
Profit after tax
(US\$ million)



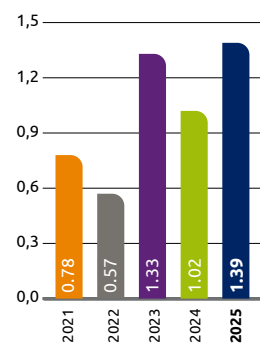
Net book value per share
(US cents)



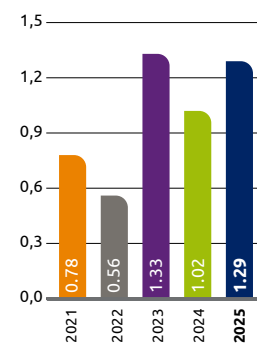
Equity
(US\$ million)



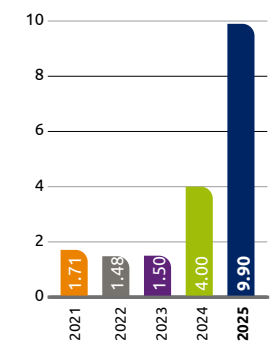
Basic earnings per share
(US\$ cents)



Diluted earnings per share
(US\$ cents)



Share price at end of year
(US cents)



Our history

First Capital Bank opened its doors as Barclays Bank in the Southern City of Bulawayo, then Rhodesia in 1912. Its first branch along Joshua Mqabuko Nyongolo Nkomo street has since been designated a national historic building to memorialise the economic journey travelled by the country.

Over the years, the branch network expanded to reach as far as Chipinge, which is nestled in the mountains of Manicaland Province near the Mozambique border, in efforts to support industry and commerce.

In **1993**, the Bank was second to introduce ATMs in branches and service centres. At the time, this new technology provided an evolutionary service experience to customers.

The Bank's heritage has strongly evidenced a commitment to supporting economic growth through the many partnerships and business deals that have significantly made a difference.

In **2017**, following a strategic divestiture decision by Barclays Bank Plc on its African business, Barclays Bank Zimbabwe Limited was sold to FMBcapital Holdings PLC, who acquired a controlling interest in the business. This led to the change of name and rebranding that then ensued.

In **2019**, the Bank participated in a US\$15 million revolving multi-product trade finance facility with Trade and Development Bank (TDB) to support enterprise operations.

Thereafter, an opportunity to support the Zimbabwe Electricity Distribution and Transmission Company (ZEDTC) came in **2021**. This was through a syndicated US\$110 million facility led by Afreximbank in which the Bank, together with its sister entity in Botswana, contributed US\$10 million to support infrastructure development for the local power utility company.

The Bank's contribution to agriculture has been increasing annually, with funding solutions positively impacting multiple players within the agri chain.

The Bank operates one of the biggest and oldest commercial banking networks in Zimbabwe, providing Zimbabweans with first-class financial solutions. In **2023**, we became the first bank to list on the Victoria Falls Stock Exchange, in our quest to broaden horizons for our customers.

In **2024**, we extended US\$9.1 million to support environmental sustainability through solar energy, borehole drilling and agricultural development.

2025 marked a major milestone with the completion of the Bank's new Head Office, First Capital House, reinforcing its long-term commitment to the market. In recognition of its performance and leadership, the Bank was named **Bank of the Year 2025** – Zimbabwe by The Banker (UK). These achievements position the Bank for its next phase of sustainable growth.

1912 The Bank first opened for business in Zimbabwe in 1912, operating as Barclays Bank of Zimbabwe.

2001 Bank acquired joint interest in Makasa Sun (Private) Limited, a leisure and tourism asset.

2001 FMBCapital Holdings PLC, a Mauritius registered entity listed on the Malawi Stock Exchange, acquired a controlling interest in the business.

2019  The bank fully rebrands to First Capital Bank.

2023  The Bank listed on the Victoria Falls Stock Exchange.

2024  Extended ESG lending to support solar energy, borehole drilling and agricultural development.

2025  The successful commissioning of our First Capital House, our new head office.

Our purpose



Our vision

To build a formidable business that passes the test of time



Our mission

Growth is our business



Our values

Our strong values support our vision and mission delivered through the collective efforts of all our employees



Our service is our pride



We value time and deliver quickly



We find simpler ways of doing things



We have shared responsibility for our business



We are open and honest but respectful



Integrity and reputation are our wealth






Strategic objectives and goals

First Capital Bank’s strategy aims to ensure its strong regional footprint delivers growth and creates value for the Bank’s employees, customers, shareholders, communities and other stakeholders through ethical and compliant businesses practices underpinned by good governance.

Our success is driven by our strength in building partnerships that deliver focused financing to our clients, providing sustainable growth for our clients and stakeholders. Our solid capital position offers a solid base to launch new growth strategies.

Critical success factors to achieve sustainability

The vision and mission statement sustainably provide the direction for the bank. Values come in to enforce commonality in execution. For effective success key factors are identified, defined and monitored.

 <p>We are a trusted and respected brand</p>	 <p>We solve problems through our strategic alliances</p>	 <p>We enable service excellence</p>	 <p>We maximise long-term value for our stakeholders</p>	 <p>Our people drive the business</p>
<p>Operating in the region servicing different stakeholders in five countries strengthens brand trust. Seamless service delivery through relevant and life improving products is a key focus area.</p>	<p>For successful sustainable operation, the bank cannot do it alone. The bank sustains an ecosystem working with technological partners, funding partners and community partners pulling towards same goal of guaranteeing future generations good life.</p>	<p>The technology systems used by the bank are kept up to date, given timely upgrades when needed. The bank functions are executed within well-defined policies and operating procedures which are subjected to annual reviews to ensure that they remain relevant to the fast-paced technological and societal changes.</p>	<p>The funders of capital for bank operations need sustainable returns to keep them fit and ready for any additional funding which sustains bank growth and perpetuity. Sustainability needs profitability for security of all stakeholders: employees, customers, regulators, financiers and suppliers.</p>	<p>Employees take the lead sustainably connecting the bank with all stakeholders in the operating market, from customers, the community, the regulators and up to the investors.</p>

Our products and services

We exist as a business to service our customers' financial needs to enable them to achieve their extraordinary. First Capital Bank offers a comprehensive range of corporate, commercial and personal banking services to customers, both in-person and on digital platforms.



Consumer banking

- Standard banking
- Prestige banking
- Premier banking
- Youth banking
- Diaspora banking

Current accounts

Our current account is designed to make our customers' daily banking requirements convenient. FCA and ZWG accounts are available for the customers' choice. Customers have 24-hour access to their accounts, allowing them to make transactions, such as paying regular bills and paying insurance premiums. It has the added advantage of a VISA debit card and internet banking.

Ignition account

Designed specifically for students aged 18 and over, our Ignition Account has a range of features to help qualifying customers conveniently manage their finances. These include access to digital banking services (Internet Banking, Mobile Banking). Students can transact without fixed fees, with discounted monthly maintenance and a free debit card.

Diaspora Banking

First Capital Bank offers a banking solution for clients living abroad. We offer convenient banking for transactions in Zimbabwe and excellent service, which all adds up to great value for money. Wherever our customers are based worldwide, they can continue to bank in Zimbabwe as if they had never left.

The Bonus Savings account

Our Bonus Savings Account offers competitive interest rates, enabling customers to save their hard-earned cash effectively. Customers may withdraw over the counter or transfer funds to another account within First Capital Bank.

Prestige Banking

Our Prestige Banking Suite provides customers with a premium banking experience. Each customer is assigned a dedicated Prestige Banker, specially trained to proactively offer a comprehensive range of services, including insurance, investment services, and personal finance management, available and tailored to meet their unique needs. Customers have exclusive access to our Prestige Banking Centres, which feature extended opening hours for added convenience. For efficient and secure transactions, we offer current accounts with easy access through our extensive ATM network and branches and savings accounts that reward customers for saving.

Premier Banking

First Capital Premier Banking meets the high expectations of our customers by providing uniquely crafted products and services. Customers benefit from carefully selected alliances that enhance their banking experience. Our Premier Relationship Managers are specially trained to assess our customers' needs and guide them through their banking requirements. Our Alliance Programmes provide exclusive experiences and access to excellent benefits from our partners, tailored to suit each customer's lifestyle. Premier Banking customers receive a platinum debit card that offers maximum value and convenience in Zimbabwe and when travelling abroad.

Borrowings

- Personal loans, school fees loans and overdrafts

Money transfer services

- RIA, Hello Paisa and Western Union
- Mama money, Money gram

Insurance

- Motor vehicle, Home, Travel, Funeral and Hospital cash back

Cards and POS services

- Visa Classic, Visa Platinum, Visa Secure and POS solutions



Corporate and investment

We provide tailored solutions to

- Large corporates
- Business banking
- SMEs
- Agric
- Non-governmental organisations (NGOs)

Corporate Accounts – current, investment, foreign currency, charity

- International banking
- Commodity finance
- Exchange control and advisory services
- Documentary letters of credit
- Correspondent banking
- Import and export finance
- Clean documentary collections

Investment Banking – off-balance sheet debt instruments (debentures, bills, and bonds), equity placements and foreign lines of credit facilities

Lending facilities

– working capital finance, CAPEX loans, loyalty lending, vehicle asset financing, overdrafts

Payments – bills, tax, RTGS/EFT, vendor payments, payroll processing

Receivable management

– cash management, point of sale and disbursement/collection solutions

Digital banking, host-to-host, internet banking

Cards – corporate debit cards

Treasury

Institutional investors

Corporates

Asset managers

Non-banking financial institutions

Individuals

Our digital platforms

Robust digital platforms support our physical locations. Realising that a large part of our customers' work and social life is now online, we are building a digital bank by deploying technology that makes transactions easier and more secure.

With our digital platforms, customers can bank anywhere, anytime, and be assured of security and efficiency. Customers can access their accounts through our modern Internet Banking platforms, SMS, and our revamped First Capital Bank Application, available on Android and iOS. We have social media channels that are specially built to be responsive to customer requests, wherever they may be.

A Bank that listens

At First Capital Bank Limited, the success of our banking products and services is rooted in our eagerness to listen to our customers.

We serve discerning clients, who constantly give us feedback on how we serve them. This feedback influences how we develop our products, helping us deploy services relevant to our customers' lives and businesses.

Our enhanced digital platforms do not only facilitate efficient transactions for our clients. They also serve as a useful listening tool, providing real-time insights into how our customers interact with our banking products, and what they need the most. We will continue to conduct a customer satisfaction survey and brand audits to more systematically gain insights into client sentiment around our services.

The technologies and services we develop reflect our client-first culture. While technology continues to refine how we do banking, personal service remains critical to how our clients interact with us. Our strength lies in our ability to seamlessly bridge technology and human interaction, in a way that builds lasting relationships with our clients.

We train our staff to always put the client first, through internal training programmes available to all our team members across multiple roles.

Our people

First Capital Bank Limited believes that its people are the key to its success. We create an environment where our people can realise their best potential, taking ownership of the Bank's growth and strategy. To sustain this, we have cultivated a high-performance, competitive environment that rewards performance fairly. The Bank's recruitment process is designed to identify talent that will fit with its values.

During the year, the Bank continued to revamp its people policies to meet the shifting demands of the modern workplace. One of the key changes was on the Future Leader programme, which is the bank's graduate trainee and internship programme. The enhanced programme will include high-quality assessment so that the Bank gets the best out of the large pool of talent available in the market.

Over the last year, we enrolled 10 graduate trainees and 18 interns. First Capital Bank Limited has a staff complement of 478 including temporary staff and interns.

As our clients' needs change rapidly, our people must be equipped to meet the pressing needs of our customers. In 2024, the bank introduced a new learning platform. The learning management system will determine the learning needs of each team member, through an online portal that provides easily accessible learning materials to all staff.

Our mentorship programmes are developing the next generation of bankers, through a deliberate strategy to expose them to all aspects of modern enterprise. The Bank's approach to diversity, equity, and inclusion is informed by a desire to make sure that customers feel represented by those who serve them.





**Same great service,
suited to serve!**



We are suited to serve you!

Botswana • Malawi • Mozambique • Zambia • Zimbabwe
First Capital Bank is a Registered Commercial Bank & a member of the Deposit Protection Scheme

Belief comes first.

Our business

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Patrick Devenish
Chairman

Chairman's Statement

"It is my privilege to present the consolidated financial statements of First Capital Bank Zimbabwe for the fiscal year ended 31 December 2025."

Macroeconomic Resilience and Prudent Strategic Expansion

Zimbabwe's operating environment demonstrated a commendable trajectory of stabilisation throughout 2025. This was underpinned by improved agricultural output, firm international commodity prices, decelerating inflation, and a stabilised exchange rate framework. These macroeconomic dynamics revitalised business confidence, providing a more predictable and robust foundation for enterprise-wide financial planning across the broader economy.

While systemic liquidity remained restricted in certain segments – a reflection of the central bank's disciplined monetary policy stance and enhanced fiscal consolidation – overall market conditions were markedly more conducive to orderly business activity than in preceding years. Within this stabilising context, the bank strategically calibrated its risk appetite across high-potential industry sectors and customer segments. We maintained rigorous underwriting standards while deliberately positioning the balance sheet for sustainable, long-term expansion.

Capital Fortitude and Unparalleled Shareholder Value Creation

The bank further fortified its resilient capital position, concluding the financial year with a Capital Adequacy Ratio (CAR) of 26%. This comfortably exceeds the regulatory minimum and serves as a testament to our disciplined balance-sheet stewardship and forward-looking capital allocation strategies.

Profit After Tax (PAT) accelerated to US\$30 million, representing a 52% year-on-year increase from 2024. This exceptional performance translated into Earnings Per Share (EPS) of US\$1.39 cents (2024: US\$0.92 cents) and a highly competitive Return on Equity (ROE) of 33%, firmly cementing the bank as a top-tier performer on the Victoria Falls Stock Exchange (VFEX). Consequently, our share price appreciated by 126.5% to US\$9.90 cents per share in 2025, reflecting sustained investor confidence in our strategic direction and execution discipline.

Underpinned by astute asset-liability management amidst a restrictive monetary environment characterised by a contracted money supply and statutory reserves at 30%, our liquidity position remained exceptionally robust. The Liquid Asset Ratio strengthened to 65% (2024: 53%), while prudential liquidity stood solid at 41%.

Embedding ESG: Driving Sustainable and Inclusive Growth

The Board remains resolute in its commitment to embedding environmental, social, and governance (ESG) principles into the bank's core value-creation model, aligning seamlessly with the VFEX, the Reserve Bank of Zimbabwe and international best practices. During 2025, we significantly advanced our ESG framework, making measurable progress along our three-year pathway toward Sustainable Standards Certification Initiative by the European Organisation for Sustainable Development.

Strategic initiatives included the aggressive expansion of digital touchpoints to drive financial inclusion, the successful commissioning of our head office, First Capital House, and the deployment of targeted community upliftment programs benefiting schools, youth, and oncology patients. For this Board, sustainability is not merely an adjunct to our corporate strategy; it is a foundational pillar of comprehensive risk management, operational resilience, and enduring stakeholder trust.

Uncompromising Governance and Strategic Board Leadership

The bank continues to operate at the highest level of corporate governance, fully compliant with the Companies and Other Entities Act and leading international governance frameworks. Our Board comprises 10 highly qualified directors, 30% of whom are women, underscoring our commitment to intellectual diversity, inclusive leadership, and rigorous strategic oversight.

Throughout the year, we further augmented our senior leadership team with key executive appointments, directly enhancing our capacity for strategic delivery and operational accountability.

Chairman's statement continued



Capital Returns and Dividend Declaration

At the 2025 half-year mark, the bank paid an interim dividend of US\$0.31 cents per share. Acknowledging our strong capital generation, the Board proposes a final dividend of US\$0.59 cents per share, bringing the total full-year dividend distribution to US\$0.90 cents per share. A formal and separate dividend announcement notice with entitlement dates will be published.

Strategic Outlook: Innovating for Resilient Future Growth

The Board is confident that First Capital Bank is strategically primed to navigate 2026 and the years beyond. Having fundamentally strengthened our capital base, liquidity buffers, governance frameworks, and operational resilience, our forward-looking mandate is heavily focused on catalysing sustainable growth while maintaining uncompromising risk oversight. The bank will aggressively invest in customer-centric innovation, optimise both digital and physical service channels, and continuously elevate the control environment to guarantee long-term value creation.

In the year ahead, the Board will exercise stringent oversight regarding strategy execution, financial resilience, and regulatory compliance. We will work closely with management to proactively mitigate emerging macroeconomic and global risks, particularly those intersecting with technological disruption, geopolitical fragmentation, and climate change. As the operating landscape continues to stabilise, First Capital Bank is well-positioned to capture market share responsibly, deepen client relevance, and lead the sector in sustainability and financial inclusion.

Acknowledgments and Stakeholder Gratitude

On behalf of the Board of Directors, I extend our deepest gratitude to our loyal customers for their unwavering trust and partnership. I also wish to thank our regulatory and supervisory authorities for their continued guidance, and our management and staff for their excellent professionalism and execution. Finally, I extend my appreciation to our strategic partners, service providers, and my fellow directors for their prudent counsel and invaluable contributions throughout this highly successful year.

Steady governance. Sustainable outcomes.

Patrick Devenish
26 March 2026



Leadership team

Board of Directors*

The Board is composed of directors coming from different sectors. Every Director has drawn from their professional background and expertise in positively contributing to the Board’s activities.

Chairman



Patrick Devenish
*Independent
Non-executive Director*

Non-executive Directors



Hitesh Anadkat
*Non-executive
Director*



Acquilina Chinamo
*Independent
Non-executive Director*

Executive MBA (Graduate School of Business, University of Cape Town)

Patrick Devenish is the former Chief Executive Officer of TSL Limited. He has worked in the tobacco sales industry for more than 20 years, having started his career as an auctioneer. Over the years, he has become a specialist in business strategy and operations from his experience in leading organisations such as Tobacco Sales Floor, Seedco Limited, AICO Africa Limited and Plexus Cotton Limited. He also chairs the boards of Tobacco Industry and Marketing Board (TIMB), Royal Harare Golf Club and is a Trustee of Harare Sports Club.

MBA (Cornell University), BSc (Hons) Economics (University of London)

Hitesh Anadkat worked in Corporate Finance in the USA, specialising in mergers, acquisitions and valuations, before returning to Malawi to establish First Capital Bank (originally FMB Malawi).

CA, Post Graduate Diploma (Applied Accountancy, University of Zimbabwe)

Acquilina Chinamo has vast experience and extensive exposure in leadership, people management and financial engineering. She has previously served as a non-executive director on the board of a commercial bank as well as retail, manufacturing and agricultural companies.

BOARD COMMITTEES

- Board Risk and Compliance Committee
- Board Credit Committee
- Board Audit Committee
- Loans Review Committee
- Board IT Committee
- Board Human Resources and Nominations Committee

* Board at 31 December 2025

Leadership team continued

Non-executive Directors



Mahendra Gursahani
Non-executive Director



Sara Nyaradzo Moyo
Independent Non-executive Director



Tembiwe Moyo
Independent Non-executive Director

CA, BCom

Mahendra Gursahani is an accomplished career banker and was previously the Chief Operating Officer of Noor Bank, responsible for the Bank's strategic direction, Operations, IT, Finance, Transformation and Customer Experience. Prior to that he was the CEO of Standard Chartered Bank Malaysia, where he was responsible for governance and management of the bank's franchise in the country. He has also held a number of senior positions in Standard Chartered and has worked at leading International Financial and Accounting firms including American Express Bank and Arthur Andersen. Mahendra sits on the boards of First Merchant Bank Capital Holdings Plc and First Capital Bank Zambia.



CA, BCom

Sara Nyaradzo Moyo is an Intellectual Property Attorney and the Senior Partner of Honey & Blanckenberg. She is a member of a number of local and international business and professional organisations and a contributor to the Kluwer Manual on Intellectual Property and to the LBR Art Law Review.



CA, Chartered Secretary, MBA (Nottingham Trent University, UK)

Tembiwe Moyo is the former Chief Executive Officer of Beitbridge Bulawayo Railway (Private) Limited. She is an Associate member of the Chartered Institute of Administrators and Secretaries (ACIS). She is the Chairperson and Trustee of the Women in Agri-business in sub-Sahara Africa Alliance (WASAA), a director and immediate past President of the Southern Africa Railways Association (SARA), a shareholder representative of the NLP Limited Group and a platinum member of PROWEB. Tembiwe is also a Trustee of the Zimbabwe Ladies Golf Union (ZLGU) and an independent non-executive director of NICOZ Diamond Insurance Company and has sat on other boards before.



BOARD COMMITTEES

- Board Risk and Compliance Committee
- Board Credit Committee
- Board Audit Committee
- Loans Review Committee
- Board IT Committee
- Board Human Resources and Nominations Committee

Non-executive Directors



Kiritkumar Naik
*Independent
Non-executive Director*



Kevin Terry
*Independent
Non-executive Director*

Executive directors



Tapera Mushoriwa
*Executive Director –
Chief Executive Office*



Nuno Simoes
Chief Finance Officer

Advanced Diploma (Mechanical Engineering) (City & Guilds Institute, London)

Kiritkumar Naik is the Chairman of Rank Zimbabwe, a conglomerate in the stationery and plastics industry that also has an extensive real estate and equity portfolio. He is a renowned entrepreneur with vast business leadership experience gained from the various directorships he has held in several corporate entities including TSL Limited, ART Corporation and Nicos Diamond.



B.Law (University of Zimbabwe)

Kevin Terry has a wealth of knowledge and experience in banking gained from his extensive career in the financial services sector with the Old Mutual Group. Currently, he chairs the Boards of St Georges College, Mangwana Opportunities (Private) Limited, EFT Services (Private) Limited and Tasimba Properties Limited. He also sits on the Boards of Duly's Holdings Limited and Kenswitch Limited. Kevin is also an Arbitrator with the Commercial Arbitration Centre of Zimbabwe.



*MBA (University of Gloucester UK)
BSc Hons (Computer Science)*

Tapera Mushoriwa is the Chief Executive Officer of First Capital Bank Limited, a position he assumed in September 2023. He brings years of extensive local and international banking expertise as well as a proven track record in financial markets and fintechs. He has held executive leadership roles at Cassava Fintech International, Steward Bank, Standard Chartered and most recently Managing Director of National Building Society.



Masters in Corporate Finance, Advanced qualifications in corporate governance and ESG leadership

Nuno Simoes is a seasoned finance executive with over 15 years of experience in the banking and financial services sector.

BOARD COMMITTEES

- Board Risk and Compliance Committee
- Board Credit Committee
- Board Audit Committee
- Loans Review Committee
- Board IT Committee
- Board Human Resources and Nominations Committee

Executive committee

The executive team is entrusted with the day-to-day running of the Bank.



Tapera Mushoriwa
Chief Executive Officer

MBA (University of Gloucester UK), BSc Hons (Computer Science)
Tapera has years of extensive local and international banking expertise as well as a proven track record in financial markets and fintechs.



Nuno Simoes
Chief Finance Officer

Masters in Corporate Finance, Advanced qualifications in corporate governance and ESG leadership
Nuno is a seasoned finance executive with over 15 years of experience in the banking and financial services sector.



Angela Kamhiriri
Consumer Banking Director

MA Banking and Finance (National University of Science and Technology), BSc Management and Entrepreneurial Development
Angela is a seasoned banker with more than two decades of experience in banking.



Davidson Kujaranja
Head of Corporate and Institutional Banking

MBA (University of Zimbabwe), Bachelor of Commerce (BCom) in Marketing (National University of Science and Technology)
Davidson has broad executive management experience spanning from banking to manufacturing.



Tutsirayi Zhakata
Head of Service Delivery

MA Banking and Finance, BCom Hons Risk Management, Certified Digital Finance Practitioner
Tutsi has held several senior positions across various organisations and has expertise in digital transformation, innovation and project leadership.



Charles Makore
Head of Human Resources

BSc Hons Operations Research and Statistics (National University of Science and Technology), various certifications in Strategic Management, Human Resources, Data Analytics and Supply Chain Management
Charles has over a decade of experience in human resources with a career including senior HR roles at a number of organisations.



Sarudzai Binha
Head of Legal and Company Secretary

MBA Banking and Finance (University of Zimbabwe), LLB (University of South Africa), BA Business Studies, Finance and Banking (University of Zimbabwe)
Sarudzai joined the Bank in 2007 and served in a number of Compliance roles, including Head of Compliance, before being appointed Head of Legal and Company Secretary.



Lovemore Mangenda
Head of Compliance

MBA (National University of Science and Technology), CA (Z), B Accounting Science Hons (University of South Africa), other banking qualifications
Lovemore is a highly accomplished banking professional with over 25 years of experience driving growth, mitigating risk and optimising operations across finance, risk, operations, IT and compliance functions.



Brian Takaedza
Head of Treasury and Markets

CFA Charter holder (CFA Institute, United States), MBA Strategic Leadership (University of Zimbabwe), B Business Studies Hons (University of Zimbabwe)

Brian is a treasury and markets expert in fast-paced global and local trading markets, with over 17 years of experience in the local banking sector.



Shingai Shora
Head of Credit

B Business Studies Hons (University of Zimbabwe), Banking Diploma (Institute of Bankers Association Zimbabwe), various risk management qualifications

Shingai has over 10 years' risk experience in both Zimbabwe and South Africa and is responsible for both wholesale and retail sanctioning activities.



Fadzai Marowa
Head of Marketing and Communication

MBA, BCom Honours in Marketing (National University of Science and Technology), postgraduate qualification in marketing from IMM, Prince2 Project Management certification

Fadzai has over 13 years of marketing experience with the Bank, overseeing marketing activities, with additional prior experience obtained outside of banking.



Farai Chirozva
Head of Internal Audit

Certified Chartered Accountant (ACCA), Certified Operational Risk Manager (IABFM), member of the Institute of Internal Auditors Zimbabwe

Farai has over 20 years of local and international experience in the banking sector, serving predominantly in internal audit, credit risk and branch operations.



Alan Chirairo
Head of Digital and Product Development

MBA (Northwood University DeVos School of Business, Switzerland), B Business Studies (Northwood University, Switzerland)

Alan has extensive experience in the banking sector, beginning his career as a treasury dealer and later as a digital and innovation specialist.



Tendai Mandaa
Head of Risk

BCompt (University of South Africa), Certified Chartered Accountant (ACCA)

Tendai brings a wide range of experience from prior roles in external audit, financial reporting, accounting advisory and risk management at top consulting firms and an FTSE100 software company.

Our business model

First Capital Bank offers a comprehensive range of products and services that are both relevant and of value to the different market segments it serves.

Capitals and Resources



Financial

Funding of earnings assets which are 48% at 31 December 2025 is a blend of owner equity and customer deposits funding. Offshore facilities are being strategically pursued with draw downs executed only when the cost is favourable for the local market.



Manufactured

Physical assets made up of bank occupied buildings and movable assets used for delivering timely and reliable services to customers.



Human

Our people drive the business. The bank nature and develop staff skills across functions and delivery levels to ensure successful achievement of goals.

INPUTS

Equity: US\$91 million
Customer deposits: US\$200 million

IT infrastructure: US\$36 million
Physical access: ATMs: 34 Branches: 24

Employees: 478
Experienced leadership Deep intellectual property

Business Activities

The bank operates through three key business segments which are common and relevant to the Zimbabwean market. Individual formal and informal employees, the sole trader businesses and micro, small to medium enterprises (MSMEs) have various specific banking needs that include current accounts, savings accounts, debit cards, term loans, mortgage loans, asset finance and international debit cards. The same customers desire to have short term insurance, life insurance and travel insurance. The bank strategy directly responds and reacts to meet these needs, constituting key **Retail Banking products**.

Corporate operations in the market is assessed and viewed by the bank to be spread across key economic sectors of Agriculture, Mining, Manufacturing, Tourism, Service and trade, Transport and Financial and can further be sub-broken into various feeder sectors. The clientele within corporate operate at various scales of commercial level, large corporates and non-governmental set ups requiring banking support for medium term loans,

OUTPUTS

Profit after tax: US\$30 million
Total income: US\$85 million
Total assets: US\$332 million
Return on equity: 33%

Infrastructure costs: US\$9.5 million

Staff costs and training spend: US\$15.7 million
19 graduate trainees under training.
4 ICAZ trainees, the bank an accredited ICAZ training office
First Connect training platform launched for staff

Bank Target

“ Sufficient capitalisation meeting regulatory requirements and bank growth needs to sustain earnings and profitability

“ Physical capital to provide congenial working environment that guarantees efficient service delivery
Customer touch points through ATMs, branches and POS acquiree should be robust, fast and cost effective
The IT infrastructures should sustain innovation for the ever-changing digital banking environment

Recognise people as a key resource driving the business. Drive up skills level, motivation and healthy pillars on human capital. Strong rapport with labour laws and staff committees will ensure coherence in all bank aspects
Employee recognition, rewarding and development remains a deliberate focus area

Capitals and Resources



Intellectual

Internal system development to sustain quality innovation, efficient systems and achieve reputable competitive benefits.



Social and relationship

Internal system development to sustain quality innovation, efficient systems and achieve reputable competitive benefits.



Natural

Natural resources including flora and fauna, earthly and atmospheric resources that sustains daily livelihoods of the other capitals.

Intangible assets **US\$1 million**
Strong brand reputation hinged on robust internal systems, operating procedures and processes

Number of customers **341 095**
Key partners on international and local card services
Partners mobile and internet banking
Partners on system developments
Partners on cash services

There is minimum direct input of natural capital into bank value creation
Indirectly natural resources sustains key banks stakeholders activities including agriculture clients, mining clients, construction clients and employees

INPUTS

short term loans, overdraft facilities, asset finance, order financing, insurance, cross boarder payment solutions, letters of credit and guarantee facilities. The same clients demand key and efficient transactional services requiring internet banking, host-to-host facilities, bulk payments facilities, investment banking solutions and advices on critical transactions.

Basic safe deposit management including cash handling services are noted and responded to through specific products designed in the bank. All these needs defined First Capital bank strategic products on offer.

Treasury business unit carries key facilities largely for corporate clients handling foreign currency trading deals while facilitating offshore payments for clients. Term deposit investments for corporate and individual clients with attractive returns is open. The bank is well positioned with expert team supporting clients on Willing Buyer Willing Seller foreign currency acquisition through Reserve Bank of Zimbabwe. Treasury handles Treasury bills and bonds in support of customers while also doing viable investments for the bank that secures both return and liquidity for sustainable operations.

Produced a range of convenient products and services including mobile banking, internet banking, card services and host-to-host facilities

All stakeholders of the bank should be covered in the social and relationship capital initiatives

Solar powered branches
Head office building run on solar

OUTPUTS

Bank Target

“ Efficient and timely delivery of key products and services responding to customer taste and preference changes
Support bank strategy and secure reputation while complying with regulatory requirements

“ Delivery of relevant products and services that ensures financial inclusion across all market sectors
Continuous sustainable support to the community in areas of education, health and sport

“ Responsible financing for climate protection
Green energy use support

Our stakeholders

Our ability to deliver value depends on our relationships and the contributions and activities of our stakeholders. By meeting their needs and expectations, we create value for our clients, our people, our other stakeholders, and the Bank.

-  We are a trusted and respected brand
-  We solve problems through our strategic alliances
-  Our processes enable service excellence
-  We maximise long-term value for our stakeholders
-  Our people drive the business

KEY STAKEHOLDERS



Customers

We strive to understand our customers so that we can speak to them in a relevant way and offer them products that suit their needs.

341 095

Customers

How we engage

- Customer feedback, surveys
- Communications
- Hosting events

Their expectations

- Convenient and affordable banking solutions meeting diverse financial needs
- Efficient and effective delivery of financial products and services with ease of access to funds
- A risk-free environment in which to transact
- Reliability, trustworthiness and integrity from a financial services provider

► Our response

- Ongoing review and enhancement of banking solutions based on customer feedback
- Deploying technology to enable efficient product and service delivery

► Outcomes

- Successfully servicing customer needs
- Convenient access to banking through increasingly digital channels
- Excellent customer service supported by stable and secure IT systems
- Customers who are engaged and connected to our brand

Related critical success factors

-  We are a trusted and respected brand
-  Our processes enable service excellence
-  We maximise the long-term value for our stakeholders

KEY STAKEHOLDERS



Our people

We attract, develop and retain high-performing people and reward their contributions fairly and commensurately.

478
Employees

How we engage

- Employee surveys, training and development, formal and informal meetings and engagements
- Internal communications
- Hosting events
- Team building initiatives

► **Our response**

- Positive culture driven by our values
- Training and development offerings to embrace technological changes, further employee careers and improve our services and products
- Market-related remuneration
- Culture of integrity to provide psychological safety
- Robust and engaging onboarding process

Their expectations

- Excellent employee experience
- Career, learning and development opportunities
- Strong leadership that instils trust and confidence
- Fair remuneration and incentives
- Safety (physical and psychological)

► **Outcomes**

- A skilled, competent and stable workforce who are enabled to meet client needs
- Culture and value alignment with our people
- Ongoing assessment and improvement of safety (physical and psychological)



Related critical success factors



We are a trusted and respected brand



Our processes enable service excellence



Our people drive the business

KEY STAKEHOLDERS



Community and the environment

Our success as a business is influenced and supported by the communities around us, in which we have a visible presence where we operate.

How we engage

- Continuous engagement
- Financial literacy programmes
- Robust solutions offered through digital and physical channels

► **Our response**

- CSR efforts that are responsive to the dynamic needs of the community
- Participation in activities that advance financial literacy

Their expectations

- Partnership and support to respond to social and environmental issues
- Simple and practical financial advice
- Easy access to financial products and solutions

► **Outcomes**

- Financial product and service offering with a positive social impact
- Generating economic value within the community
- Advanced synergies with economic and social stakeholders



Related critical success factors



We are a trusted and respected brand



We maximise the long-term value for our stakeholders



Our people drive the business

KEY STAKEHOLDERS



Shareholders

We engage with our shareholders to build their confidence in us and ensure access to equity and debt funding.

How we engage

- Publication of corporate updates and annual reports
- Annual general meeting

► **Our response**

- Strong liquidity and capital ratios in all our markets
- Sound business strategies aimed at delivering growth and value
- Conservatively managed balance sheet
- Strong corporate governance structures and embedded practices

Their expectations

- Long-term stability
- Consistent financial performance, growth in asset value and dividend payments
- Sound governance
- Regular reporting and transparent disclosure

► **Outcomes**

- A skilled, competent and stable workforce who are enabled to meet client needs
- Culture and value alignment with our people
- Ongoing assessment and improvement of safety (physical and psychological)



Related critical success factors



We are a trusted and respected brand



Our processes enable service excellence



Our people drive the business

KEY STAKEHOLDERS



Governments and regulators

In the highly regulated banking sector, engagement with governments and regulatory authorities builds confidence, trust, and enhances brand reputation and ease of doing business

Includes: Bank of Zimbabwe | Tax and revenue authorities

How we engage

- Regular contact and interaction with regulators
- Participation in relevant meetings and conferences
- Provision of accurate and timely audited reports, compliance, risk and business management reports

► **Our response**

- Performing above the minimum regulatory and prudential standards
- Being a better corporate citizen
- Mitigating risk across the business
- Aligning to local and international financial reporting standards

Their expectations

- Capital adequacy and liquidity
- Risk and cybersecurity management
- Integrity and ethics in interaction and reporting
- Adherence to minimum regulatory standards and guidelines

► **Outcomes**

- Positive approval from regulators in all markets
- Banking licences remain in force
- We enjoy a good reputation and standing in the region



Related critical success factors



We are a trusted and respected brand



Our processes enable service excellence



We maximise the long-term value for our stakeholders



Our people drive the business

KEY STAKEHOLDERS



Business partners

We engage with business partners to enhance our service offering and products, accelerate our digitisation efforts and ultimately support the achievement of our strategic objectives.

Includes: Technology and infrastructure | Fintechs | Data and security services | Corporate services

How we engage

- Entrepreneurial engagement
- Regular business interactions and engagements
- Non-disclosure agreements

► **Our response**

- Partnering with global and regional financial institutions and working closely with development institutions
- We ensure partners are aligned with our strategy and purpose through robust screening and due diligence prior to engagement
- We work with partners with whom we can maximise synergies across our countries

Their expectations

- Mutual benefit
- Profitability and business growth
- Ethical business practices
- Transparency and adherence to agreements

► **Outcomes**

- Positive approval from regulators in all markets
- Banking licences remain in force
- We enjoy a good reputation and standing in the region



Related critical success factors



Our strategic alliances accelerate our innovation



Our processes enable service excellence



We maximise the long-term value for our stakeholders



Make Telegraphic Transfers anytime, anywhere, with internet banking

Submit your Telegraphic Transfer request today!



Our approach to risk management

First Capital Bank places risk management at the core of its business strategy and corporate governance systems. The bank’s risk management objectives are to identify material risks, optimise risk/return decisions, ensure business growth plans are adequately supported, manage risk profiles under adverse business conditions, and assist executives in improving the control and coordination of risk-taking across the business.

Each employee across the business takes ownership of risk management and is made aware of their responsibilities in implementing the strategy. The bank’s risk management process is a structured, practical set of three steps – Evaluate, Respond, and Monitor (the E-R-M process). This enables management to identify and assess risks, determine the appropriate risk response, and monitor the effectiveness of the risk response and any changes to the risk profile.

Our risk management processes are nimble, allowing us to respond to emerging trends with prudence and efficiency.

We identify the top risks that pose a potential threat to the execution of our business strategy and assess these risks based on the impact and severity of the risk event should it materialise.

In anticipating risk, we do not rely on secondary information but deploy our risk experts on the ground to gain a hands-on understanding of the businesses we partner with.

Our Risk Appetite

Risk appetite is defined as the level of risk the Bank is willing to accept to fulfil its business objectives. Risk Appetite is underpinned by our policy, which clearly states the general principles for First Capital Bank Limited’s risk-taking, raises risk awareness of these principles across the Bank, and guides the staff on acceptable behaviour.

A Risk Appetite Statement is implemented through the Bank’s operational policies and procedures, monitoring metrics, limit system and internal controls. The Risk Appetite Statement is embedded in the Bank’s core processes and affects the Bank’s operations holistically. It is reviewed annually and is recommended to the Board for approval.

Our three-step risk management process:

Can be applied to every objective at every level in the Bank, both top-down and bottom-up

Is embedded into the business decision-making process



Guides our response to changes in the external or internal environment in which existing activities are conducted



Treating Customers Fairly

First Capital Bank Limited is deeply committed to upholding the Reserve Bank of Zimbabwe’s Treating Customers Fairly (TCF) framework. This framework is based on a set of outcomes-driven principles, prioritising the delivery of clearly defined fairness outcomes for customers by financial institutions. We implement staff training programmes and continually update our customer support systems to ensure that TCF principles are embedded in our culture and processes.

1 Culture and Governance

Our clients can be confident they are dealing with an institution that prioritises fair treatment of customers. When colleagues join the Bank, they are trained on our culture, products, and services. We maintain consistent customer engagement throughout the banking relationship through the efforts of personal bankers, account executives, branch and relationship managers. Our clients and customers are at the centre of everything we do.

2 Product Design

Products and services are meticulously tailored to cater to specific customer groups, identified and targeted with precision. Each offering undergoes a rigorous New Product Approval process that considers target market needs, pricing, and other essential factors. Informed by research and insights, our Business Intelligence unit analyses Big Data and market trends to drive product development. For example, we have pioneered Braille account-opening procedures for visually impaired customers, underscoring our commitment to inclusivity and innovation.

3 Clear Communication

We prioritise transparent communication with our clients throughout every stage of their journey, from initial contact to contract completion. Our two-way communication approach ensures that vital information is conveyed effectively, while also gathering valuable feedback. We maintain regular touchpoints through various channels, including engagements, newsletters, and onsite visits, to keep clients updated on general matters and important regulatory changes. We maintain a responsive presence on major social media platforms to provide timely information, address inquiries, and assist our diaspora clientele. Our Contact Centre operates 24/7, providing real-time support to customers worldwide and reflecting our unwavering commitment to exceptional service.

4 Suitable Advice

Our team of experts is trained to provide suitable advice to our clients, taking into account their individual circumstances. We strive to offer a well-rounded outcome. If additional support is needed, our cross-functional team is always available to assist.

5 Performance and Standards

We ensure that our products and services meet customer expectations by continuously developing and maintaining them in response to customer feedback. We provide customer education through various platforms and maintain quality assurance through mystery shopping and focus groups.

6 Claims, Complaints and Changes

We prioritise customer satisfaction by removing any barriers to changing products, switching providers, submitting claims, or making complaints. The duration of each customer relationship is entirely up to them. We offer various platforms for customer feedback, including a 24-hour Contact Centre, in-branch services, social media, online channels, email, and telephone, all of which are guided by our comprehensive complaints-handling policy.

Our approach to risk management continued

The Bank`s Principal Risks

1 Strategic risk

Strategic risk is defined as the risk of an adverse impact on the value of the Bank due to business policy decisions, changes in the economic environment and failure to adapt thereto, and deficient or insufficient implementation of business decisions. The Bank is focused on ensuring that any adverse impact affecting the value of the Bank arising from changes in economic environments is mitigated, thereby being able to adapt to changing environments. The Bank strategy focuses on ensuring continued growth in shareholder funds, focusing on capital, and business performance considering the prevalent country risks.

2 Credit risk

Credit risk remains the most significant financial risk for the Bank. Credit risk is defined as the risk of loss from the failure of clients to fully honour their obligations, including the whole and timely payment of principal, interest, collateral and other receivables. It is constituted by counterparty risk and concentration risk.

3 Market risk

Market risk is the risk of losses in on and off-balance sheet positions arising from adverse movements in market prices. The Bank subsidiary banks do not hold significant positions for trading aside from foreign currency positions. Therefore, the significant impact of market risk arises from changes in exchange rates vis-à-vis the positions on the balance sheet.

4 Reputational risk

Reputational risk is defined as the risk that an action, transaction, investment, or event will reduce trust in the Bank's integrity and competence by clients. The Bank ensures that all exposures to its reputation are appropriately managed to avoid the destruction of the value of its business and sustainability. The Bank believes it is in the business of trust and has reinforced this by including this aspect in its refreshed cultural values.

6 Operational risk

Operational risk is defined as the risk of loss to the Bank from inadequate or failed processes or systems, human factors or due to external events (for example, fraud) where the root cause is not due to credit or market risks. The Bank monitors the risk of loss arising from failure in processes, systems, people and external events. The significance of efficient and effective processes ensures reduced errors and losses.

5 Liquidity risk

Liquidity risk is defined as the risk that the Bank is unable to fund assets and meet obligations as they come due without incurring unacceptable losses. Liquidity risk, more generally, is the risk that the Bank will be unable to continue operating as a going concern owing to a lack of funding, the consequences of which may be the failure to fulfil commitments to lend or repay borrowings/deposits and meet regulatory liquidity requirements in any of the jurisdictions where it operates.

7 Technology risk

This risk is mainly focused on systems used to service the business of the Bank. In an increasingly digital landscape, the stability of our IT system is paramount to maintaining the trust of our counterparts, investors, regulators, and employees.

Technology risk focuses on three key risks:

Cybersecurity

First Capital Bank defines this risk as any potential loss resulting from threat actors leveraging network information systems to commit attacks. These actions, intended for illicit profit or operational harm, pose a threat to the Bank, its third party suppliers, and its customer base. The Bank constantly reviews its routine and non-routine operations to enhance technological efficiency and robustness. This includes threat and vulnerability assessments of our card, POS, and other channel technologies.

IT Risk

The risk emanating from the dependency on technological solutions and is defined as failure to develop, deploy, and maintain technology solutions including hardware and telecommunications ecosystem that are stable and reliable to deliver on the business need.

Information Risk

The risk that Information is not captured, retained, used, or protected in accordance with its value and legal as well as regulatory requirement.

8 People risk

People risk encompasses risks that the Bank is exposed to by virtue of being an employer. People risk is further defined as failure to recruit and retain sufficient and appropriate people resources, failure to identify and manage people’s capability and performance, failure to comply with employment and reward legislation and regulation and unavailability of sufficient staff to conduct business activities due to external disruption. The Bank operates in a service industry with material contribution and impact from its employees. People risk is the exposure to the Bank’s operations, which are dependent on the ability of its human resources to deliver services and products expediently and efficiently. The inability to attract, train, retain and deploy skilled and able people to deliver its business is a significant risk to sustainability.



9 Compliance risk

Compliance has a focus on three key risks:

Financial crime risk

This is defined as the risk of customers or other stakeholders using the channels and systems of the Bank to process proceeds of crime. This includes offences like money laundering, terrorist financing, bribery, corruption, and market abuse. The risk is that its infrastructure can be used to facilitate and support money laundering or financing of terrorism. The Bank closely monitors all customer relationships to ensure that its products, channels and systems are not abused for the facilitation of financial crime.

Regulatory compliance risk

This is the risk that the Bank’s actions may violate the requirements of the regulators in each jurisdiction. Regulators include the central banks, tax authorities, pensions authorities, securities authorities, etc. The Bank’s business is subject to regulatory licences requiring compliance with regulations to maintain its operating license. The Bank focuses ensuring compliance to avoid any regulatory sanctions and penalties when delivering its services.

Conduct risk

The risk of detriment to customers, clients, market integrity, competition, or the Bank from the inappropriate supply of financial services, including instances of wilful or negligent misconduct. The inappropriate delivery of services and products to the detriment of the market players and customers or the Bank exposes its business significantly in the long term. The Bank is focused on ensuring fair treatment of customers and other players in the banking industry.



Tapera Mushoriwa
Chief Executive Officer

Chief Executive Officer's statement

"Our performance reflects a clear strategic focus, prudent market expansion, an agile and responsive business model, strong risk management, and sustainable value creation. The quality of our earnings and operational efficiency gains position us strongly for continued growth."

Macroeconomic Stabilisation and Strategic Agility

The 2025 financial year marked a sustained period of macroeconomic stabilisation in Zimbabwe, characterized by a structural moderation in inflation and significantly reduced exchange-rate volatility compared to preceding years. This normalised environment catalysed a resurgence in business confidence and provided a solid foundation for disciplined, long-term strategic execution.

National economic growth exceeded 5% in 2025 and is projected to maintain a robust upward trajectory into 2026, anchored by the Government's National Development Strategy 2 (NDS2). Operating within this stabilising macro-environment, our strategic mandate remained uncompromisingly clear: to expand our market footprint prudently, optimize our risk-reward matrix, and engineer sustainable, long-term value for both our customers and shareholders.

Financial Excellence: Delivering US\$30 Million Profitability in our 30th Anniversary Year

The bank delivered a formidable and structurally enhanced financial performance, underpinned by rigorous cost-containment measures, optimised operational efficiencies, and a deliberate pivot toward high-quality, sustainable earnings.

- **Profitability:** (PAT) accelerated to US\$30 million (2024: US\$20 million). Crucially, the quality of our earnings improved significantly, with less than US\$0.5 million derived from FX revaluation gains (compared to US\$6 million in 2024). This performance was driven by a 21% positive jaws ratio, as revenue growth aggressively outpaced cost expansion, a direct dividend of the structural efficiency programs we executed throughout 2025.
- **Deposit Mobilisation:** Customer deposits grew by 12% to US\$200 million (2024: US\$178 million). This growth was fuelled by an expanding customer base, deepening wallet share among existing clients, and targeted financial inclusion initiatives across schools, faith-based organizations, and the SME sector, reflecting broadening market trust in our brand and its offerings.
- **Asset Growth and Capital Allocation:** Despite tightened systemic liquidity stemming from a restrictive monetary policy, net loans grew by 14% to US\$129 million (2024: US\$113 million). Complementing our deposit funding, we strategically leveraged offshore facilities from Afreximbank and fully utilised our existing European Investment Bank (EIB) facility. This capital optimisation enabled us to provide uninterrupted support to critical, productive sectors of the economy, including Agriculture, Manufacturing, Mining, Tourism, and retail consumers.
- **Revenue Generation:** Operating income surged by 14%, propelled by aggressive customer acquisition, technology-enabled processing efficiencies, an expanded omnichannel presence, an upgraded ATM estate, and the deployment of integrated corporate cash-management solutions.
- **Operational Efficiency:** Demonstrating sustained cost discipline, the bank aggressively optimised its Cost-to-Income Ratio (CIR) to 47%, a marked improvement from 63% in 2024.
- **Asset Quality and Risk Management:** Our Expected Credit Loss (ECL) coverage ratio closed the year within appetite at 2.5%, reflecting our uncompromising credit quality management and highly prudent loan origination frameworks.

Customer-Centricity and Omnichannel Expansion

Placing the customer at the absolute centre of our ecosystem remains foundational to our growth strategy. In 2025, we aggressively scaled our physical and digital distribution networks. We deployed 16 new, state-of-the-art ATMs, all fully enabled for ZWG transactions, substantially bridging the gap in nationwide banking access. By delivering tailored financial solutions to schools, churches, and SMEs, we actively drove financial inclusion at the grassroots level. Consequently, the bank successfully onboarded over 60,000 new individual accounts and established more than 1,000 new corporate relationships during the fiscal year.

Human Capital: Cultivating Future-Ready Talent

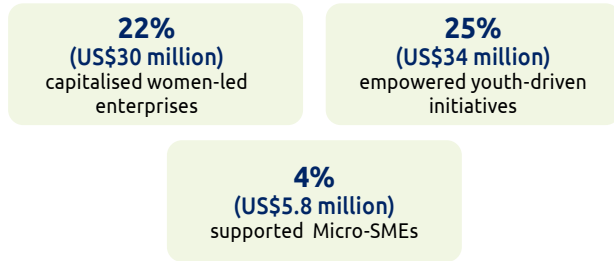
Our human capital remains the definitive engine of the bank's competitive advantage. As of 31 December 2025, we proudly maintained a highly diverse and inclusive workforce, comprising 49% female and 51% male professionals, with a dynamic 53% categorised as youth. To safeguard our talent pipeline, we inducted 19 graduate trainees into a rigorous two-year development program designed to mould the next generation of banking leaders. Furthermore, we launched First Connect, our proprietary digital learning ecosystem, providing our people with on-the-go access to the critical skills and knowledge required to remain future-fit in a rapidly evolving industry.

ESG and Sustainable Impact: Empowering Inclusive Economies

First Capital Bank does not view sustainability as a peripheral activity; it is intrinsically embedded in our core business model, seamlessly aligning with national developmental priorities and global regulatory expectations. In 2025, our ESG interventions were highly targeted, focusing on financial inclusion, youth empowerment, female economic participation, and measurable community upliftment.

US\$136 Million Deployed for Inclusive Economic Empowerment

Of our total loan disbursements during the financial year, we deliberately directed capital to historically underserved economic drivers:



These strategic allocations underscore our commitment to catalysing economic participation in a market where partially formalized and informal enterprises are vital engines of national GDP growth.

Community Investment and Social Value Creation

Job Shadow Programme: In November 2025, 160 youths participated in our immersive mentorship and skills-development initiative, engineered to bridge the gap between academic theory and workplace readiness while driving mindset transformation.

Junior Golf Support: Leveraging sports as a catalyst for youth development, the bank once again proudly sponsored the Zimbabwe Junior Golf Tournament, engaging young athletes from across the nation and the broader region.

Global Money Week: In strategic partnership with Junior Achievement Zimbabwe, we successfully delivered financial literacy training to 5,383 individuals (55% female; 45% male youth), equipping them with the tools for lifelong financial resilience.

Strategic Forward Outlook: Momentum for 2026

The Board and Management remain highly confident that the sustained macroeconomic stability projected for 2026 will unlock new, high-yield growth opportunities. Our strategic imperatives for the year ahead are sharply defined:

- Pioneering customer experience through aggressive digital innovation;
- Expanding our physical and digital touchpoints, including the rollout of new service centres in strategically selected, underserved geographies;
- Deepening our investment in human capital through advanced capability building; and
- Continuously elevating our governance, enterprise risk management frameworks, and technological architecture.

These decisive actions will empower the bank to deliver sustainable, top-quartile performance, maintain rigorous capital allocation discipline, and actively finance Zimbabwe's broader economic progress.

Acknowledgments and Appreciation

I wish to extend my profound appreciation to our customers, whose enduring confidence in First Capital Bank remains the bedrock of our success. I also acknowledge our regulatory authorities for their constructive guidance and their role in fostering the prevailing market stability. To our strategic partners and service providers, thank you for your seamless collaboration throughout the year. Finally, I express my deepest gratitude to the Board of Directors for their visionary leadership and to the executive team and staff for their relentless dedication.

The 2025 financial year marked a sustained period of macroeconomic stabilisation in Zimbabwe, characterized by a structural moderation in inflation and significantly reduced exchange-rate volatility compared to preceding years. This normalised environment catalysed a resurgence in business confidence and provided a solid foundation for disciplined, long-term strategic execution.

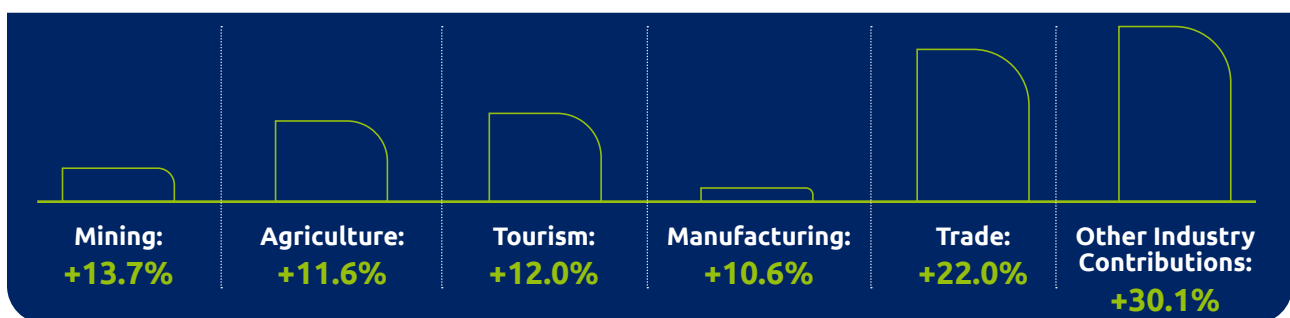
Anchored by clear strategic priorities for 2026, a rebounding national economy, and an optimised risk-management framework, First Capital Bank is exceptionally well-positioned to command market share, compound shareholder value, and drive inclusive prosperity for all stakeholders.

Strength in stability. Momentum for growth.

T. Mushoriwa
26 March 2026



Our operating context



Our long-term sustainability framework

Sustainability Foreword

Sustainability reporting is a product of sustainable operations. This is a new noble era with purpose of guaranteeing future generations an opportunity to experience what the current generations and the past benefitted from the universe.

The industrial revolution brought in the concept of resource extraction and conversion into life changing outputs that eased how people survive. The improvements were good, and they keep on coming. A balanced strike became imperative when negative effects of such developments started crippling in. Climate-driven temperature rises and inconsistent precipitation have intensified environmental degradation, leading to the loss of key animal species. The transition of well-vegetated landscapes into arid regions underscores the urgent need for robust conservation and adaptive management strategies. Globally, human activity was noticed to have been contributing to environmental deterioration. The call is therefore to have sustainable human activities that ensure continuity and presence of a healthy future environment and society for all living nature to come after the current generation.

First Capital bank heeds the call and sensitivities around sustainability and is keenly participating. Being a bank

operating profitably is a milestone to be sustained. However, the environment in which the bank operates needs to be taken care of. Recognizing the vital importance of ESG factors to our business, First Capital Bank has adopted a holistic sustainability strategy. This call to action is now institutionalised, with sustainability principles driving each of our strategic operating pillars. The bank board chairman is the leading champion, and within management, a key committee leading on ensuring sustainable business operations was established to lead and report on progress to achieve the most success in sustainability initiatives.

Sustainability Standards Certification Initiatives (SSCI) to achieve Reserve Bank of Zimbabwe expectation and the European Organization for Sustainable Development (EOSD) are on course with a three-year journey plan already mapped. A robust step by step application is running with concerted effort being exerted by all bank associates.



Summary for 2025

Sustainability area	Achievements in 2025	Desired outcomes and targets
Bank Performance	<ul style="list-style-type: none"> ▪ US\$30 million profit after tax ▪ 33% Return on Equity ▪ 9% Return on assets ▪ Sustainable revenue mix of 44% funded and 56% non-funded 	<ul style="list-style-type: none"> ▪ US\$29 million profit target surpassed ▪ 30% Return on Equity target surpassed ▪ Return on assets target is 5% ▪ Minimum revenue mix target is 50:50 between funded and non-funded
Environmental sustainability	<ul style="list-style-type: none"> ▪ 12 branches put on solar ▪ Head office new building put on solar and green rated ▪ Participated in tree planting events, borehole drilling initiatives in community schools ▪ Participated in environmental clean-up events 	<ul style="list-style-type: none"> ▪ Target to have all 24 branches running on solar ▪ To secure capital funding for clients participating in clean energy and environmental clean-up
Social impact	<ul style="list-style-type: none"> ▪ 478 people on employment, 49% women, 51% male, 53% youths ▪ 19 graduate trainees onboarded for banking training ▪ Job shadow to school students for financial literacy skills ▪ Junior Golf tournament support ▪ Community quality of life support through loan funding 	<ul style="list-style-type: none"> ▪ Target is to have 30% of total loans supporting women, youths and MSMEs. ▪ Sustainable training and skills development for both employees and the community
Governance	<ul style="list-style-type: none"> ▪ 10-member board, with 30% women and 70% men ▪ 60% independent members ▪ 4 key management looking after key operational functions ▪ Diverse skills set ingrained within the board and management ▪ All key risks have policies and standards to manage them 	<ul style="list-style-type: none"> ▪ Sustainable governance complying with all laws and regulations ▪ Sustain skills and diverse expertise within board and management
Economic growth	<ul style="list-style-type: none"> ▪ US\$136 million capital funding to corporates and individuals enabling goods and services production as well as supporting local demand 	<ul style="list-style-type: none"> ▪ Keep growing the bank for additional contribution to economic growth, funding local business and creating sustainable employment

2025 Sustainability Highlights

Below are highlights of milestones achieved in the quest to raise sustainable operations of the bank.

Total active customers 341 095 Youths 5% Women 26%	Total revenue US\$84 million Funded 47% Non-funded 53%	Total employees 478 Women 49% Youths 53% Male 51%	Total suppliers 1 768 Local suppliers 92% (1 632) Foreign suppliers 8% (145)
Total gross loans US\$136 million Individuals USD76 million Companies USD61 million	Total gross loans US\$36 million Youths 25% (US\$34 million) MSME 4% (US\$5.4 million) Women 22% (US\$30 million)		
Total branches 24 Solar energy 12 Plan for solar 12	Total gross loans US\$136 million Agriculture 14% (US\$18.4 million) Technology 5% (US\$7 million) Infrastructure 4.6% (US\$6.3 million) Manufacturing 12% (US\$16.3 million)		



Our new Head Office

- Green rated



2025 Bank accolades

- Bank of the year**
Financial Times UK
- Top Performing International Bank**
Banks and banking Survey
- Best Investor Returns on VFEX**
Old Mutual Top Companies Award
- 'AA' Rating from ICRA**
International Credit Rating Agency

Board Governance

10-member board



30% Women

70% Men

6 independent members



2 Executive members

8 Non-executive members

Board skill comprises of highly qualified and experienced captains of industry from economics, accountancy, lawyers, engineers, business strategists and technology.

Management Governance

- The bank has **14 senior managers** with diverse skills and experience manning all key functions of the bank: Finance, Retail Banking, Corporate Banking, Compliance, Treasury, Risk, Marketing, Operations, Human Resources, Legal, Internal Audit and Digital Innovation.



Patrick Devenish
Chairman

The Chairman's Sustainability Commitment

Our five-year operating strategy embodies sustainability. Sustainable operation and the related strategy are now a global call for all operators to pursue in order to guarantee continuity of life, for both the living world and the businesses themselves. The Chairman's mandate now incorporates leading on sustainability initiatives and goals. The bank will strive to have all operating arms running in line with achievement of environmental, social and governance goals (ESG).

Environment: All bank operations are tailored to ensure clean environment with minimal air pollution, minimal water pollution and efficient litter management. The bank continues partnering other players in cleaning the environment such as the Lake Chivero clean-up exercise and litter clearing in the community. Air pollution reduction through installation of solar system run branches replacing significant reliance on generator for supplementary energy will see additional branches being put to solar. Our new head office building is a good example of the required clean energy effort with significant investment in solar power to reduce generator runs. Furthermore, the bank will keep on supporting clean energy projects by customers providing funding support to achieve that.

The Society: This is the community the bank serves and is the source of bank operational sustenance providing employees and customers. The bank partner and support the community through education initiatives such as the Job Shadow Programme to high school students, financial literacy training in schools and Universities, Junior Golf Tournaments, events funding and Global Money Week commemorations. The bank introduced and is observing 'Love Our Communities' programs where various staff teams identify projects for underprivileged communities which the bank funds, deliver and monitor. This is being sustained.

Governance: Board and management governance are key pillars for sustainability success. The business itself needs to be sustainable through robust governance which in turn spills over sustainable benefits to various stakeholders: shareholders, regulators, customers, financiers, community and peer banks. Adding on to this is a strong control environment where relevant policies and operating standards are in place, communicated and cascaded to all bank functions for alignment and collective delivery. The board of the bank is steadfast leading on strategy oversight and accountability for prosperity of all stakeholders.

The Economy: The Zimbabwe government is working hard to uplift the country economy. National Development Strategy 1 (NDS1) ran a good course achieving inflation and exchange rate stability milestone and leaving the economy in a notable growth trajectory. NDS2 has taken over to further improve the economy. The bank is proud to be operating in such an enabling environment and is therefore committed to contribute to the government through good corporate citizenship ensuring collection and remittance of taxes to the revenue fund, supporting youths' development programs and funding private sector for infrastructure development.





Tapera Mushoriwa
Chief Executive Officer

Chief Executive Officer's Sustainability Commitment

The executive management, through guidance and counsel of the Board, will ensure sustainable execution of the bank strategy in a manner that protects the environment, society and good governance. The growth and development of the economy provide leverage for bank growth, and therefore sustainability strategy being pursued by the bank is not incidental, but a deliberate appreciation of the need to respond to global hitches on climate, resource depletion and threat to the living world.

At First Capital Bank, we believe that responsible capital is a catalyst for national prosperity. Our lending strategy remains steadfast in its commitment to the green economy, prioritising projects that secure a clean environment, food security, and sustainable energy for our people. Beyond our balance sheet, we are institutionalising a culture of growth.

By integrating innovative digital training platforms and robust graduate programmes, we ensure our workforce comprised of 49% women and 53% youth is future-fit. Our mission is clear: to foster an inclusive environment where equal opportunity translates into superior quality of life for every community we serve.

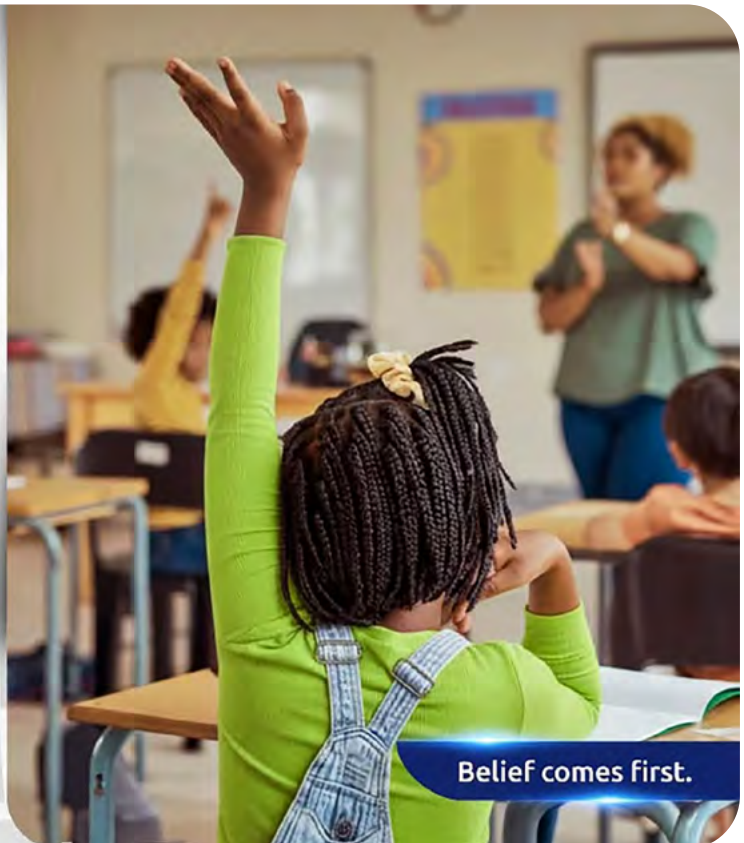


Zero maintenance fees for schools and churches.

Supporting Communities with Award-Winning Service.

Go for it

Botswana • Malawi • Mozambique • Zambia • Zimbabwe
First Capital Bank is a Registered Commercial Bank & a member of the Deposit Protection Scheme









Belief comes first.

Our commitment to 3-year Sustainability Standard Certification Initiative (SSCI) journey

Through the guidance from EOSD and the Reserve Bank, the bank is on course working towards achievement of certified sustainability initiatives. The target is to achieve all milestones in 3 years. Proper governance set up is in place involving the board and management. The bank commitment to sustainability is clearly articulated with clear goals, targets, action plans and alignment to government goals. In pursuit of this, the bank also acknowledges alignment with United Nations Sustainable Development Goals (UNSDG).

The table below summarizes the bank working plan.

High Impact Goal (HIG)	Focus area	Products	UNSDGs	National goals	Critical success factors
HIG 1: Deliver inclusive financial services through innovative solutions and strategic partnerships	<ul style="list-style-type: none"> 30% women in customer base 3% youth in customer base 7% new clients to customer base 	<ul style="list-style-type: none"> Mobile money partnerships ATM network expansion Agency banking Remittance services Increase banking for schools, micro businesses and churches Tailor made employee scheme loans 	 <p>Promote sustained, inclusive and sustainable economic growth, productive employment and decent work for all</p>	<p>Contribute to economic value chain growth that will benefit productivity and improve people's life.</p>	 <p>Our strategic alliances accelerate our innovation</p>
HIG 2: Enable sector wide growth in the economy through sustainable funding solutions	<ul style="list-style-type: none"> Double the loan growth in 3 years, funding Agriculture, Technology and Infrastructure for subsequent growth of other sectors. Fund women and youth programs for inclusive growth. 	<ul style="list-style-type: none"> Green bonds Carbon credit programmes Green funds access Climate proof agricultural (food security) projects Conservation projects 	 <p>Promote sustained, inclusive and sustainable economic growth, productive employment and decent work for all</p>	<p>Contribute to sustain a positive high economic growth of above 5% driven by agriculture, mining, energy and manufacturing.</p>	 <p>We maximize long-term value for our stakeholders</p>
HIG 3: Support the development of infrastructure	<ul style="list-style-type: none"> Increase loan book for real estate and affordable housing Target at least 10% of credit lines towards infrastructure and industrialisation development focused entities 	<ul style="list-style-type: none"> Energy funding Housing funding Water and sanitation Healthcare funding 	 <p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p>	<p>Contribute to restoration of basic infrastructural services, including expansion of critical areas mainly targeting the key sectors of energy, transport, water and sanitation, housing, health, education and information and communication technology.</p>	 <p>We are a trusted and respected brand</p>

2025 sustainability milestones

During the year 2025, the bank delivered various initiatives as part of its sustainability journey which impacted several UNSDGs. The following section provides the highlights.

Agriculture funding US\$18.4 million

The bank invested US\$18.4 million in various farming projects in 2025 that include cereal food production, horticulture and animal husbandry, seed production, meat production and exporting fruits.



Employment creation, sustenance and eradicating poverty.



Food security for the populace and reducing hunger.



Health and nutrient improvement through quality food availability.



Economic growth through specific sector growth. Agriculture is a key input for the manufacturing sector. Support for the two sectors propelled economic growth providing decent work to the populace.



Manufacturing sector funding- US\$16.3 million

In the year 2025, US\$16.3 million of bank capital was allocated to manufacturing sector which included Agriculture processing, steel production, packaging, engineering, stationery among others.



Economic growth, creating decent work for people which improves quality of life.



Industry, Innovation and Infrastructure growth benefited from the manufacturing growth



Technology Infrastructure received US\$7 million funding in 2025

US\$7 million was extended to technological transformation entities in the country to support seamless data and information access by all people. In the advent of Artificial Intelligence (AI) globally, funding technological developments keeps the country abreast with changes which in turn enhance social life development.



Quality education through facilitation of information access. This ensures employability with better literacy level to the populace. Ultimate goal involves better incomes sustaining demand for goods and services in the country which in turn support economic growth through specific sector growth. Agriculture is a key input for the manufacturing sector. Support for the two sectors propelled economic growth providing decent work to the populace.

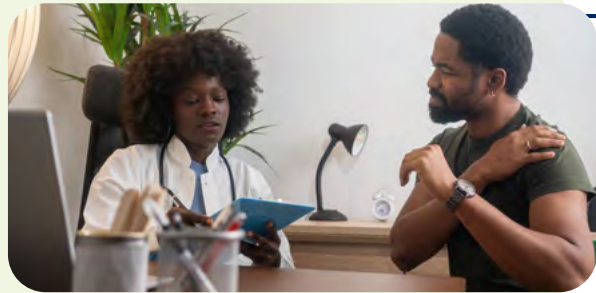


Health sector funding extension of USD1.75 million in 2025

The bank supported health infrastructure funding through provision of loan facility in the year 2025 as part of its drive in ensuring healthy communities.



Provision of good health to all citizens by promoting successful establishment of health facilities in the country.



Lending of US\$3.8 million towards construction projects was made in 2025

Recognising infrastructure as a cornerstone of economic resilience, First Capital Bank deployed USD\$3.8 million on strategic capital towards large scale construction projects this year. By financing the foundational systems required for industrial expansion, we are directly enabling a surge in manufacturing innovation. Ensuring that the synergy between infrastructure and industry remains a primary driver of our national growth.



Development of infrastructure is one of UNSDGs that helps on economic growth which in turn provides employment and improves quality of life for the populace. Issues around hunger, poverty and decent employment come with economic growth which is enabled through successful infrastructure enhancement.



Local suppliers of services and goods



This is a key sustainability focus area tailored at sustaining local innovation and economic growth. Small and medium entities are targeted not only in business, but financial literacy skills and business training through SME conferences.

- Increase loan book for real estate and affordable housing
- Target at least 10% of credit lines towards infrastructure and industrialisation development focused entities
- Energy funding
- Housing funding
- Water and sanitation
- Healthcare funding



2025 sustainability milestones continued

Human Capital commitment

The bank closed the year 2025 with total staff complement of 478. These are located around the 24 branches in the country. 49% of the employees are women driving an all-gender inclusivity and equal work opportunities for all. Youths constitute 53% to ensure generational sustainability and development. The bank has a graduate development program with 19 youths from university, recruited to partake training across all different banking functions. The motto is to nurture future leaders for business continuity. Additional training programs include Chartered Accountancy training course where the bank is an ICAZ accredited training office. To augment training efficiency, the bank introduced "First Connect" online training platform for all staff to access. For good staff welfare, the bank carries out annual remuneration reviews in line with inflation and apply cost of living adjustments. Personal loans, school fees loans and emergency loans are available for staff.



Gender equity empowering women and youths is achieved.



The bank provides decent work through productive employment.



Quality education is driven through graduate trainee programs; internships program for university students and staff training programs in place.



Financial inclusion drives onboarding women and youths into banking.

In 2025, the bank managed to have 5% of its customer base being youths. Women in banking was also grown to 26% of the total bank customers, and for Sustainability Standard Certification Initiatives goals which the bank is pursuing, youths and women in banking number is planned to grow to the level of 30% of total customers. Various products and innovations to achieve this are in place and include establishment of service centers, banking agency debit cards and ATM network expansion among other initiatives.



Focusing on women and youths sustains financial literacy promotion in the country, opening up opportunities for bank funds access by youths for their innovative projects. The bank is partnering and supporting women and youths' projects ensuring improvement in quality of life, reducing poverty and hunger whilst fostering economic growth.



Regulatory compliance with country laws and regulations

The bank is supervised by the Reserve Bank of Zimbabwe (RBZ) in terms of banking conduct in the market, interaction with customers, interaction with competitors and banking risk management, among other key regulations. RBZ is the main regulator, with daily, weekly, monthly and quarterly returns submitted as part of checking bank performance and risk governance.

Deposit protection board is another regulator managing deposit insurance for customers. The bank submits monthly and quarterly returns to the board as part of timely assessments required.

Zimbabwe Revenue Authority provide guidance on tax affairs of the bank. For the year 2025 which the bank is reporting on, the tax affairs were right and efforts to ensure sustainable tax management, contributing meaningfully to the fiscal developments of the country will be ensured.

The bank complied with the below key governing laws during 2025.

- The Companies and other Business Entities Act [Chapter 24:31]
- Banking Act [Chapter 24:20]
- Deposit Protection Corporation Act [Chapter 24:29]
- Finance Act [Chapter 23:04]
- Consumer Protection Act [Chapter 14:44]
- Labour Act [Chapter 28:01]
- Securities and Exchange Act [Chapter 24:25]

Climate risk assessment

Global climate change involving temperature and precipitation pattern changes have direct impact on agriculture. Droughts usually cause crop failure, impacting bank clients in agriculture. Bank exposure of US\$18.4 million is in agriculture with risk mitigated through insurance. The bank, through client consultations, encourages taking insurance by farmers to manage potential risks associated with erratic rainfall. Currently, the risk is minimal given good farming seasons for 2024 and 2025.

Green House Gaseous Emissions (GHG) impacting the ozone layer is acknowledged. The bank is executing green energy initiatives that include use of solar powered branches and its head office. Currently 12 of the 24 branches are on solar whilst efforts to do the same at the remaining 12 branches is under way.

Capital allocation to clients is geared to prioritize green energy projects and will encompass the whole supply chain activities from manufacturers, distributors and consumers of green energy initiatives.

Social support by way of clean water supply is being initiated through borehole drilling sponsorship to schools. Besides clean water provision, this initiative will promote food provision alleviating hunger and improve economic well-being of the communities through farming projects sustained by the boreholes. The same initiative is also a recognition of the impact of climate change where reliable water supply and sources are affected.

Attention Gokwe, Kwekwe and Gweru!

We're ready to
hear from you and
strengthen our bond.

Belief comes first.

Botswana • Mauritius • Malawi • Mozambique • Zambia • Zimbabwe
First Capital Bank is a Registered Commercial Bank and a member of the Deposit Protection Scheme.

Corporate social responsibility

At First Capital Bank, we are dedicated to being exemplary corporate citizens, recognising our responsibility to the communities we serve and our potential to enhance their wellbeing.

Throughout 2025, our holistic approach to financial inclusion was driven by a commitment to fostering sustainable development, social equity, and responsible governance. Our initiatives extended beyond providing access to financial services; they focused on empowering individuals and communities to achieve long-term financial health, resilience, and inclusive growth. Guided by the ESG framework, our efforts centred on creating positive social impact while ensuring environmental sustainability and strong governance.

Key focus areas included:

Financial Literacy & Capability:

Equipping individuals with essential skills and knowledge to manage their finances effectively, embrace digital financial tools, and build financial resilience. We prioritized youth empowerment by investing in education programs that cultivate future financial leaders.

Sustainable Finance & Investment in Future Generations:

Integrating sustainability into our financial strategies by promoting responsible investment practices that support environmental stewardship and social well-being. We believe in nurturing the potential of youth and investing in future generations to ensure inclusive and sustained economic growth.

Throughout the year, our initiatives underscored a firm belief in the power of youth, innovation, and responsible stewardship to create a more inclusive, sustainable, and prosperous future for all.

Global Money Week



Strategic Market Making:
Financial Literacy as a Catalyst
for Inclusion



The Vision: We view financial literacy not as an act of philanthropy, but as an essential market-making strategy. For First Capital Bank, a financially literate populace is the foundation of a stable, sophisticated banking ecosystem.

In 2025, our 13th consecutive partnership with Junior Achievement Zimbabwe for Global Money Week saw an investment of **USD 3,800** directed toward the “Train the Trainer” model. Under the theme “Wise Money Tomorrow,” our associates moved beyond high-level advocacy to deliver granular, accredited training modules. By targeting A-level and O-level students, we created a “multiplier effect” where 5,383 young people were impacted.

Strategic Impact:

Gender-Responsive Inclusion: Achieving a **55% female participation** rate ensures we are addressing historical imbalances in financial access, aligning with ESG gender-equity benchmarks.

Client Value Integration: By incorporating Business Banking Schools into our youth target, we provided practical “income generation nuggets,” ensuring that financial theory translates into tangible entrepreneurial activity. This “circle of training” secures a future pipeline of bankable, risk-aware SMEs.

Human Capital Development: Nurturing Global Excellence via the Greens | 2025 Zimbabwe Junior Golf



Strategic Alignment: SDG 4 (Quality Education) | Talent Pipeline Resilience



The Vision: We First Capital Bank recognizes that leadership, discipline, and strategic thinking are the primary currencies of the modern economy. We leverage high-performance sports to cultivate these traits in the next generation of global leaders.

Our **USD50,000** sponsorship of the Zimbabwe Junior Golf Tournament serves as a premier platform for youth aged 13 to 19 years. Running for the fourth year of impact. Under the banner *“Belief in Every Swing,”* we hosted athletes from eight diverse markets, including China, France, and South Africa. This initiative positions Zimbabwe as a hub for international talent development.

Strategic Impact:

Professional Capacitation: By aligning the tournament with international standards, we are facilitating career pathing in sport, treating it as a viable economic sector rather than mere recreation.

Stakeholder Engagement: Through Pro-Am tournaments and integrated client engagements, we bridged the gap between our current corporate leadership and the budding talent of the future, reinforcing our brand as the *“First to Believe”* in Zimbabwean excellence.

Internal Social Governance: The “Charity at Home” Framework – Bring Your Child to Work



Strategic Alignment: SDG 4 | Social Governance | Employee Value Proposition



The Vision: A bank’s strongest ambassadors are its people and their families. To ensure our ESG values are systemic, we must embed them within our internal corporate culture, treating our associates’ families as an extension of our operational footprint.

In August 2025, we launched the inaugural *“Bring Your Child to Work”* initiative. This programme was segmented by age; Little Believers (3 to 6), Budding Believers (7 to 11), and Future Leaders (12 to 18) to ensure age-appropriate knowledge transfer. Topics ranged from *“How to be a CEO”*, personal branding, financial education to critical social issues like drug and substance abuse.

Strategic Impact:

Knowledge Transfer & Ethics: By instilling corporate ethics and *“Workplace Readiness”* in **50** direct children of our associates, we are securing the social fabric of our workforce.

Internal Stakeholder Enhancement: This programme enhances our Employee Value Proposition, driving staff retention and morale by demonstrating that the bank’s *“Belief”* ethos extends to the personal wellbeing of its staff. Our people drive the business and are central to our strategy.



Environmental Stewardship: Mitigating Ecological Risk at Lake Chivero



Strategic Alignment: SDG 6 (Clean Water & Sanitation) Environmental Risk Management



The Vision: Environmental health is a prerequisite for economic stability. As a financial institution, we recognise that the degradation of primary water sources like Lake Chivero poses a systemic risk to the Harare community and the businesses we finance.

Our Eco-Revival Clean-Up contribution, supported by a strategic partnership with the Indian Business Community, saw **21** First Capital Bank volunteers engage in direct environmental remediation. This was not a passive donation but an active knowledge-transfer exercise regarding water safety, poaching, and resource consumption.

Strategic Impact:

Community Integration: By physically embedding our associates within the local community for this outreach, we reinforced the message that our operations are not isolated from the environments they inhabit.

Risk Awareness: The programme served as a practical training ground for our team to understand Environmental & Social Risk (ESRM), ensuring our staff can better advocate for sustainable practices among our broader client base.

Economic Empowerment: Bridging the Graduate Skills Gap - Job Shadow and Mentorship Series



Strategic Alignment: SDG 8 (Decent Work & Economic Growth) | SDG 4 (Socio-Economic Transformation)



The Vision: To drive Sustainable Development, the bank must act as a bridge between academic theory and economic productivity. We are committed to reducing youth vulnerability by equipping graduates with “work-ready” competencies.

Executive Summary: The Junior Achievement Job Shadow & Mentorship Series represented an investment in intellectual capital. Ten key departments including Risk, IT, and Corporate Banking opened their doors to **160** youth for practical, experiential training. The world of work and career mapping are complex and critical aspects of every youth’s journey requiring guidance and support. We are inspired to shape the young futures for economic development. The “Beyond the Degree” workshop focused on personal branding, entrepreneurship, and mental health for out-of-work graduates in need of support to navigate evolving operational environments.

Strategic Impact:

Productivity Optimization: By moving beyond traditional internships to a “transformation journey,” we are actively improving the employability index of Zimbabwean graduates.

Thought Leadership: Deploying our senior Subject Matter Experts (SMEs) as mentors positions First Capital Bank as a thought leader in capacity building, ensuring that the future workforce is aligned with the digital and ethical demands of modern banking.



Corporate Governance

The Board of Directors of First Capital Bank Limited (the Board/First Capital Bank) is committed to and recognises the importance of strong governance practices. The Board understands that a comprehensive corporate governance framework is vital in supporting executive management in its execution of strategy and in driving long term sustainable performance.

In order to achieve good governance, the Board subscribes to principles of international best practice in corporate governance as guided by, among others, the Banking Act [Chapter 24:20], the Companies and other Business Entities Act [Chapter 24:31], the Reserve Bank of Zimbabwe Prudential Standard No. 02 -2025/BSSF: Corporate Governance, the Securities and Exchange (Victoria Falls Stock Exchange Listings Requirements) Rules, 2020, and the Zimbabwe National Code on Corporate Governance.

The Board continuously reviews its internal governance standards and practices, to ensure that it modifies and aligns them with local and international corporate governance requirements as appropriate. As part of its continuing efforts to achieve good governance, the Board promotes the observance of the highest standards of corporate governance at First Capital Bank and ensures that this is supported by the right culture, values and behaviours from the top down. First Capital Bank is committed to the principles of fairness, accountability, responsibility and transparency. To this end, the Board is accountable to its shareholders and all its stakeholders including the bank's employees, customers, suppliers, regulatory authorities, and the community from which it operates through transparent and accurate disclosures.

Board Responsibilities

The Board is responsible for setting the strategic direction of the bank as well as determining the way in which specific governance matters are approached and addressed, approving policies and plans that give effect to the strategy, overseeing and monitoring the implementation of strategy by management and ensuring accountability through, among other means, adequate reporting and disclosures. The Board is guided by the Board Charter in the execution of its mandate. The roles of the Board Chairman and that of the CEO are separate and clearly defined. The Board ensures a division of responsibilities at all times to achieve a balance of authority and power so that no one individual has unfettered decision-making powers.

Board Chairman and Non-executive Directors

The Board is led by an independent, non-executive Chairman, whose primary duties include providing leadership of the Board and managing the business of the Board through setting its agenda, taking full account of issues and concerns of the Board, establishing and developing an effective working relationship with the executive directors, driving improvements in the performance of the Board and its committees, assisting in the identification and recruitment of talent to the Board, managing performance appraisals for directors including oversight of the annual Board effectiveness review and proactively managing regulatory relationships in conjunction with management. In addition, the non-executive directors proactively engage with the bank's management to challenge and improve strategy implementation, counsel, and support to management

and to test and challenge the implementation of controls, processes and policies which enable risk to be effectively assessed and managed.

The Chairman works together with the non-executive directors to ensure that there are effective checks and balances between executive management and the Board. The majority of the Board members are independent non-executive directors who provide the necessary independence for the effective discharge of the Board's duties and compliance with regulatory requirements.

Executive Directors

The executive management team is led by the Chief Executive Officer. Management's role is to function as trustees of the shareholder's capital. Their main responsibilities include reporting to the Board on the implementation of strategy, effectiveness of risk management and control systems, business and financial performance, preparation of financial statements and, on an ongoing basis, keeping the Board fully informed of any material developments affecting the business.

Directors' Remuneration

The Board Human Resources and Nominations Committee sets the remuneration policy and approves the remuneration of the executive directors and other senior executives as well as that of the non-executive directors. The remuneration package of executive directors includes a basic salary and a performance bonus which is paid based on the performance of the company as well as that of the individual.

Board Diversity

The First Capital Bank Board recognises the importance of diversity and inclusion in its decision making processes. The Board is made up of six independent non-executive directors, two non-executive directors and two executive directors. Three members of the Board (30%) are female. The Board members have an array of experience in commercial and retail banking, accounting, legal, corporate finance, marketing, business administration, economics, human resources management and executive management.

Director Independence

The Board conducts its annual evaluation in compliance with applicable corporate governance standards. Furthermore, directors are required to disclose any new declarations of interest at each quarterly Board meeting. Based on the results of this assessment and ongoing declarations, the Board is satisfied that all independent non-executive directors continue to demonstrate independence in both character and judgement, with no relationships or circumstances identified that could compromise or appear to compromise their independent status. A majority of the members of the Board are independent non-executive directors.

Corporate Governance continued

Access to Information

Openness and transparency are key enablers for the Board to discharge its mandate fully and effectively. The non-executive directors have unrestricted access to all relevant records and information of the bank as well as to management. Further, the Board is empowered to seek any professional advice or opinion it may require to allow for the proper discharge of its duties.

Share Dealings or Insider Trading

The directors, management and staff of First Capital Bank are prohibited from dealing in the company's shares whether directly or indirectly, during "closed periods" which are the periods from the end of a financial period to the date of earliest publication of the financial results or any period when the company is trading under cautionary announcement.

Further, directors, management and staff are prohibited from dealing in the company's shares whenever the company is going through certain corporate actions or when they are in possession of non-public information that has the potential of impacting the share price of the company.

Communication with Stakeholders

First Capital Bank communicates with its stakeholders through various platforms including the AGM, analyst briefings, town halls, press announcements of interim and full year financial results, notices to shareholders and stakeholders and annual reporting to shareholders and stakeholders. The Board and management of First Capital Bank also actively engage regulatory authorities including the Reserve Bank of Zimbabwe, the Victoria Falls Stock Exchange, and the Deposit Protection Corporation.

Internal Audit

First Capital Bank Internal Audit is an independent control function which supports the business by assessing how effectively risks are being controlled and managed. It works closely with the business helping drive improvements in risk management. This is done through reviewing how the business undertakes its processes as well as reviewing systems used by the business. The internal audit function reports its findings to management and guide them in making positive changes to business processes, systems and the control environment. The Internal Audit function also monitors progress to ensure management effectively remediates any internal control weaknesses identified as quickly as possible.

The First Capital Bank Head of Internal Audit reports directly to the Chairman of the Board Audit Committee and administratively to the Chief Executive Officer.

Declaration of Interest

The Board of First Capital Bank believes in the observance of ethical business values from the top to the bottom. To this end, the Board has a policy in place that manages conflict of interest including situational and transactional conflict.

Directors disclose their interests on joining the Board and at every meeting of the directors they disclose any additional interests and confirm or update their declarations of interest accordingly.

Ethics

In our endeavor to instill a culture of sound business ethics, all employees and directors are requested to attest to an Anti-Bribery and Corruption declaration which essentially seeks to ensure that our directors, management and staff observe the highest standards of integrity in all their dealings and at all times. The Bank has a zero tolerance policy to bribery and corruption. In addition, the business has a whistle-blowing facility managed by Axcantium through which employees can raise any concerns they may have anonymously.

Director Induction and Development

Board conformance and performance is enhanced through continuous learning. As part of its learning program, the Board has in place a comprehensive induction plan for on-boarding new directors. Further, as part of continuing director development, Board members attend director training programs.

Board Activities

The Board held five Board meetings during the year period ended 31 December 2025. Each Board Committee held at least four quarterly meetings. The areas of focus included the setting of strategic direction, the review of strategy and business operations, business response to the macroeconomic dynamics in light of the exchange rate and interest rate movements, credit sanctioning as per approved limits, review of internal controls and financial reports, review of the quality of the loan book, review and oversight of the bank's risk management processes and oversight of the recruitment, remuneration and performance reviews of senior management. A table detailing director's attendance of meetings during the full year period ended 31 December 2025 is shown on page 2.

Board and Director Evaluation

The Board conducts an annual evaluation process which assesses the performance and effectiveness of individual directors, the Board Chairman, Committees and overall performance of the Board. The process was facilitated by an external party to allow for objectivity. The evaluation process involves directors completing evaluation questionnaires and having one on one meetings with the facilitator. The results of the evaluation are collated, a report is produced and feedback is provided to the Board. The Board also submits the evaluation report to the Reserve Bank of Zimbabwe.

Board committees

The Board has delegated some of its duties and responsibilities to sub-committees to ensure the efficient discharge of the Board’s mandate. The ultimate responsibility of running the bank however still remains with the Board. The subcommittees of the Board are regulated by terms of reference which are reviewed every year or as and when necessary. The Committees meet at least once every quarter and are all chaired by independent non-executive directors as detailed below.

Audit Committee

Purpose of the committee

The primary functions of the Committee are to oversee the financial management discipline of the bank, review the bank’s accounting policies, the contents of the financial reports, disclosure controls and procedures, management’s approach to internal controls, the adequacy and scope of the external and internal audit functions, compliance with regulatory and financial reporting requirements, oversee the relationship with the bank’s external auditors, as well as providing assurance to the Board that management’s control assurance processes are being implemented and are complete and effective.

Key matters

At each meeting, the Committee reviews reported and noted weaknesses in controls and any deficiencies in systems and the remediation plans to address them. The Committee also monitors the ethical conduct of the bank, its executives and senior officers and advises the Board as to whether the bank is complying with the aims and objectives for which it has been established. During the period under review, there were no material losses as a result of internal control breakdowns.

Composition

The committee is wholly comprised of independent non-executive directors.

The members of the Committee as at 31 December 2025 were:

- **T. Moyo** (Chairperson)
- S. Moyo
- K. Terry

Board Credit Committee

Purpose of the committee

The Board Credit Committee is tasked with the overall review of the bank’s lending policies.

Key matters

At each meeting, the Committee deliberates and considers loan applications beyond the discretionary limits of management. It ensures that there are effective procedures and resources to identify and manage irregular or problem credit facilities, minimise credit loss and maximise recoveries. It also directs, monitors, reviews, and considers all issues that may materially impact the present and future quality of the bank’s credit risk management.

Composition

The Committee comprises three non-executive directors.

The members of the Committee as at 31 December 2025 were:

- **K. Naik** (Chairperson)
- H. Anadkat
- A. Chinamo

Loans Review Committee

Purpose of the committee

This Committee has the overall responsibility for the complete review of the quality of the bank’s loan portfolio to ensure that the lending function conforms to sound lending policies and keeps the Board and management adequately informed on noted risks. It assists the Board with discharging its responsibility to review the quality of the bank’s loan portfolio.

Key matters

At every meeting, it reviews the quality of the loan portfolio with a view to ensuring compliance with the banking laws and regulations and all other applicable laws as well as internal policies.

Composition

The Committee comprises three non-executive directors.

The members of the Committee as at 31 December 2025 were:

- **S. Moyo** (Chairperson)
- M. Gursahani
- T. Moyo

Corporate Governance continued

Human Resources and Nominations Committee

Purpose of the committee

The Board Human Resources and Nominations Committee assists the Board in the review of critical personnel issues as well as acting as a Remuneration and Terminal Benefits Committee.

Key matters

The Committee reviews and approves overall recommendations on employee remuneration as well as approving managerial appointments. The Committee ensures that the remuneration of directors is in line with the nature and size of the operations of the bank as well as the bank's performance. In addition, the Committee also considers nominations to the Board and succession planning for the Board.

Composition

The Committee comprises three non-executive directors.

The members of the Committee as at 31 December 2025 were:

- **P. Devenish** (Chairperson)
- H. Anadkat
- K. Naik

Board Risk and Compliance Committee

Purpose of the committee

The Board Risk and Compliance Committee is charged with the responsibility to oversee the bank's overall enterprise risk environment under three broad areas of Operational, Financial and Compliance risks. These are controlled and managed independently from risk-taking functions and other committees of the bank.

Key matters

The committee is responsible for the policies and procedures designed to monitor, evaluate and respond to risk trends and risk levels across the bank ensuring that they are kept within acceptable levels.

Composition

The Committee comprises three non-executive directors.

The members of the Committee as at 31 December 2025 were:

- **A. Chinamo** (Chairperson)
- M. Gursahani
- S. Moyo

Board IT Committee

Purpose of the committee

The Board IT Committee is a committee of the Board, established to have strategic oversight and governance of the Company's strategic investment in IT, as well as data protection, cyber security, and information management.

Composition

The Committee comprises two non-executive directors and one executive director.

The members of the Committee as at 31 December 2025 were:

- **K. Terry** (Chairperson)
- M. Gursahani
- T. Mushoriwa

Management committees

In addition to the Board Committees, management operates through a number of committees including the Executive Committee, the Country Management Committee and the Assets and Liabilities Committee. The Committees terms of reference are as below.

Executive Committee (EXCO)

The Executive Committee receives its authority from the Board of First Capital Bank Limited. The Managing Director and the Executive Committee are responsible for managing and overseeing all aspects of the bank's operations and functions, developing the strategy of the bank and delivery of the annual business plan. The Executive Committee assists the Managing Director to manage the bank, to guide and control the overall direction of the business of the bank and acts as a medium of communication and co-ordination between business units and the Board. The Committee delegated work and authority to management committees including but not limited to the Country Management Committee, Asset and Liability Management Committee, Enterprise Risk Management Committee, Management Credit Committee and other specialized Committees. The Committee comprises of executive directors and senior management.

Country Management Committee (CMC)

The Country Management Committee is the operational management forum responsible for the delivery of the bank's operational plans including implementation of operational plans, annual budgeting, and periodic review of strategic plans, as well as identification and management of key risks. The Committee shall be responsible for providing direction and oversight on operations across the business. The Committee assists the Chief Executive Officer in delivering the business mandate and in designing and assuring the adequacy and effectiveness of internal controls. The Committee derives its mandate from the Executive Committee. The Committee comprises of executive directors and senior management.

Assets and Liabilities Committee (ALCO)

ALCO is tasked with ensuring the achievement of sustainable and stable profits within a framework of acceptable financial risks and controls. The Committee ensures maximization of the value that can be generated from active management of the bank's balance sheet and financial risk within agreed risk parameters. It manages the funding and investment of the bank's balance sheet, liquidity and cash flow, as well as exposure of the bank to interest rate, exchange rate, market and other related risks. It ensures that the bank adopts the most appropriate strategy in terms of the mix of assets and liabilities given its expectation of the future and potential consequences of interest rate movements, liquidity constraints foreign exchange exposure and capital adequacy. It also ensures that strategies conform to the bank's risk appetite and level of exposure as determined by the Enterprise Risk Management Committee. The Committee comprises executive directors and heads of functions key to the proper discharge of the Committee's responsibilities.

Board and Board Committee meeting attendance

During the year period ended 31 December 2025, the Board and its five (5) Committees met at least four (4) times.

Name	Main Board	Audit Committee	Risk and Compliance Committee	Credit Committee	Loans and Review Committee	Appointments and Remunerations Committee	Information Technology Committee
Number of meetings	5	5	4	4	4	4	4
P. Devenish***	5	–	–	–	–	3	–
T. Moyo***	5	5	–	–	4	–	–
S. Moyo***	5	5	4	–	4	–	–
H. Anadkat**	5	–	–	3	–	3	–
K. Terry***	5	3	–	–	–	–	4
K. Naik***	5	–	–	4	–	4	–
A. Chinamo***	5	–	4	4	–	–	–
M Gursahani**	5	–	4	–	4	–	4
T. Mushoriwa*	5	–	–	–	–	–	4
N. Simões^*	4	–	–	–	–	–	–

Key: ~ Not a member

^ N. Simões was appointed to the Board on the 13th of May 2025

* Executive

** Non-executive

*** Independent non-executive

Corporate Governance continued

Directors' shareholding

The following is a schedule of the directors' shareholdings in the bank as at 31 December 2025.

Name	Shareholding
P. Devenish	Nil
S. N. Moyo	Nil
T. Moyo	Nil
H. Anadkat *	36 068 751 (direct interest)
K. Terry	Nil
A. Chinamo	Nil
K. Naik	25 000 (direct interest)
T. Mushoriwa	Nil
M. Gursahani	Nil
N. Simões	Nil

* Mr Hitesh Anadkat also holds indirect interest in FMBcapital Holdings Plc, which in turn holds the majority shareholding in the bank.

Annual financial statements

The Directors are responsible for the preparation and integrity of the financial results and related financial information contained in this report. The financial statements, which form the basis of these financial results, are prepared in accordance with International Financial Reporting Standards and the Banking Act (Chapter 24:20) and they incorporate full and responsible disclosure to ensure that the information contained therein is both relevant and reliable. These audited results have been prepared under the supervision of Head of Financial Reporting, Trymore Gatsi FCCA, CA(Z) PAAB no. 04464.

Compliance

The Board is of the view that the bank complied with the applicable laws and regulations throughout the reporting period.

The Board comprises a carefully selected team that offers the necessary diversity of skills, experience, and outlook to ensure accountability and drive strategic thinking.

By order of the Board



Sarudzai Binha
Company Secretary
26 March 2026



First Capital
BANK

Total Banking Freedom! Anytime, Anywhere.

Mobile App _____

Internet Banking _____

USSD *229# _____

First Capital
BANK

**Tailormade
FX services!**

We simplify everything
about trading.

Go for it

Botswana • Malawi • Mozambique • Zambia • Zimbabwe
First Capital Bank is a Registered Commercial Bank & a member of the Deposit Protection Scheme

Belief comes first.

Consolidated and Separate Annual Financial Statements

50	Consolidated and Separate Annual Financial Statements (ZWG)
168	Consolidated and Separate Annual Financial Statements (USD)

First Capital BANK

Access USD, EUR, GBP and more at the Bank of the Year.

Fluent in Foreign Currencies and Leadership.

Go for it

Botswana • Malawi • Mozambique • Zambia • Zimbabwe
First Capital Bank is a Registered Commercial Bank & a member of the Deposit Protection Scheme

Belief comes first.

Consolidated and Separate Annual Financial Statements (ZWG)

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Directors' report

for the year ended 31 December 2025

The Directors of the Group are pleased to submit their report to shareholders for the financial year ended 31 December 2025.

Share capital

The authorised share capital of the Group remained unchanged at 5 000 000 000 with a nominal value of ZWG0.01 per each share. Issued and fully paid-up shares as at 31 December 2025 amounted to 2 161 875 929 (2024: 2 161 295 929).

Financial Results

Following the listing on the Victoria Falls Stock Exchange (VFEX) by the Bank, the Group adopted the United States Dollar (USD) as its functional and reporting currency in order to present its financial statements in a currency that is indicative of the primary economic environment. The change in functional currency was tested against and satisfied the requirements of IAS 21: The Effects of changes in foreign Exchange Rates.

The Group posted a profit for the year 2025 amounting to ZWG800 million compared to a profit of ZWG302 million in 2024. The total comprehensive income amounted to ZWG850 million in 2025 down from ZWG1.3 billion in 2024.

Total assets as at 31 December 2025 amounted to ZWG8.63 billion, having increased from ZWG7.63 billion as at 31 December 2024.

The Group's total equity grew to ZWG2.38 billion as at 31 December 2025 up from ZWG1.89 billion as at 31 December 2024. Core capital was USD78 million which was above the minimum requirement of USD30 million.

Capital ratios achieved as at year end were as follows:

	2025	2024
Tier 1 Capital Ratio	20%	20%
Tier 1 & 2 Capital Ratio	25%	27%
Total Capital Adequacy Ratio	26%	27%

Dividends

The Directors declared dividends for the year totaling USD19.4 million, with USD6.6 million having been paid as an interim dividend whilst USD12.8 million will be paid as a final dividend.

Directorate

Appointments and resignations

The following board changes took place during the year 2025:

- N. Simões joined the board on the 13th of May 2025.

Director rotation

Article 103 of the Bank's Articles of Association provides for the retirement of directors by rotation as required by section 66(3) of the Zimbabwe Stock Exchange Listing Rules, 2019. Subject to meeting eligibility criteria, including compliance with the fact that the period of continued service on the Board does not exceed ten (10) years as required by Section 11 of the Banking Amendment Act, 2015, a retiring director can offer himself/herself for re-election.

Mr Kiritkumar Naik, Mrs Sara Nyaradzo Moyo and Mrs Tembiwe Moyo were re-elected to the Board by the shareholders at the Annual General Meeting of 10 June 2025, having been eligible, and after offering themselves for such re-election. Mrs Acquilina Chinamo, Mrs Sara Nyaradzo Moyo, and Mrs Tembiwe Moyo will retire at the forthcoming Annual General Meeting. Mrs Acquilina Chinamo, being eligible, offers herself for re-election. Mrs Sara Nyaradzo Moyo and Mrs Tembiwe Moyo, having served on the Board for the maximum allowable term of ten (10) years, are not eligible for re-election and will retire from the Board at the conclusion of the forthcoming Annual General Meeting.

Directors' Statement of responsibility

for the year ended 31 December 2025

The Directors are responsible for overseeing the preparation, integrity and objectivity of the consolidated annual financial statements and ensure that they fairly present the state of the affairs of the Group at the end of the financial year, the financial performance and cash flows for the reporting period, and other information contained in this report.

To enable the Directors to meet these responsibilities:

- All directors and employees endeavour to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach;
- The Board sets standards and management implements systems of internal control, accounting and technology aimed at providing reasonable assurance that both assets on and off the statement of financial position are safeguarded and the risk of error, fraud or loss is reduced in a cost-effective manner. These controls, contained in established policies and procedures, include the proper delegation of responsibilities and authorities within a clearly defined framework, effective accounting procedures and adequate segregation of duties;
- The Board and management identify all key areas of risk across the Group and endeavour to mitigate or minimise these risks by ensuring that appropriate infrastructure, controls, systems and discipline are applied and managed within predetermined procedures and constraints;
- The internal audit function reports directly to First Capital Bank Limited's Audit Committee Chairperson and it operates unimpeded and independently from operational management, appraises, evaluates and, when necessary, recommends improvements to the systems of internal control and accounting practices, based on audit plans that take cognisance of the relative degrees of risk of each function or aspect of the business; and
- The internal auditors play an integral role in matters relating to financial and internal control, accounting policies, reporting and disclosure.

To the best of their knowledge and belief, based on the above, the Directors are satisfied that no material breakdown in the operation of the systems of internal control and procedures occurred during the year under review.

The Group consistently adopts appropriate and recognised accounting policies and these are supported by reasonable and prudent judgements and estimates on a consistent basis. The preparation and presentation of the annual financial statements of First Capital Bank Limited (Zimbabwe) and all the information contained herein is the responsibility of the directors. The information contained in these financial statements has been prepared on the going concern basis and in accordance with provisions of the Companies and Other Business Entities Act (Chapter 24:31) as applicable to a financial institution registered in terms of the Banking Act

(Chapter 24:20) as read with the Banking Amendment Act No. 12 of 2015. These financial statements have also been prepared in accordance with Accounting Standards as issued by the International Accounting Standards Board.

Approval of annual financial statements

The Directors' report on page 51 and the annual financial statements of the Group which appear on pages 60 to 165 were approved by the Board of Directors on the 26th of March 2026.

It is the responsibility of the independent auditors to report on the fair presentation of annual financial statements. The auditors' report to the shareholders of the Group is set out on pages 53 to 59 of this report.



P Devenish
Chairperson



T Mushoriwa
Chief Executive officer



S Binha
Company Secretary

Preparation of annual financial statements

These annual financial statements have been prepared under the supervision of the Head of Financial Reporting, Trymore Gatsi FCCA, CA(Z) PAAB no. 04464 and have been audited in terms of Section 188 of the Companies and the Other Business Act (Chapter 24:31).



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Independent Auditor's Report

To the Shareholders of First Capital Bank Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of First Capital Bank Limited and its subsidiaries ('the group') and company set out on pages 9 to 86, which comprise of 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 notes to the consolidated and separate financial statements, including 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 the group and company 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 the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

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 Consolidated and Separate Financial Statements* section of our report. We are independent of the group and company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") and other independence requirements applicable to performing audits of financial statements of the group and company and in Zimbabwe. We have fulfilled our other ethical responsibilities in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) and in accordance with other ethical requirements applicable to performing audits of the group and company and in Zimbabwe. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Independent Auditor’s Report (Continued)

First Capital Bank Limited

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

The key audit matters apply equally to the audit of the consolidated and separate financial statements.

Key Audit Matters

Key Audit Matter	How the matter was addressed in the audit
<p>Expected credit losses (ECL) on loans and advances to customers and Treasury bills</p> <p>The Group and Bank have net loans and advances portfolio of USD128 671 000 and Treasury bills of USD19 361 000 at 31 December 2025. As explained in the accounting policies, these loans and advances are carried at amortised cost, less allowance for credit losses of USD3 320 000. The Group and Bank’s net loans and advances represented 38,75% whilst the Treasury Bills represented 5,83% of the Group and Bank total assets at the reporting date.</p> <p>In arriving at the reported expected credit losses, management applied judgements and made assumptions which, by their very nature, are subjective due to the significant uncertainty associated with them. The main inputs with increased complexity in respect of the timing and measurement of ECL include:</p> <ul style="list-style-type: none"> • Modelled ECL allowance - The Group and Bank’s loans and advances portfolio is disaggregated into two main sections- Corporate loan book and Retail loan book. The ECL allowance is calculated using a modelled approach. The development and execution of the model requires significant management judgement, including estimation of the probability of default (PD); exposure at default (EAD) and loss given default (LGD) model parameters. 	<p>Our audit procedures in assessing the ECL included the following:</p> <p>We obtained an understanding of the Group and Bank’s processes and tested the design effectiveness of the Group and Bank’s internal controls over credit origination, credit monitoring and credit remediation, as well as the governance process over the approval and review of the Group’s ECL models, including management adjustments.</p> <p>Modelled ECL allowance</p> <p>With the support of specialists:</p> <ul style="list-style-type: none"> • We assessed the conceptual soundness of the model construct and statistical/mathematical techniques applied as well as the reasonableness underpinning significant assumptions applied with reference to the requirements of IFRS 9 - Financial instruments, in determining the Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) parameters included in the models.

Independent Auditor's Report (Continued)

First Capital Bank Limited

Key Audit Matter	How the matter was addressed in the audit
<ul style="list-style-type: none"> • Staging - the determination of what constitutes significant increase in credit risk ("SICR") and consequent timely allocation of qualifying assets to the appropriate stage in accordance with IFRS 9. • Economic Scenarios - The Group incorporates forward looking information through macroeconomic variables. These require management judgement, given the uncertain macroeconomic environment and the complexity of incorporating these scenario forecasts and probability weightings into the estimation of ECL. <p>The calculation of ECL relating to loans and advances to customers was identified as a key audit matter considering the significance to the consolidated financial statements and the high degree of estimation uncertainty due to significant judgements and assumptions applied in the calculation which required increased audit effort and the use of specialists.</p>	<ul style="list-style-type: none"> • We evaluated the ECL models by assessing the reasonableness of underpinning assumptions, inputs and formulae used. This included a combination of assessing the appropriateness of model design, model implementation and validation, sensitivity testing and recalculating the Probability of Default, Loss Given Default and Exposure at Default parameters. • We independently reperformed the ECL calculations as per model build steps to assess the reasonableness of the ECL model outputs. Our recalculation procedures included challenging management's forward looking economic assumptions, recovery rates and probability weightings. • We assessed the data inputs used in the ECL models by reconciling the data inputs to the core banking system, customer agreements and collateral valuation reports. • We tested the Group's legal right to the collateral for a sample of exposures by inspecting legal agreements and valuation reports supporting the collateral valuations included in the Group's ECL models. • We evaluated the competency and independence of a sample of specialists engaged by the Group to perform collateral valuations. Our procedures included inspecting the specialists' qualifications, professional credentials, registrations with relevant professional bodies, as well as reviewing the terms of their engagement contracts to confirm the appropriateness of their appointment. • In addition, we assessed management's application of overlays.

Independent Auditor's Report (Continued)

First Capital Bank Limited

Key Audit Matter	How the matter was addressed in the audit
<p>The disclosures associated to Expected credit losses (ECL) on loans and advances are set out in the financial statements in the following notes:</p> <p>Note 16 - Loans and advances to customers.</p> <p>Note 10 - Impairment loss on financial assets</p> <p>Note 35.3.1 - Maximum Credit Risk Exposure</p>	<ul style="list-style-type: none"> • We reviewed on a sample basis, the valuation reports obtained from these specialists and benchmarked the discount rates and asset valuations reported by these specialists against discount rates and asset valuations for similar assets obtained from our own internal valuation specialists and other valuation specialists for similar assets in the same geographical areas; and <p>Staging</p> <ul style="list-style-type: none"> • We evaluated the criteria used to determine significant increase in credit risk including quantitative backstops with the resultant allocation of financial assets to stage 1, 2 or 3 in accordance with IFRS 9. We reperformed the staging distribution for all applicable financial assets and assessed the reasonableness of staging downgrades applied by management. • We obtained and tested loan arrears reports, evaluated that balances are classified in the appropriate stage based on the days past due and credit risk assessments performed and risk ratings determined for individual accounts. • We assessed the risk ratings for a sample of accounts by reviewing the financial statements received from customers, comparing the risk ratings to the Group's credit watchlist, and reviewing the payment behaviour for the selected accounts. We compared the risk ratings for these selected accounts to management's SICR assessment. • For the Corporate book, we selected a sample of counterparties to independently recalculate the credit rating as at reporting date. The credit rating is used for both SICR and ECL calculation. Our procedures included reviewing the assumptions used in the derivation of the credit rating, reperforming the calculation steps and comparing the outputs to the ECL files. <p>Economic Scenarios Refer to</p> <p>With the support of a specialist; we:</p> <ul style="list-style-type: none"> • Reviewed the completeness and appropriateness of the macroeconomic variables used as inputs to; and

Independent Auditor’s Report (Continued)

First Capital Bank Limited

Key Audit Matter	How the matter was addressed in the audit
	<ul style="list-style-type: none"> • Evaluated of the reasonableness of economic assumptions used in the models. Procedures performed included benchmarking the forecasts of the selected macroeconomic variables to peers, historical data and other external sources. • We assessed the presentation of the Expected Credit Loss and the appropriateness of the accounting policies as well as the adequacy of disclosures by comparing these to the requirements of with IFRS 9 - Financial instruments.

Other Information

The directors are responsible for the other information. The other information comprises Corporate Governance report, Chairman’s Statement and Chief Executive Officer’s Statement included in the document titled “First Capital Bank Limited Annual Report for the year ended 31 December 2025”, which includes the Directors’ Report, as required by the Companies and Other Business Entities Act (Chapter 24:31). The other information does not include the consolidated or the 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 express an audit opinion or any form of assurance conclusion thereon.

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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate 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 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 company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report (Continued)

First Capital Bank Limited

Auditor's Responsibilities for the Audit of the Consolidated and 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 consolidated and separate 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 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.
- 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 for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our 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.

Independent Auditor's Report (Continued)

First Capital Bank Limited

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

The engagement partner on the audit resulting in this independent auditor's report is Mr David Marange (PAAB Practicing Certificate Number 0436)



Ernst & Young
Chartered Accountants (Zimbabwe)
Registered Public Auditors

Harare

Date: 26 March 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2025

	Notes	2025 ZWG000	Restated* 2024 ZWG000
Interest income calculated using the effective interest method	4	1 118 470	613 372
Other interest and related income	4	27 740	16 186
Interest income		1 146 210	629 558
Interest expense calculated using the effective interest method	5	(85 269)	(41 954)
Other interest and similar expense	5	(4 761)	(3 063)
Interest expense		(90 030)	(45 017)
Net interest income		1 056 180	584 541
Fee and commission income	6	995 885	514 204
Fee and commission expense	6	(113 860)	(34 877)
Net Fee and commission		882 024	479 327
Trading and foreign exchange income	7	280 288	152 662
Investment and other income	8	27 049	23 941
Fair value (loss)/gain on investment property	20	(1 463)	4 727
Net non interest income		1 188 500	660 657
Total net income		2 244 680	1 245 198
Impairment (losses)/release on financial assets	10	(88 993)	18 311
Net operating income		2 155 686	1 263 509
Loss on derecognition of financial assets	14.1	(56 704)	–
Staff costs	9.1.1	(419 722)	(335 676)
Infrastructure costs	9.1.2	(254 690)	(177 010)
General expenses	9.1.3	(435 201)	(292 023)
Operating expenses		(1 166 317)	(804 709)
Share of profit/(loss) from joint venture	24	39 762	(48 061)
Profit before tax		1 029 131	410 739
Tax Expense	11.1	(228 811)	(108 787)
Profit for the year		800 320	301 952
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss:			
(Loss)/gain on revaluations of property plant and equipment	18	(2 580)	11 052
Deferred tax (charge)/credit		(17 022)	9 635
Gain on equity investments at fair value through other comprehensive income		53 885	2 121
Deferred tax charge		(3 059)	(5 261)
Items that will be reclassified subsequently to profit or loss:			
Gain/(loss) on debt instruments at fair value through other comprehensive income		13 166	(3 091)
Foreign currency translation reserve		4 833	888 644
Net gain on other comprehensive income		49 223	903 100
Total comprehensive income		849 543	1 259 938
Earnings per share			
Basic (cents per share)	12	37.03	13.97
Diluted (cents per share)	12	37.02	13.97

* Refer to note 3(xi)

Separate Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2025

	Notes	2025 ZWG000	Restated* 2024 ZWG000
Interest income calculated using the effective interest rate method	4	1 118 470	613 372
Other interest and related income	4	27 740	16 186
Interest income		1 146 210	629 558
Interest expense calculated using the effective interest method	5	(85 269)	(41 954)
Other interest and similar expense	5	(4 761)	(3 063)
Interest expense		(90 030)	(45 017)
Net interest income		1 056 180	584 541
Fee and commission income	6	995 912	514 215
Fee and commission Expense	6	(113 860)	(34 877)
Net Fee and commission		882 052	479 338
Trading and foreign exchange income	7	280 888	152 662
Investment and other income	8	27 049	23 941
Fair value gain/(loss) on investment property	20	(1 463)	4 727
Total non interest income		1 188 526	660 668
Total income		2 244 706	1 245 209
Impairment release /(losses) on financial assets	10	(88 993)	18 311
Net operating income		2 155 715	1 263 520
Loss on derecognition of financial assets	14.1	(56 704)	–
Staff costs	9.2.1	(419 722)	(335 676)
Infrastructure costs	9.2.2	(254 424)	(176 889)
General expenses	9.2.3	(435 095)	(291 972)
Operating expenses		(1 165 945)	(804 537)
Share of gain /(loss) from joint venture	24	39 762	(48 061)
Profit before tax		1 029 531	410 922
Tax Expense	11.2	(228 918)	(108 834)
Profit for the year		800 613	302 088
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss:			
(Loss)/gain on revaluations of property plant and equipment	18	(59 257)	11 052
Deferred tax credit/(charge)		(2 420)	9 635
Gain on equity investments at fair value through other comprehensive income		110 585	2 121
Deferred tax (charge)/credit		(14 395)	(5 261)
Items that will be reclassified subsequently to profit or loss:			
Gain/(loss) on debt instruments at fair value through other comprehensive income		13 156	(3 091)
Foreign currency translation reserve		4 667	883 524
Net gain on other comprehensive income		52 336	897 980
Total comprehensive income		852 950	1 200 068

* Refer to note 3(xi)

Consolidated Statement of Financial Position

as at 31 December 2025

	Notes	2025 ZWG000	Restated* 2024 ZWG000	Restated* 2023 ZWG000
ASSETS				
Cash and bank balances	13	2 801 109	2 501 371	961 092
Non-current assets held for sale	23	362 898	–	30 063
Loans and receivables from banks	15	72 772	284 274	87 665
Loans and advances to customers	16	3 342 963	2 918 172	1 167 001
Other assets	17	269 160	286 621	176 049
Investment securities	14	718 418	334 452	178 558
Investment properties	20	52 975	56 086	20 259
Investment in joint venture	24	–	321 759	194 450
Intangible assets	21	26 396	33 486	6 170
Right of use assets	25.1	86 334	101 414	50 199
Property and equipment	18	892 177	793 794	338 132
Total assets		8 625 202	7 631 429	3 209 638
LIABILITIES				
Deposits from customers	27.1	5 197 777	4 602 040	1 667 609
Provisions and employee benefit accruals	28	112 808	43 548	24 937
Other liabilities	29.1	246 580	277 083	89 860
Balances due to group companies	38.5	35 074	25 850	16 245
Current tax liabilities	32.1	109 535	129 494	17 306
Lease liabilities	25.2	65 212	74 119	38 266
Balances due to banks	26	388 360	418 993	331 081
Deferred tax liabilities	31	93 920	173 495	147 438
Total liabilities		6 249 266	5 744 622	2 332 742
EQUITY				
Capital and reserves				
Share capital	33.1	420	420	420
Share premium	33.2	46 660	46 660	46 660
Non-distributable reserve	33.3	15 228	15 228	15 228
Investments at fair value through other comprehensive income reserve	33.4	77 304	14 299	20 530
Property revaluation reserve	33.5	211 496	231 098	210 411
General reserve	33.6	–	14 854	13 438
Share-based payment reserve	33.7	2 456	2 456	2 454
Foreign currency translation reserve		893 477	888 644	–
Retained earnings		1 128 895	673 148	567 755
Total equity		2 375 936	1 886 807	876 896
Total equity and liabilities		8 625 202	7 631 429	3 209 638

* Refer to note 3(xi)

Separate Statement of Financial Position

as at 31 December 2025

	Notes	2025 ZWG000	Restated* 2024 ZWG000	Restated* 2023 ZWG000
ASSETS				
Cash and bank balances	13	2 801 109	2 501 371	961 092
Non-Current Assets held for sale	23	362 898	–	30 063
Loans and receivables from banks	15	72 772	284 274	87 665
Loans and advances to customers	16	3 342 963	2 918 172	1 167 001
Other assets	17	269 160	286 621	148 197
Investment securities	14	718 418	334 452	178 558
Investment properties	20	52 975	56 086	20 259
Investment in Joint venture	24	–	321 759	194 450
Intangible assets	21	26 396	33 486	6 170
Right of use assets	25.1	86 334	101 414	50 199
Investment in Subsidiaries	22	439 879	381 818	160 008
Property and equipment	18	507 688	574 687	300 164
Total assets		8 680 592	7 794 140	3 303 826
LIABILITIES				
Deposits from customer	27.2	5 250 024	4 762 016	1 761 797
Provisions and employee benefit accruals	28	112 808	43 548	24 937
Other liabilities	29.2	246 580	277 110	88 479
Balances due to group companies	38.5	35 074	25 850	16 245
Current tax liabilities	32.2	109 535	129 494	17 374
Lease liabilities	25.2	65 212	74 119	38 266
Balances due to banks	26	388 360	418 993	331 081
Deferred tax liabilities	31	104 364	186 910	154 476
Total liabilities		6 311 957	5 918 040	2 432 655
EQUITY				
Capital and reserves				
Share capital	33.1	420	420	420
Share premium	33.2	46 660	46 660	46 660
Non – distributable reserve	33.3	15 228	15 228	15 228
Fair value through other comprehensive income reserve	33.4	154 010	45 650	51 881
Revaluation reserves	33.5	152 605	214 283	193 596
General reserve	33.6	–	14 854	13 438
Share – based payment reserve	33.7	2 456	2 456	2 454
Foreign currency translation reserve		888 191	883 524	–
Retained earnings		1 109 065	653 025	547 494
Total equity		2 368 635	1 876 100	871 171
Total equity and liabilities		8 680 592	7 794 140	3 303 826

* Refer to note 3(xi)

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

	Share capital ZWG000	Share premium ZWG000	Non-distributable reserve ZWG000
Balance at 1 January 2025	420	46 660	15 228
Profit for the year	-	-	-
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Regulatory impairment allowances	-	-	-
Transfer of fair value gain on disposal to Retained Earnings	-	-	-
Dividends paid	-	-	-
Balance at 31 December 2025	420	46 660	15 228

	Share capital ZWG000	Share premium ZWG000	Non-distributable reserve ZWG000
Balance at 1 January 2024	420	46 660	15 228
Adjustment on correction of error – Note 3(xi)			
Balance at 1 January 2024 (restated)	420	46 660	15 228
Profit for the year	-	-	-
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Recognition of share – based payments	-	-	-
Regulatory impairment allowances	-	-	-
Dividends paid	-	-	-
Balance at 31 December 2024 (restated)	420	46 660	15 228

Fair value through other comprehensive income ZWG000	Property revaluation reserve ZWG000	Foreign Currency Translation reserve ZWG000	General reserve ZWG000	Share-based payment reserve ZWG000	Retained earnings ZWG000	Total equity ZWG000
14 299	231 098	888 644	14 854	2 456	673 148	1 886 807
-	-	-	-	-	800 320	800 320
63 992	(19 602)	4 833	-	-	-	49 223
63 992	(19 602)	4 833	-	-	800 320	849 543
-	-	-	(14 854)	-	14 854	-
(987)	-	-	-	-	987	-
-	-	-	-	-	(360 414)	(360 414)
77 304	211 496	893 477	-	2 456	1 128 895	2 375 936

Fair value through other comprehensive income ZWG000	Property revaluation reserve ZWG000	Foreign Currency Translation reserve ZWG000	General reserve ZWG000	Share-based payment reserve ZWG000	Retained earnings ZWG000	Total equity ZWG000
20 530	210 411	-	13 438	2 454	594 403	903 544
-	-	-	-	-	(50 700)	(50 700)
20 530	210 411	-	13 438	2 454	543 703	852 844
-	-	-	-	-	301 952	301 952
(6 231)	20 687	888 644	-	-	-	903 100
(6 231)	20 687	888 644	-	-	301 952	1 205 052
-	-	-	-	2	-	2
-	-	-	1 416	-	(1 416)	-
-	-	-	-	-	(171 091)	(171 091)
14 299	231 098	888 644	14 854	2 456	673 148	1 886 807

Separate Statement of Changes in Equity

for the year ended 31 December 2025

	Share capital ZWG000	Share premium ZWG000	Non-distributable reserve ZWG000
Balance at 1 January 2025	420	46 660	15 228
Profit for the year	-	-	-
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Transfer of fair value gain on disposal to Retained Earnings	-	-	-
Regulatory impairment allowances	-	-	-
Dividends paid	-	-	-
Balance at 31 December 2025	420	46 660	15 228

	Share capital ZWG000	Share premium ZWG000	Non-distributable reserve ZWG000
Balance at 1 January 2024	420	46 660	15 228
Adjustment on correction of error – Note 3(xi)			
Balance at 1 January 2024 (restated)	420	46 660	15 228
Profit for the year	-	-	-
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Recognition of share – based payments	-	-	-
Regulatory impairment allowances	-	-	-
Dividends paid	-	-	-
Balance at 31 December 2024 (restated)	420	46 660	15 228

Fair value through other comprehensive income ZWG000	Property revaluation reserve ZWG000	Foreign Currency Translation reserve ZWG000	General reserve ZWG000	Share-based payment reserve ZWG000	Retained earnings ZWG000	Total equity ZWG000
45 650	214 283	883 524	14 854	2 456	653 025	1 876 100
-	-	-	-	-	800 613	800 613
109 347	(61 678)	-	-	-	-	47 669
109 347	(61 678)	-	-	-	800 613	848 282
(987)	-	-	(14 854)	-	987	-
-	-	4 667	-	-	14 854	-
-	-	-	-	-	(360 414)	(355 747)
154 010	152 605	888 191	-	2 456	1 109 065	2 368 635

Fair value through other comprehensive income ZWG000	Property revaluation reserve ZWG000	Foreign Currency Translation reserve ZWG000	General reserve ZWG000	Share-based payment reserve ZWG000	Retained earnings ZWG000	Total equity ZWG000
51 881	193 596	-	13 438	2 454	574 144	897 821
-	-	-	-	-	(50 700)	(50 700)
51 881	193 596	-	13 438	2 454	523 444	847 121
-	-	-	-	-	302 088	302 088
(6 231)	20 687	883 524	-	-	-	987 980
(6 231)	20 687	883 524	-	-	302 088	1 200 068
-	-	-	-	2	-	2
-	-	-	1 416	-	(1 416)	-
-	-	-	-	-	(171 091)	(171 091)
45 650	214 283	883 524	14 854	2 456	653 025	1 876 100

Consolidated Statement of Cash Flows

for the year ended 31 December 2025

	Notes	2025 ZWG000	Restated* 2024 ZWG000
Cash flows from operating activities			
Profit before tax		1 029 131	410 739
Adjustments:			
Depreciation of property, equipment and right of use asset	9.1.2	89 126	69 694
Software amortisation	9.1.2	7 500	7 823
Foreign exchange revaluation gain	7	(1 596)	(63 306)
Impairment loss on financial assets	10	105 536	(16 222)
Fair value gain/(loss) on gold-backed digital tokens	14.2	(23 511)	(23 693)
Share of loss/(profit) from joint venture	24	(39 762)	48 061
Fair value loss/(gain) on investment property	20	1 463	(4 727)
Dividend income from equity securities	4	(9 069)	(3 560)
(Profit)/loss on disposal of property and equipment	19	(1 596)	2 539
Interest income accrued on investment securities and bank balances	4	(43 245)	(629 558)
Amortisation of staff loan benefits		–	1 792
Interest expense accrued on customer deposits and balances due to banks	5	76 918	45 017
Interest accrued on lease liabilities	5	13 112	–
Share based payment expense		–	2
Interest income accrued on loans	4	(1 102 964)	–
Cash flow generated/(used in) from operating activities		101 043	(155 399)
Increase in loans and advances to customers		(514 593)	(2 962 453)
Decrease/Increase in other assets		19 921	(256)
Increase in deposits from customers		568 052	4 705 507
Increase in employee accruals, amounts due to group companies and other liabilities		89 551	292 774
Corporate income tax paid	32	(361 396)	(25 573)
Interest received on loans and bank balances		1 110 332	538 661
Interest paid on deposits		(41 438)	(88 254)
Decrease/(increase) on Loans and receivables from banks		218 253	(284 286)
Net cash (used in)/generated from operating activities		1 189 726	2 020 721
Cash flows from investing activities			
Purchase of property, equipment and intangible assets	18 & 21	(168 745)	(225 610)
Proceeds from sale of property and equipment	19	31 177	3 824
Purchase of gold-backed digital tokens	14.2	–	(44 114)
Dividend from equity securities		9 069	3 560
Proceeds from sale and maturities of Treasury Bills and Bonds	14.1	115 270	111 533
Interest received from investment securities		47 467	43 480
Purchase of Treasury Bills and Bonds	14.1	(491 374)	(117 318)
Proceeds from disposal of gold-backed digital tokens	14.1	1 410	101 078
Proceeds from sale of non-current assets held for sale	19	–	66 524
Net cash (used)/ generated in investing activities		(455 726)	(57 043)
Cash flows from financing activities			
Interest paid on lease liabilities	25.2	(11 945)	(3 490)
Dividend paid		(360 414)	(171 091)
Lease liabilities payments	25.1	(25 338)	(5 787)
Balances due to banks – repayments	26	127 182	616 941
Balances due to banks – Interest payments	26	(22 032)	–
Balances due to banks – Principal repayments	26	(162 657)	(197 949)
Net cash generated used in financing activities		(455 204)	238 624
Net increase in cash and cash equivalents		278 796	2 202 302
Cash and cash equivalents at the beginning of the year		2 501 371	961 092
Exchange gain/(loss) on foreign cash balances		12 500	(104 582)
Currency translation adjustment		8 442	(557 441)
Cash and cash equivalents at the end of the year		2 801 109	2 501 371

* Refer to note 3(xi)

Separate Statement of Cash Flows

for the year ended 31 December 2025

	Notes	2025 ZWG000	Restated* 2024 ZWG000
Cash flows from operating activities			
Profit before tax		1 029 531	410 922
Adjustments:			
Depreciation of property, equipment and right of use asset	9.2.2	89 126	69 694
Software amortisation	9.2.2	7 500	7 823
Foreign exchange revaluation gain	7	(1 596)	(63 306)
Impairment loss/(release) on financial assets	10	105 536	(16 222)
Fair value (gain)/loss on gold-backed digital tokens	14.2	(23 511)	(23 693)
Share of loss/(profit) from joint venture	24	(39 762)	48 061
Fair value gain on investment property	20	1 463	(4 727)
Dividend income from equity securities	8	(9 069)	(3 560)
(Profit)/loss on disposal of property and equipment	19	(1 596)	2 539
Interest income accrued on investment securities and bank balances	4	(43 246)	(629 558)
Amortisation of staff loan benefits		–	1 792
Interest expense accrued on customer deposits and balances due to banks	5	76 918	45 017
Interest accrued on lease liabilities		–	–
Interest accrued on lease liabilities		13 112	–
Interest income accrued on loans	4	(1 102 964)	–
Cash flow from operating activities		101 442	(155 216)
Increase in loans and advances to customers		(514 593)	(2 962 453)
Increase in other assets		19 921	(256)
Increase in deposits from customers		456 612	4 745 849
Increase in employee accruals, amounts due to group companies and other liabilities		89 551	292 775
Corporate income tax paid	32.2	(361 396)	(25 573)
Interest received on loans and bank balances		1 110 332	538 661
Interest paid on deposits		(41 438)	(88 254)
Decrease/(increase) in Loans and receivables from banks		218 253	(284 286)
Net cash generated from operating activities		1 078 685	2 061 247
Cash flows from investing activities			
Purchase of property, equipment and intangible assets	18 & 21	(61 704)	(78 739)
Proceeds from sale of property and equipment	19	31 917	3 824
Dividend from equity securities		9 069	3 560
Proceeds from sale and maturities of TBs and Bonds	14.1	115 270	111 533
Interest received from investment securities		47 467	43 480
Purchase of gold-backed digital tokens	14.2	–	(44 114)
Purchase of TBs and Bonds	14.1	(491 374)	(117 318)
Investment in subsidiary		–	(40 342)
Proceeds from disposal of gold-backed digital tokens		1 410	101 078
Proceeds from sale of non-current assets held for sale		–	66 524
Net cash generated from/(used in) investing activities		1 876 098	49 486
Cash flows from financing activities			
Interest paid on lease liabilities	25.2	(11 945)	(3 490)
Dividend paid		(360 414)	(171 091)
Lease liabilities payments	25.1	(25 338)	(5 787)
Balances due to banks – repayments	26	127 182	616 941
Balances due to banks – Interest payments	26	(22 032)	–
Balances due to banks – Principal repayments	26	(162 657)	(197 949)
Net cash (used in)/generated from financing activities		(455 204)	238 624
Net increase in cash and cash equivalents		274 795	2 349 357
Cash and cash equivalents at the beginning of the year		2 501 371	961 092
Exchange gain/(loss) on foreign cash balances		12 500	(104 582)
Currency translation adjustment		12 443	(704 496)
Cash and cash equivalents at the end of the year		2 801 109	2 501 371

* Refer to note 3(xi)

Notes to the Consolidated and Separate Annual Financial Statements

for the year ended 31 December 2025

1 General information and statement of compliance

1.1 General information

First Capital Bank Limited (“the bank”) provides retail, corporate and investment banking services in Zimbabwe. The bank which is incorporated and domiciled in Zimbabwe is a registered commercial bank under the Zimbabwe Banking Act Chapter (24:20). The parent company is FMBcapital Holdings PLC which is incorporated in Mauritius. The bank is listed on the Victoria Falls Stock Exchange and is registered under registration number 148/1981.

1.2 Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with Accounting Standards as issued by the International Accounting Standards Board, in a manner required by the Companies and Other Business Entities Act, (Chapter 24:31), the Zimbabwe Banking Act (Chapter 24:20) and the Banking Amendment Act of 2015.

2 Accounting policies

The accounting policies applied in the preparation of these consolidated and separate financial statements are consistent with the most recent financial statements for the year ended 31 December 2024.

2.1 Basis of preparation

The Translated Financial Report of the Group has been prepared in accordance with guidance issued by PAAB which requires entities to translate the USD General -Purpose Financial Statements to ZWG. This guidance was mandated by the Zimbabwe Stock Exchange (ZSE) and the Securities Exchange Commission of Zimbabwe (Sec ZIM). The Translated Financial Report is prepared to assist First Capital Bank Limited to comply with the Regulatory Notice Number: SECZ070325; pursuant to paragraph 21 of the First Schedule of the Securities and Exchange Act [Chapter 24:25], paragraph 194 of the Monetary Policy Statement presented by the Reserve Bank Governor on 6 February 2025 and per the requirements from the Zimbabwe Stock Exchange Notice dated 12 March 2025.

The General-Purpose Financial Statements which are the base financials statements used to prepare The Translated Financial Report are based on statutory records that are maintained under the historical cost convention except for items explained in note 2.2. Effective 31 December 2023, the Group and Company changed its functional from the ZW\$ hyperinflationary currency to the USD, a non-hyperinflationary currency, in accordance with IAS 21.

2.2 Basis of measurement

The consolidated and separate financial statements for the period are measured on historical cost basis except for the following:

- i) Equity investments and debt instruments measured at fair value through OCI,
- ii) Debt instruments held for trading and measured at fair value through profit or loss,
- iii) Investment property measured at fair value,
- iv) Property and equipment measured at fair value using the revaluation method,
- v) Non-current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell,
- vi) The underlying investment property held in the joint venture is measured at fair value,
- vii) Investment in subsidiary – Thulilie Investment (Private) Ltd is measured at fair value.

The consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern entity.

2.3 Basis of consolidation

The bank has 100% shareholding in Thulilie Investments (Private) Ltd which owns a property on a piece of land measuring 18 786 square metres. The subsidiary completed construction of First Capital Bank Head Office on the land during the year. The Group consolidates this subsidiary presenting consolidated financial statements per IFRS 10 requirements.

Equity of the subsidiary is eliminated when consolidating. The property is revalued every three years or annually when there is significant change in value.

2.4 Functional and presentation currency

The consolidated financial statements are presented in Zimbabwe Gold currency (ZWG), which is a new currency that came into effect on the 5th of April 2024. The directors took the decision to present as such in order to enhance comparability of the financial statements with other players in the banking sector.

2.4.1 Translation of transactions

The components of the 2025 financial statements were translated in accordance with IAS 21 paragraph 39 as follows:

- (a) The statement of financial position was translated using the 31 December 2025 closing exchange rate of 1 USD: ZWG 25.9807.
- (b) The Statement of profit or loss and other comprehensive income was translated using yearly average rates as guided by IAS 21 paragraph 40.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.5 Conversion of foreign currency transactions and balances at interbank exchange rates.

The entities within the Group used the interbank exchange rates prevailing at the date of transactions to convert foreign currency transactions to the entities' functional currency. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the closing rates.

2.6 Adoption of new and revised accounting standards

During the year 2025, the Group adopted all of the new and revised standards and interpretations issued in accordance with Accounting Standards as issued by the International Accounting Standards Board that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2025. Further details of major new and revised accounting standards are in note 44.

The accounting policies applied in the consolidated and separate financial statements are consistent with the accounting policies in the most recent financial statements for the year ended 31 December 2025.

The principal accounting policies are set out below:

2.7 Revenue recognition

i) Net fee and commission income

The Group applies IFRS 15 – Revenue from contracts with customers. Net fee and commission income is calculated by subtracting fee and commission charges from fee and commission income. Fee and commission income from customer banking transactions relates to revenue earned for the rendering of services and is recognised net of any trade discounts, volume rebates and amounts received on behalf of third parties, such as sales taxes, goods and service taxes, and value added taxes. When the Group is acting as an agent, amounts collected on behalf of the principal are not income. Only net commission retained by the Group is, in this case, recognised as income. Examples of services rendered are: customer accounts maintenance, cash transactions, foreign payments, card transactions, inter-Group transfers, letters of credit facilities and internet banking transactions. The Group Provides system platforms for customers to process these transactions and fee income is collected from each of the service provided.

Under IFRS 15 -Revenue from contracts with customers, entities are required to recognise revenue in a manner which depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Fees and commission income earned in respect of services rendered are recognised at a point in time or over time depending on the type of service rendered.

ii) Net trading income

In accordance with IFRS 9 Financial Instruments, gains or losses on assets or liabilities reported in the trading portfolio which are measured at fair value are included in the profit or loss component of the statement of comprehensive income under gains and losses from Banking and trading activities. Interest and dividends arising from long and short positions and funding costs relating to trading activities are also included under gains and losses from Grouping and trading activities.

Income arises from both the sale and purchase of trading positions, margins which are achieved through market making and customer business and from changes in fair value caused by movements in interest and exchange rates, equity prices and other market variables.

Own credit gains/losses arise from the fair valuation of financial liabilities designated at fair value through the profit or loss component of the statement of comprehensive income.

iii) Net interest income

Interest income on loans and advances at amortised cost, debt instruments at fair value through other comprehensive income, and interest expense on financial liabilities held at amortised cost, are calculated using the effective interest method which allocates interest, direct and incremental fees and costs, over the expected lives of the assets and liabilities.

Net interest income also includes other interest income and other charges which are not recognised based on the effective interest method.

IFRS 9 requires interest income to be calculated on stage 1 or stage 2 financial assets by multiplying effective interest rate (EIR) by the gross carrying amount of such assets. In addition IFRS 9 requires interest income to be recognised on Stage 3 assets based on the net carrying amount (gross loan less expected credit loss allowance). To achieve this requirement the Group first suspends the recognition of contractual interest and then adjusts by applying effective interest rate on the net carrying amount of the financial assets.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.8 Leasing

As lessor

The Group entered into lease agreements as a lessor with respect to some of its investment properties. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the investment property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

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.

Lease Liability

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 Group 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; 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 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.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) every half year.

- The lease payments change due to changes in payment terms, 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.

Right of use asset

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.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The right of use assets are presented as a separate line in the 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.

The Group applied practical expedience on lease and non-lease components where for all contracts that contain a lease component and one or more additional lease or non-lease components, the Group aggregates the consideration. Short term lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into short term leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.9 Employee benefits

Defined contribution schemes:

The Group recognises contributions due to defined contribution plans as an expense as and when the services are rendered by employees that entitle them to such contributions. Any contributions unpaid at the reporting date are therefore included as a liability.

Defined benefit schemes:

The Group has a defined benefit liability which relates to pensioners whose lifetime annuities were guaranteed by the Group's Pension Fund, of which the Group is the sponsor.

The Group recognises its obligation (determined using the projected unit credit method) to members of the scheme at the period end, less the fair value of the scheme assets. Scheme assets are stated at fair value as at the reporting period end.

Costs arising from regular pension cost, interest on net defined benefit liability or asset, past service cost settlements or contributions to the plan are recognised in profit or loss.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses and the effect of the asset ceiling (if applicable) are recognised immediately in the statement of financial position with a charge or credit to other comprehensive income in the period in which they occur. Adjustments recorded in other comprehensive income are not recycled. However, the Group may transfer those amounts recognised in other comprehensive income within equity.

Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Gains and losses on curtailments are recognised when the curtailment occurs, which may be when a demonstrable commitment to a reduction in benefits, or reduction in eligible employees, occurs. The gain or loss comprises any change in the present value of the obligation and the fair value of the assets. Where a scheme's assets exceed its obligation, an asset is recognised to the extent that it does not exceed the present value of future contribution holidays or refunds of contributions.

The Group faces a number of actuarial risks such as:

Investment risk – actual returns may be less than what is anticipated which may result in less assets to cover the benefits therefore the Group will have to fund the shortfall.

Longevity risk – pensioners may live longer than expected resulting in an increase in pension liability.

Measurement risk – the liability is measured using various assumptions including discount rate and inflation. These variables may fluctuate than anticipated.

Regulatory risk – pension liabilities are measured based on current rules, however there may be changes to the rules resulting from the regulatory changes.

Staff costs

Short-term employee benefits, including salaries, accrued performance costs, salary deductions and taxes are recognised over the reporting period in which the employees provide the services to which the payments relate. Performance costs are recognised to the extent that the Group has a present obligation to its employees that can be measured reliably and are recognised on an undiscounted basis over the period of service that employees are required to work to qualify for the services.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.10 Share-based payments

The Group operates a local equity-settled share-based payment plan.

Employee services settled in equity instruments

The cost of the employee services received in respect of the shares or share options granted is recognised in profit or loss over the period that employees provide services, generally the period in which the award is granted or notified and the vesting date of the shares or options. The overall cost of the award is calculated using the number of shares and options expected to vest and the fair value of the shares or options at the date of grant.

The number of shares and options expected to vest takes into account the likelihood that performance and service conditions included in the terms of the awards will be met. Failure to meet the non-vesting condition is treated as a cancellation, resulting in an acceleration of recognition of the cost of the employee services.

The fair value of shares is the market price ruling on the grant date, in some cases adjusted to reflect restrictions on transferability. The fair value of options granted is determined using option pricing models to estimate the numbers of shares likely to vest. These take into account the exercise price of the option, the current share price, the risk-free interest rate, the expected volatility of the share price over the life of the option and other relevant factors. Market conditions that must be met in order for the award to vest are also reflected in the fair value of the award, as are any other non-vesting conditions.

2.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Income tax payable on taxable profits is recognised as an expense for the year in which the profits arise.

Income tax recoverable on tax allowable losses is recognised as a current tax asset only to the extent that it is regarded as recoverable by offsetting against taxable profits arising in the current or prior reporting period.

Provisions are recognised for pending tax audit issues based on estimates of whether additional taxes will be due after taking into account legal advice, progress made in the discussions or negotiations with tax authorities and previous tax precedents.

Where the outcome of such matters is different from the amounts provided, the amounts will affect current period only.

Deferred taxation

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax assets and liabilities are only offset when there is both a legal right to set-off and an intention to settle on a net basis.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.11 Taxation (continued)

Current and deferred tax not recognised in profit or loss

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.12 Property and equipment

Property and equipment are shown at fair value based on periodic valuation done once every three years by external independent valuers, less subsequent accumulated depreciation and impairment. Where there are significant changes in fair value, revaluation is done annually. Revaluation gains are credited to revaluation reserve whilst losses reduce previously recognised gains to the extent of credits in the revaluation reserve. Any losses above previous revaluation credits are charged to profit or loss. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. Historical cost includes costs that are directly attributable to the acquisition of the items.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Revaluation reserves for disposed property will be reclassified from revaluation reserve to retained income at the point of de-recognition.

For an estimate of useful lives refer to note 3 – Judgements and Estimates x – (Useful lives and residual values).

2.13 Investment in subsidiary

In 2021, the Group acquired 100% shareholding in Thulile (Private) Limited. The Group consolidates this subsidiary presenting consolidated financial statements per IFRS10 requirements. Equity of the subsidiary is eliminated when consolidating. Please refer to note 2.3 for more details on the nature of assets held by the subsidiary.

2.14 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.15 Investment in joint venture

A joint venture is a contractual arrangement whereby two or more parties (venturers) undertake an economic activity that is subject to joint control through a company, partnership or other entity. Joint control exists only when the strategic, financial and operating decisions relating to the activity require unanimous consent of the venturers.

The performance results, assets and liabilities of a jointly controlled entity are incorporated in these financial statements using the equity method of accounting. The investment in a jointly controlled entity is carried in the balance sheet at cost, plus post-acquisition changes in the Group's share of net assets in the entity, less distributions received and less any impairment in the value of the investment. The Group's profit or loss statement reflects the Group's share of profit after tax of the jointly controlled entity.

The Group assesses investments in jointly controlled entities for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Where the carrying amount exceeds the recoverable amount, the investment is written down to its recoverable amount.

The Group ceases to use the equity method of accounting on the date from which it no longer has joint control or significant influence over the joint venture, or when the interest becomes held for sale.

2.16 Intangible assets – Computer Software

Intangible assets include acquired core banking, switch and other software and licences which are accounted for in accordance with IAS 38: Intangible Assets. The asset which is controlled by the entity must be separately identifiable, reliably measured and should be probable that future economic benefits will arise from the asset.

Implementation costs are capitalised only if they can be measured reliably and the asset will bring future economic benefits. Other implementation expenditure not meeting this definition will be expensed.

Intangible assets are stated at cost less accumulated amortisation and any impairment. The assets are amortised over their useful lives in a manner that reflects the pattern in which they contribute to future cash-flows.

2.16.1 Impairment of intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless if it relates to an asset accounted for under revaluation model where the impairment will be accounted for in equity as a revaluation decrease up to the extent of previous revaluation surpluses.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss or in equity for the assets which are accounted for under the revaluation model.

Intangible assets are stated at cost less accumulated amortisation and any provision for impairment. The assets are amortised over their useful lives in a manner that reflects the pattern in which they contribute to future cash-flows.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.17 Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale, if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense. The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position. Additional disclosures are provided in Note 23. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

2.18 Provisions, contingent liabilities and undrawn commitments Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

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

Contingent liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events, and present obligations where the transfer of economic resources is uncertain or cannot be reliably measured. Contingent liabilities are not recognised on the statement of financial position but are disclosed unless the outflow of economic resources is remote.

At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with IAS 37 (Provisions, Contingent Liabilities and Contingent Assets) and the amount initially recognised less cumulative amortisation recognised in accordance with IFRS 15.

Undrawn commitments

Under IFRS 9, the provision for impairment for undrawn commitments is provided for depending on the nature of the product. Depending on the product any undrawn commitment will be included in Exposure At Default (EAD). For revolving commitment the EAD includes the current drawn balance plus any further amount that is expected to be drawn up by the time of default, should it occur.

2.19 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are capitalised to the initial carrying amount of the financial asset/liability, as appropriate on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

On initial recognition, it is presumed that the transaction price is the fair value unless there is observable information available in an active market to the contrary. The best evidence of an instrument's fair value on initial recognition is typically the transaction price. However, if fair value can be evidenced by comparison with other observable current market transactions in the same instrument, or is based on a valuation technique whose inputs include only data from observable markets then the instrument should be recognised at the fair value derived from such observable market data.

At inception, staff loans are present valued at market interest rates. The difference between the present value and the disbursed amount is a staff loan prepayment benefit which is amortised over life of the loan.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.19 Financial instruments (continued)

2.19.1 Financial assets and financial liabilities

Financial assets mapping table vs. accounting policies

The following table shows the classification of financial assets, the business model and the subsequent measurement.

Financial instrument	Business model	IFRS 9 classification	IFRS9 subsequent measurement
Loans and advances to customers	Hold to collect contractual cash-flows (note 2.20 (i))	Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. At inception, staff loans are present valued at market interest rates. The difference between the present value and the disbursed amount is a staff loan prepayment benefit which is amortised over life of the loan.
Loans and receivable from banks (held for investment purposes)	Hold to collect contractual cash-flows (note 2.20 (i))	Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange on derecognition is recognised in profit or loss.
Investment securities-debt (held for liquidity purposes)	Hold to collect contractual cash-flows and sell (note 2.20 (ii))	Financial assets at fair value through Other Comprehensive Income (OCI)	These assets are subsequently measured at fair value. Interest income impairment is recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Investment securities-equity	Other business model	Financial assets at fair value through Other Comprehensive Income	These assets are subsequently measured at fair value.
Derivative financial instruments	Other	Financial assets at fair value through profit and loss	The asset is subsequently measured at fair value.
Legacy Treasury bills	Other	Financial assets at amortised cost	The asset is subsequently measured at amortised cost.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at:

- i) Amortised cost;
- ii) Fair Value Through Other Comprehensive Income (FVOCI) – debt investments;
- iii) Fair Value Through Other Comprehensive Income – equity investments or;
- iv) Fair value through profit or loss (FVTPL).

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.19 Financial instruments (continued)

2.19.1 Financial assets and financial liabilities (continued)

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification. The categories of financial assets and business models are explained as follows:

i) Hold to collect contractual cash-flows – financial assets held at amortised cost

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

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

Where the business model is to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

These assets are initially measured at fair value and subsequently measured at amortised cost using the effective interest method. The carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

Interest income of loans and debt instruments in stage 1 and stage 2 is recognised on the outstanding loan balance based on original effective interest rate. When loans are in stage 3 interest income is recognised only on the expected recoverable balance.

The financial assets in this category include the loans and advances, debt instruments held for investment and Group balances.

ii) Hold to collect contractual cash-flows and sell – financial assets at fair value through other comprehensive income (FVOCI)

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

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

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

These assets include debt instruments held for liquidity management.

iii) Other business models – equity investments at fair value through OCI

On initial recognition of an equity investment that is not held for trading, the Group irrevocably elects to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. These assets include equity investments.

iv) Hold to sell – financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. They are held for selling and profit making. The assets are subsequently measured at fair value. Gains and losses are recognised in profit or loss. These assets include debt instruments held for selling and derivatives.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.19 Financial instruments (continued)

2.19.1 Financial assets and financial liabilities (continued)

Modification of loans

The Group sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Group assesses whether or not the new terms are substantially different to the original terms. The Group does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not in financial difficulty.
- Significant change in the interest rate.
- Change in the currency the loan is denominated in.

Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan if the terms are substantially different, the Group derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on de-recognition.

If the terms are not substantially different, the renegotiation or modification does not result in de-recognition, and the Group recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

Modified loans are assessed for significant increase in credit risk, if there is a significant increase in credit risk the loan will be downgraded to stage 2 and lifetime impairment will be calculated.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses (ECLs) associated with its debt instrument assets, loans and advances carried at amortised cost and FVOCI and with the exposure arising from loan commitments, Group balances and financial guarantee contracts. The Group recognises a loss allowance for such losses at each reporting date.

Subsequent increases or decreases in impairment will be recorded in the statement of comprehensive income.

Expected credit loss measurement

ECLs are measured on either a 12 month or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether the asset is considered credit impaired.

ECLs are a probability-weighted discounted product of Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD). Credit losses are measured 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).

ECLs are discounted at the effective interest rate of the portfolio.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Groups exposed to credit risk.

The Group uses a portfolio based approach to calculation of ECLs. The portfolios are segmented into retail and corporate and further by product.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full without recourse by the Group to actions such as realising security (if any is held) or the financial asset is more than 90 days past due.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.19 Financial instruments (continued)

2.19.1 Financial assets and financial liabilities (continued)

Expected credit loss measurement (continued)

IFRS 9 outlines a three stage model for impairment based on changes in credit quality since initial recognition. The loss allowance is measured on either of the following basis:

i) 12-month ECLs (Stage 1 – no significant increase in credit risk)

These are ECLs on financial instruments not credit impaired on initial recognition and they are in the performing grade. These are a portion of lifetime ECLs that result from possible default events within the 12 months after the reporting date. The ECLs are measured on the assets with the following grading:

- Corporate loans with regulatory grades from 1 – 3
- Retail loans graded in bucket 0 and bucket 1 (bucket 0 no missed instalment, bucket 1 instalment overdue but less than 30 days)
- Debt securities, loans to Groups and Group balances which are performing grade
- These are a product of 12 month PD, 12 month LGD and EAD

ii) Lifetime ECLs (Stage 2 – significant increase in credit risk)

These are ECLs that result from all possible default events over the expected life of a financial instrument.

- These ECLs are measured on assets with significant increase in credit risk since initial recognition
- Corporate loans with regulatory grades from grade 4 to grade 7
- Retail loans in bucket 2 to 3 (bucket 2 is 30 days to 60 days past due, bucket 3 is 60 days to 89 days past due)
- Debt securities, loans to Groups and Group balances classified from grade 4 – 7 or standard monitoring grade
- These are a product of lifetime PD, lifetime LGD and EAD

iii) Lifetime ECLs (Stage 3 – default)

These ECLs are measured on all credit impaired/in default credit exposures.

- These are corporates in regulatory grade 8 – 10 and retail loans in bucket 4, and debt securities, loans to banks, bank balances in default
- All exposures which are 90 days and above past due
- These are a product of default PD, lifetime LGD and EAD

Note 35.2 provides more detail of how the expected credit loss allowance is measured.

Significant increase in credit risk (SICR)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort this includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment including forward looking information, refer to note 35.2 (d) for examples of significant increase in credit risk.

Following impairment, interest income continues to be recognised at the original effective interest rate on the restated carrying amount, representing the unwind of the discount of the expected cash flows, including the principal due on non-accrual loans.

Uncollectable loans are written off against the related allowance for loan impairment on completion of the Group's internal processes and all recoverable amounts have been collected. Subsequent recoveries of amounts previously written off are credited to the profit or loss component of the statement of comprehensive income.

Benchmarking ECL

Corporate exposures

The ECL for all financial instruments portfolios is determined from an impairment model. However due to lack of enough historical information on corporate portfolio defaults from which PD and LGD are derived, a judgemental benchmarking is used parallel to the corporate model output. The higher of benchmarking ECL and the model output is considered as the final ECL stock.

Treasury

ECL for treasury exposures is based on benchmarked PDs and LGDs due to lack of historical data.

Retail

ECL for retail exposures are totally based on model output with no benchmarking comparative since enough historical default data was available when designing the calculation model.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.19 Financial assets and financial liabilities (continued)

2.19.1 Expected credit loss measurement (continued)

De-recognition of financial assets

Full de-recognition only occurs when the rights to receive cash flows from the asset have been discharged, cancelled or have expired, or the Group transfers both its contractual right to receive cash flows from the financial assets (or retains the contractual rights to receive the cash flows, but assumes a contractual obligation to pay the cash flows to another party without material delay or reinvestment) and substantially all the risks and rewards of ownership, including credit risk, prepayment risk and interest rate risk. When an asset is transferred, in some circumstances, the Group may retain an interest in it (continuing involvement) requiring the Group to repurchase it in certain circumstances for other than its fair value on that date.

Financial liabilities

All financial liabilities are held or measured at amortised cost with the exception of derivative liabilities. The Group did not elect to irrevocably designate financial liabilities as measured at fair value through profit or loss as permitted by IFRS 9.

De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same party on substantially different terms, or the terms of an existing liability are substantially modified (taking into account both quantitative and qualitative factors), such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss component of the statement of comprehensive income. Where the terms of an existing liability are not substantially modified, the liability is not derecognised. Costs incurred on such transactions are treated as an adjustment to the carrying amount of the liability and are amortised over the remaining term of the modified liability.

2.19.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary share capital

Proceeds are included in equity, net of transaction costs. Dividends and other returns to equity holders are recognised when paid or declared by the Board.

2.19.3 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of impairment allowance measured in accordance with IFRS 9; and
- The amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies of IFRS 15.

Any increase in the liability relating to guarantees is recognised in profit or loss. Any liability remaining is credited to profit or loss when the guarantee is discharged, cancelled or expires.

2.19.4 Loan commitments

The Group enters into commitments to lend to its customers subject to certain conditions. Such loan commitments are made either for a fixed period, or are cancellable by the Group subject to notice conditions. Provision is made for undrawn loan commitments to be provided at below-market interest rates and for similar facilities, if it is probable that the facility will be drawn and result in recognition of an asset at an amount less than the amount advanced.

2.19.5 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.19 Financial instruments (continued)

2.19.6 Offsetting

In accordance with IAS 32 Financial Instruments: Presentation, the Group reports financial assets and financial liabilities on a net basis on the statement of financial position only if there is a current legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.20 Cash and cash equivalents

For the purposes of the statement of cash flows, cash comprises cash on hand and demand deposits with banks. Cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of three months or less.

2.21 Earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity holders of the Group and the number of basic weighted average number of ordinary shares excluding treasury shares held in employee benefit trusts or held for trading. When calculating the diluted earnings per share, the weighted average number of shares in issue is adjusted for the effects of all dilutive potential ordinary shares held.

2.22 Segment reporting

Management has determined the operating segments based on the reports reviewed by the Country Management Committee (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses its performance. All operating segments used by the Group meet the definition of a reportable segment under IFRS 8 Operating Segments. The Country Management Committee assesses the performance of the operating segments monthly based on a measure of profit or loss. This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs and legal expenses. The measure also excludes the effects of equity-settled share-based payments and unrealised gains or losses on financial instruments.

The Group has three broad business segments:

1. **Retail Banking** – focuses on individual customers with product offering that incorporates direct debit facilities, current and savings accounts, investment savings products, safe custody, debit cards, consumer loans and mortgages.
2. **Treasury** – focuses on management of the overall Bank operating asset balances and balance sheet structure. Main products include financial instruments and foreign currency trading.
3. **Corporate Banking** – focuses on corporates, multi-nationals and non-governmental organisations. Product offering includes current accounts, overdrafts, loans and foreign currency products.

Revenue allocated to the segments is from external customers. There were no trading revenues from transactions with a single external customer that amounted to 10% or more of the Group's revenues. Costs incurred by support functions are allocated to the business segments on the basis of the determined cost drivers.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

3 Judgements and estimates

In the preparation of the annual financial statements, management is required to make judgements, estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the financial statements within the next financial period.

Judgements made by management that could have a significant effect on the amounts recognised in the financial statements include:

i) Functional currency

Determination of the functional currency

The Directors determined that the functional currency of all entities within the Group is USD based on requirements and conditions under IAS 21 "The Effects of Changes in Foreign Exchange Rates" for the determination of functional currency. Refer to note 2.4 section for functional and presentation currency.

ii) Measurement of the expected credit loss allowance (ECL)

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 35.2(c-f), which also sets out key sensitivities of the ECL to changes in these elements.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL such as determination of EAD PD;
- Establishing the number and relative weightings of forward -looking scenarios for each type of product market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Detailed information about the judgements and estimates made by the Group in the above areas is set out in note 35.2

iii) Income taxes

The Group is subject to income tax in Zimbabwe. Significant judgement is required in determining the income tax payable. There are many transactions and calculations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from amounts that were initially recognised, such differences will impact the income and deferred income tax provisions in the period in which such determination is made.

iv) Fair value of share options

The fair value of share options that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date. The fair value of outstanding share options during the year was determined by reference to the Black Scholes Model.

v) Defined benefit pension scheme

The First Capital Bank Pension Fund manages retirement funds for the active members and pensioners. The assets of the funds are managed as one composite pool, with no separation for the active members and pensioners. A review of the Fund resulted in the conclusion that the provision of pension annuities to pensioners was a significant defined benefit. As a result, a valuation is performed based on IAS 19; Employee Benefits for the whole Fund for both the assets and liabilities. In determining the liability, assumptions relating to life expectancy of pensioners, discount rate and expected investment returns which are judgemental in nature are applied.

vi) Investment property and investment in Joint Venture

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 the price that would be received to sell the property in an orderly transaction at measurement date or value determined by capitalisation of market rentals. Given the property pricing distortions in the market, sellers withholding properties for sale in local currency, unavailability of sales information and which currency sales are made, valuation of properties becomes a significant judgement area particularly on the USD fair value inputs applied.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

3 Judgements and estimates (continued)

vii) FVOCI – treasury bills and bonds

These instruments are not actively traded hence the valuation inputs are unobservable. The unobservable inputs are generally determined based on inputs of similar nature or historical observations. Treasury bills are fairly valued based on yields of recent treasury bill issues.

vii) FVOCI – equity instruments (Zimswitch investment)

Equity securities includes an investment in Zimswitch Holdings (Private) Limited which is classified as Fair value through other comprehensive income with Fair value categorised as level 3 on the fair value hierarchy. Fair value was determined by an independent valuer, BDO Zimbabwe Chartered Accountants as at 31 December 2025. Equal weights of 25% were allocated to the results of the DCF, Price/Earnings and Enterprise Value/EBITDA methods, which were used in determining the final range of values. The following key inputs had significant judgements in their determination and have sensitivities have been used to show the value ranges.

Sensitivity assessment

		Sensitivity analysis			Sensitivity analysis	
		Valuation inputs used in model	Discount rate change	Valuation decrease	Discount rate change	Valuation increase
Discounted Cashflow	Discount Rate	33.25%	+500bps	17%	-500bps	16%
	Terminal Growth rate	4.50%	-100bps	3%	+100bps	5%

ix) Conversion of foreign currency transactions and balances at interbank exchanges rates

The Group used the interbank exchanges rates to translate foreign currency balances and transactions into USD reporting currency. The interbank exchanges rates were determined by management as appropriate for buying and selling foreign currency and where the Group made its own purchases were all conducted at interbank rate.

x) Useful lives and residual values

Depreciation on other assets is calculated using the straight – line method to allocate the cost down to the residual values over their estimated useful lives, see below:

	Useful life	
	Dec 2025	Dec 2024
Property and equipment		
Buildings	50	50
Furniture and fittings	5	5
Computers	5	5
Office equipment	5	5
Motor vehicles	5	5
Intangible assets		
Intangible asset computer software	6.7	6.7

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

3 Judgements and estimates (continued)

xi) Restatement of the financial statements for the year ended 31 December 2024

We have noted an error in the computation of prior year numbers, and this has been corrected.

The table below illustrates impact of restatements on the Financial Statements:

	CONSOLIDATED			SEPARATE		
	As previously reported 2024 ZWG000	Adjustments ZWG000	Restated 2024 ZWG000	As previously reported 2024 ZWG000	Adjustments ZWG000	Restated 2024 ZWG000
Statement of Profit or Loss and Other Comprehensive Income						
General expenses	(277 077)	(14 946)	(292 023)	(277 026)	(14 946)	(291 972)
Tax Expense	(68 847)	(39 940)	(108 787)	(68 894)	(39 940)	(108 834)
Profit for the year	356 838	(54 886)	301 952	356 974	(54 886)	302 088
Statement of Financial Position						
Other liabilities	250 761	26 322	277 083	250 788	26 322	277 110
Current tax liabilities	50 230	79 264	129 494	50 230	79 264	129 494
Retained earnings	778 734	(105 586)	673 148	758 611	(105 586)	653 025
Earnings per share						
Basic (cents per share)	18.66	(4.69)	13.97			
Diluted (cents per share)	18.66	(4.69)	13.97			
Statement of Financial Position						
Other liabilities	83 881	5 979	89 860	82 499	5 980	88 479
Current tax liabilities	(3 363)	20 669	17 306	(3 295)	20 669	17 374
Retained earnings	594 403	(26 648)	567 755	574 144	(26 650)	547 494

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
4 Interest income – Group and bank		
Interest income calculated using the effective interest method		
Loans and receivables from banks and investment securities	15 506	31 609
Loans and advances to customers	1 102 964	581 763
	1 118 470	613 372
Other interest and similar income		
Bank balances	27 740	16 186
Total	1 146 210	629 558

Interest revenue has been presented separately for interest revenue calculated using the effective interest method and other interest and similar income to reflect the requirements of International Accounting Standard 1 paragraph 82.

	2025 ZWG000	2024 ZWG000
5 Interest expense – Group and bank		
Interest expense calculated using the effective interest method		
Interest on lease liabilities	(13 112)	(6 822)
Balances due to banks	(25 905)	(23 594)
Customer deposits	(46 252)	(11 538)
Total	(85 269)	(41 954)
Other interest and similar expense		
Other interest and similar expense	(4 761)	(3 063)
Total other interest and similar expense	(4 761)	(3 063)
Total Expense	(90 030)	(45 017)

Interest expense has been presented separately for interest expense calculated using the effective interest method and other interest and similar expense to reflect the requirements of International Accounting Standard 1 paragraph 82.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
6 Net fee and commission income		
6.1 Fee and commission income – Group		
Account maintenance fees	171 123	86 547
Insurance commission received	12 846	3 527
Transfers and other transactional fees	432 568	218 552
Guarantees	1 596	2 916
Card based transaction fees	170 724	70 605
Cash withdrawal fees	207 027	132 057
Fee and commission income	995 885	514 204
Fee and commission expense		
Guarantees	–	(54)
Card expenses	(113 860)	(34 823)
Fee and commission expense	(113 860)	(34 877)
Net fee and commission income	882 024	479 327

Net fee and commission income above excludes amounts included in determining the effective interest rate on financial assets measured at amortised cost.

79% (2024: 87%) of the fee and commission income was recognised at a point in time. The remaining 21% (2024:13%) was recognised over time.

	2025 ZWG000	2024 ZWG000
6.2 Fee and commission income – Bank		
Account maintenance fees	171 150	86 558
Insurance commission received	12 846	3 527
Transfers and other transactional fees	432 568	218 552
Guarantees	1 596	2 916
Card based transaction fees	170 724	70 605
Cash withdrawal fees	207 028	132 057
Fee and commission income	995 912	514 215
Fee and commission expense		
Guarantees	–	(54)
Card expenses	(113 860)	(34 823)
Fee and commission expense	(113 860)	(34 877)
Net fee and commission income	882 052	479 338

Net fee and commission income above excludes amounts included in determining the effective interest rate on financial assets measured at amortised cost.

79% (2024: 87%) of the fee and commission income was recognised at a point in time. The remaining 21% (2024:13%) was recognised over time.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
7 Net trading and foreign exchange income		
Net trading and foreign exchange income-Group and Bank		
Net foreign exchange revaluation gain	1 596	63 306
Net foreign exchange trading income	279 292	89 356
Total	280 888	152 662
8 Net investment and other income		
Dividend income	9 069	3 560
Loss on disposal of property and equipment	1 596	–
Rental income	7 740	2 543
Sundry income/(loss)	8 644	17 838
Total	27 049	23 941
9 Operating expenses		
9.1 Operating expenses – Group		
Loss on derecognition of financial assets	(56 704)	–
Staff costs	(419 722)	(335 676)
Infrastructure costs	(254 690)	(177 010)
General expenses	(435 201)	(292 023)
Total	(1 166 317)	(804 709)
9.1.1 Operating expenses analysis		
Staff costs		
Salaries, allowances and Directors remuneration	(363 071)	(214 693)
Medical costs	(16 756)	(12 089)
Social security costs	(4 920)	(2 554)
Pension costs: defined contribution plans	(34 975)	(19 137)
Retrenchment costs	–	(87 203)
Total	(419 722)	(335 676)
Average number of employees during the period:	462	515
9.1.2 Infrastructure costs		
Repairs and maintenance	(13 830)	(9 566)
Heating, lighting, cleaning and rates	(31 410)	(18 747)
Security costs	(12 660)	(8 702)
Depreciation of property, equipment and right of use asset	(89 126)	(69 694)
Software amortisation	(7 500)	(7 823)
Short term leases	(3 990)	(3 398)
Connectivity, software and licences	(96 174)	(56 541)
Loss on disposal of property and equipment	–	(2 539)
Total	(254 690)	(177 010)

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
9 Operating expenses (continued)		
9.1 Operating expenses – Group (continued)		
9.1.3 General expenses		
Consultancy, legal & professional fees	(23 113)	(10 672)
Subscription, publications & stationery	(23 086)	(13 636)
Marketing, advertising & sponsorship	(21 277)	(17 442)
Travel & accommodation	(8 325)	(16 230)
Cash transportation	(17 687)	(11 800)
Insurance costs	(26 038)	(12 741)
Telex, telephones & communication	(38 645)	(21 170)
Group recharges	(177 240)	(125 961)
Other administrative & general expenses	(99 790)	(62 371)
Total	(435 201)	(292 023)
Included in the operating expenses are the following:		
Directors fees and remuneration:		
For services as part of management	(24 496)	(7 016)
For the oversight role as the director	(3 404)	(2 507)
Total	(27 900)	(9 523)
Auditors' remuneration:		
Audit related services	(9 282)	(3 738)
9.2 Operating expenses – Bank		
Loss on derecognition of financial assets	(56 704)	–
Staff costs	(419 722)	(335 676)
Infrastructure costs	(254 424)	(176 889)
General expenses	(435 095)	(291 972)
Total	(1 165 945)	(804 537)
9.2.1 Operating expenses analysis		
Staff costs		
Salaries, allowances and Directors remuneration	(363 071)	(214 693)
Medical costs	(16 756)	(12 089)
Social security costs	(4 920)	(2 554)
Pension costs: defined contribution plans	(34 975)	(19 137)
Retrenchment costs	–	(87 203)
Total	(419 722)	(335 676)
Average number of employees during the period:	462	515
9.2.2 Infrastructure costs		
Repairs and maintenance	(13 830)	(9 563)
Heating, lighting, cleaning and rates	(31 145)	(18 629)
Security costs	(12 660)	(8 702)
Depreciation of property, equipment and right of use asset	(89 125)	(69 694)
Software amortisation	(7 500)	(7 823)
Short term leases	(3 990)	(3 398)
Connectivity, software and licences	(96 174)	(56 541)
Loss on disposal of property and equipment	–	(2 539)
Total	(254 424)	(176 889)

Notes to the Consolidated and Separate Annual Financial Statements continued

For the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
9 Operating expenses (continued)		
9.2 Operating expenses – Bank		
9.2.3 General expenses		
Consultancy, legal & professional fees	(23 112)	(10 637)
Subscription, publications & stationery	(23 086)	(13 635)
Marketing, advertising & sponsorship	(21 251)	(17 442)
Travel & accommodation	(8 325)	(16 213)
Cash transportation	(17 687)	(11 800)
Insurance costs	(26 038)	(12 741)
Telex, telephones & communication	(38 645)	(21 170)
Group recharges	(177 240)	(125 961)
Other administrative & general expenses	(99 712)	(62 373)
Total	(435 095)	(291 972)
Included in the operating expenses are the following:		
Directors fees and remuneration:		
For services as part of management	(24 496)	(7 016)
For the oversight role as the director	(3 404)	(2 507)
Total	(27 900)	(9 523)
Auditors' remuneration:		
Audit related services	(9 282)	(3 738)
Review services	–	–
Other	–	–
Total	(9 282)	(3 738)
10 Impairment losses on financial assets		
Stage 1		
Loans and advances to customers	(13 857)	3 079
Balances with banks – local & nostro	(2 287)	(500)
Investment securities – treasury bills & bonds	(27 129)	607
Other assets, guarantees and letters of credit	(16 889)	153
Total	(60 162)	3 339
Stage 2		
Loans and advances to customers	4 069	(3 386)
Total	4 069	(3 386)
Stage 3		
Loans and advances to customers	(49 443)	16 269
Total	(49 443)	16 269
Total impairment raised during the period	(105 536)	16 222
Recoveries of loans and advances previously written off	16 543	2 089
Impairment (charge)/release recognised in profit/loss	(88 993)	18 311
11 Taxation		
11.1 Income tax recognised in profit or loss – Group		
Current tax		
Normal tax – current year	(331 155)	(184 251)
Capital gains tax	–	(2 893)
Total	(331 155)	(187 144)
Deferred tax		
Deferred tax expense recognised in the current year	102 344	78 357
Total	102 344	78 357
Total incomes tax charge recognised in the current year	(228 811)	(108 787)

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
11 Taxation (continued)		
11.1 Income tax recognised in profit or loss – Group (continued)		
Profit for the year	1 029 131	425 685
Income tax expense calculated at 25.75%	(265 001)	(109 614)
Effect of income that is exempt from taxation*	83 088	97 957
Effect of expenses that are not deductible in determining taxable profit**	(46 917)	(20 226)
Increase in opening deferred tax as a result of change in tax rate	–	–
Translation adjustment	–	(36 964)
Income tax expense recognised in profit or loss	(228 811)	(68 847)
Statutory tax rate	25.75%	25.75%
Effective income tax rate	22.23%	20.48%
Income tax recognised in profit or loss: reconciliation of tax expense amount		
Profit for the year		
Income tax expense calculated at 25.75%	25.75%	25.75%
Effect of income that is exempt from taxation*	(8.07%)	(15.22%)
Effect of expenses that are not deductible in determining taxable profit**	4.56%	9.95%
Increase in opening deferred tax as a result of change in tax rate	0.00%	0.00%
Income tax expense recognised in profit or loss	22.23%	20.48%
* Exempt income include:- fair value adjustments on investment property, dividend income and interest on Treasury bills and Bonds. ** Non-deductible costs include:- entertainment costs, IMTT taxes and disallowable donations.		
	2025 ZWG000	2024 ZWG000
Income tax recognised in other comprehensive income		
Deferred tax		
Property revaluations	(17 022)	9 635
Fair value remeasurement of FVTOCI financial assets	(3 059)	(5 261)
Total income tax through other comprehensive income	(20 081)	4 374
11.2 Income tax recognised in profit or loss – Bank		
Current tax		
Normal tax – current year	(331 155)	(184 251)
Capital gains tax – current year	–	(2 893)
Total	(331 155)	(187 144)
Deferred tax		
Deferred tax expense recognised in the current year	102 238	78 357
Total	102 238	78 357
Total income tax charge recognised in the current year	(228 918)	(108 787)
Income tax recognised in profit or loss: reconciliation of tax expense amount		
Profit for the year	1 029 531	425 868
Income tax expense calculated at 25.75%	(265 104)	(109 661)
Effect of income that is exempt from taxation	83 088	97 957
Effect of expenses that are not deductible in determining taxable profit	(46 890)	(64 058)
Increase in opening deferred tax as a result of change in tax rate	–	–
Other	–	(36 912)
Income tax expense recognised in profit or loss	(228 918)	(112 674)
Statutory tax rate	25.75%	25.75%
Effective income tax rate	22.23%	20.48%

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
11 Taxation (continued)		
11.2 Income tax recognised in profit or loss – Bank (continued)		
Income tax recognised in profit or loss: reconciliation of tax expense amount		
Profit for the year		
Income tax expense calculated at 25.75%	25.75%	25.75%
Effect of income that is exempt from taxation*	(8.07%)	(15.21%)
Effect of expenses that are not deductible in determining taxable profit**	4.55%	9.95%
Increase in opening defferred tax as a result of change in tax rate	0.00%	0.00%
Other	0.00%	0.00%
Income tax expense recognised in profit or loss	22.24%	20.48%
* Exempt income include;- fair value adjustments on investment property, dividend income and interest on Treasury bills and Bonds.		
** Non-deductible costs include;- entertainment costs, IMTT taxes and disallowable donations.		
	2025 ZWG000	2024 ZWG000
Income tax recognised in other comprehensive income		
Deferred tax		
Property revaluations	(2 420)	9 635
Fair value remeasurement of FVTOCI financial assets	(14 395)	(5 261)
Total income tax through other comprehensive income	(16 815)	4 374
12 Earnings per share		
12.1 Basic earnings per share		
Basic earnings per share		
Earnings attributable to ordinary equity holders	800 320	301 952
	2025 Number of shares	2024 Number of shares
Issued shares at the beginning of the year	2 161 295 929	2 160 865 929
Weighted shares issued during the year	193 333	225 833
Weighted average number of ordinary shares	2 161 489 262	2 161 091 762
	cents	cents
Basic earnings per share (cents)	37.03	13.97
	2025 ZWG000	2024 ZWG000
12.2 Diluted earnings per share		
Earnings attributable to ordinary equity holders	800 320	301 952
	2025 Number of shares	2024 Number of shares
Weighted average number of ordinary shares	2 161 489 262	2 161 091 762
Adjustment for share options issued at no value	515 424	627 570
Diluted average number of ordinary shares	2 162 004 686	2 161 719 332
	cents	cents
Diluted earnings per share (cents)	37.02	13.97

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
13 Cash and bank balances		
Balances with central bank	714 157	228 807
Statutory reserve balance with central bank	1 374 847	1 359 375
Cash on hand – foreign currency	510 521	664 776
Cash on hand – local currency	6 833	2 477
Balances due from group companies	3 689	9 571
Balances with banks abroad	196 310	238 585
Cash and bank balances	2 806 357	2 503 591
Expected credit losses	(5 248)	(2 220)
Net Cash and bank balances*	2 801 109	2 501 371

* Cash and bank balances include restricted amounts relating to:

a) Reserve Bank of Zimbabwe -

• Card transaction cash security ZWG 44.17 million (2024: ZWG 33.54 million) – Local switch required cash security kept by the regulator.

• Statutory reserve for customer deposits ZWG 1374 million (2024: ZWG 1 357 million) – 30% for customer's demand deposits and 15% for savings and fixed deposits in both local and foreign currency kept by the regulator.

b) Foreign banks -

• Security deposits against borrowing – Afreximbank Limited ZWG 0.103 million (2024: ZWG 0.13 million).

	2025 ZWG000	2024 ZWG000
14 Investment securities		
Treasury bills and bonds	503 012	188 174
Gold-backed digital tokens	56 820	34 983
Equity securities	158 586	111 295
Balance at the end of the year	718 418	334 452
14.1 Treasury bills and bonds		
Balance at beginning of year	188 174	76 018
Currency translation adjustment	(6 104)	83 689
Additions	491 374	117 318
Accrued interest	15 506	19 629
Loss on derecognition of financial assets	(56 704)	–
Impairment	(15 373)	–
Maturities	(115 270)	(111 533)
Changes in fair value	1 410	(1 804)
Translation adjustment (ZWG TBs)	–	4 857
Balance at the end of the year	503 012	188 174

As at 31 December 2025 nil (2024: ZWG 48.24 million) of the Treasury bills and bonds were used as security against borrowings from third parties. All treasury bills are held to collect contractual cash flow and sell if the need arises and are measured at fair value through other comprehensive income.

	2025 ZWG000	2024 ZWG000
14.2 Gold-backed digital tokens		
Balance at beginning of year	34 983	45 141
Currency translation adjustment	(265)	23 113
Additions	–	44 114
Disposal	(1 410)	(101 078)
Fair value gain/(loss)	23 511	23 693
Balance at 31 December	56 820	34 983

Gold-backed digital tokens are held as a financial asset measured at fair value through profit or loss.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
14 Investment securities (continued)		
14.3 Equity securities		
Balance at beginning of year	111 295	57 399
Currency translation adjustment	(317)	52 530
Disposals	(6 277)	–
Changes in fair value	53 885	1 366
Balance at 31 December	158 586	111 295
Equity securities designated as fair value through other comprehensive income are measured at fair value		
Total balance at end of the year	718 418	334 452
15 Loans and receivables from Banks		
Clearing balances with other banks	4 287	1 548
Interbank placements	68 485	282 726
Total carrying amount of Loans and receivables from Banks	72 772	284 274

Clearing balances with other banks include Zimswitch transactions net settlement receivables.

	Retail Banking ZWG000	Business Banking ZWG000	Corporate and Investment Banking ZWG000	Total ZWG000
16 Loans and advances to customers				
2025				
Term loans	1 880 665	112 081	1 182 148	3 174 894
Mortgage loans	6 261	–	–	6 261
Overdrafts	1 741	33 697	212 626	248 064
Gross loans and advances to customers	1 888 667	145 778	1 394 774	3 429 219
Less allowance for expected credit losses:				
Stage 1	(24 162)	(78)	(2 156)	(26 396)
Stage 2	(10 392)	–	–	(10 392)
Stage 3	(28 735)	(3 273)	(17 461)	(49 468)
Allowance for expected credit losses	(63 289)	(3 351)	(19 617)	(86 255)
Net loans and advances to customers	1 825 378	142 427	1 375 157	3 342 963
2024				
Term loans	1 298 129	144 601	1 265 726	2 708 456
Mortgage loans	5 650	–	–	5 650
Overdrafts	47 547	58 924	148 083	254 554
Gross loans and advances to customers	1 351 326	203 525	1 413 809	2 968 660
Less allowance for expected credit losses:				
Stage 1	(10 784)	(103)	(1 883)	(12 770)
Stage 2	(10 397)	(1 006)	(2 838)	(14 241)
Stage 3	(21 568)	(1 857)	(52)	(23 477)
Allowance for expected credit losses	(42 749)	(2 966)	(4 773)	(50 488)
Net loans and advances to customers	1 308 577	200 559	1 409 036	2 918 172

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
17 Other assets		
Other assets – Group and Bank		
Prepayments and stationery	119 147	57 814
Card security deposit and settlement balances	75 630	67 618
Visa Card security – Malawi	38 971	38 698
Other receivables	51 624	114 080
Unamortized balance of staff loans benefit	–	8 488
Total before expected credit losses	285 372	286 698
Less expected credit loss:	(16 212)	(77)
Total other assets	269 160	286 621
Current	230 189	213 586
Non – current	38 971	73 035
Total	269 160	286 621

	Land and buildings	Computers	Equipment
18 Property and equipment – Group			
2025			
Balance at beginning of year	404 082	71 849	88 282
Currency translation adjustment	(4 591)	958	1 720
Capitalisation of Asset under construction	262 430		
Additions	–	13 112	10 080
Revaluation	66 093	(13 352)	(44 018)
Disposals	–	(798)	(452)
Transfers to Investment property	2 128	–	–
Depreciation charge on disposals	–	319	–
Depreciation	(9 256)	(18 671)	(12 926)
Carrying amount at end of the year	720 886	53 417	42 686
Cost or valuation	720 886	71 655	55 313
Accumulated depreciation	–	(18 238)	(12 627)
Carrying amount at end of the year	720 886	53 417	42 686
2024			
Balance at beginning of year	213 883	38 426	37 183
Currency translation adjustment	186 880	31 647	40 696
Additions	–	13 040	19 196
Revaluation	18 781	–	–
Disposals	–	–	(2 170)
Transfers to Investment property	(13 013)	–	–
Depreciation charge on disposals	11	–	–
Depreciation	(2 460)	(11 264)	(6 623)
Carrying amount at end of the year	404 082	71 849	88 282
Cost or valuation	404 082	83 113	94 905
Accumulated depreciation	–	(11 264)	(6 623)
Carrying amount at end of the year	404 082	71 849	88 282

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

Furniture and fittings	Motor vehicles	Asset under construction	Total
31 577	51 133	146 871	793 794
(262)	1 038	4 544	3 407
		(262 430)	
38 512	27	111 015	172 746
(11 676)	372	–	(2 581)
(585)	(28 485)	–	(30 320)
–	–	–	2 128
80	12 500	–	12 899
(5 399)	(13 644)	–	(59 896)
52 247	22 941	–	892 177
57 521	36 269	–	941 644
(5 274)	(13 328)	–	(49 467)
52 247	22 941	–	892 177
8 001	40 639	–	338 132
15 657	31 632	–	306 512
10 553	2 284	146 871	191 944
–	(7 729)	–	11 052
(163)	(4 029)	–	(6 362)
–	–	–	(13 013)
–	–	–	11
(2 471)	(11 664)	–	(34 482)
31 577	51 133	146 871	793 794
34 048	62 797	146 871	825 816
(2 471)	(11 664)	–	(32 022)
31 577	51 133	146 871	793 794

In view of the economic volatility on the market, property and equipment are carried at valuation amounts. In terms of accounting policy, Property and equipment are shown at fair value based on periodic valuation done at least every three years by external independent valuers, less subsequent accumulated depreciation and impairment. Where there are significant changes in fair value, revaluation is done annually. The properties were valued by a qualified, independent valuer, Integrated Properties (Private). All property was subjected to assessment of impairment indicators internally and the directors are of the view that there are no indicators of impairment thus no cause for raising further testing for impairment and subsequent charges beyond what has been applied. Management performed a desktop valuation of movable properties for the year 2025.

If property and equipment were stated on the historical cost basis, the carrying amount would be ZWG857 million (2024: ZWG722.35 million).

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	Land and buildings ZWG000	Computers ZWG000	Equipment ZWG000	Furniture and fittings ZWG000	Motor vehicles ZWG000	Total ZWG000
18 Property and equipment - Bank 2025						
Balance at beginning of year	331 846	71 849	88 282	31 577	51 133	574 687
Restatement due to change of functional currency	2 291	957	1 720	(261)	1 038	5 745
Additions	–	13 112	10 080	38 485	27	61 704
Revaluation	9 389	(13 352)	(44 018)	(11 649)	372	(59 257)
Disposals	–	(798)	(452)	(585)	(28 485)	(30 320)
Transfers to Investment property	2 128	–	–	–	–	2 128
Depreciation charge on disposals	–	319	–	80	12 500	12 899
Depreciation charge	(9 256)	(18 671)	(12 926)	(5 399)	(13 644)	(59 896)
Carrying amount at end of the year	336 398	53 415	42 686	52 248	22 941	507 688
Cost or valuation	336 398	71 655	55 313	57 521	36 269	557 156
Accumulated depreciation	–	(18 238)	(12 627)	(5 274)	(13 328)	(49 467)
Carrying amount at end of the year	336 398	53 417	42 686	52 247	22 941	507 688
2024						
Balance at beginning of year	175 914	38 426	37 183	8 001	40 639	300 163
Currency translation adjustment	152 613	31 647	40 696	15 657	31 632	272 245
Additions	–	13 040	19 196	10 553	2 284	45 073
Revaluation	18 781	–	–	–	(7 729)	11 052
Disposals	–	–	(2 170)	(163)	(4 029)	(6 362)
Transfers to Investment property	(13 002)	–	–	–	–	(13 002)
Depreciation & Impairment charge	(2 460)	(11 264)	(6 623)	(2 471)	(11 664)	(34 482)
Carrying amount at end of the year	331 846	71 849	88 282	31 577	51 133	574 687
Cost or valuation	331 867	83 113	94 905	34 048	62 797	542 665
Accumulated depreciation	–	(11 264)	(6 623)	(2 471)	(11 664)	(32 022)
Carrying amount at end of the year	331 846	71 849	88 282	31 577	51 133	574 687

In view of the economic volatility on the market, property and equipment are carried at valuation amounts. In terms of accounting policy, Property and equipment are shown at fair value based on periodic valuation done at least every three years by external independent valuers, less subsequent accumulated depreciation and impairment. Where there are significant changes in fair value, revaluation is done annually. The properties were valued by a qualified, independent valuer, Integrated Properties (Private) Limited. All property was subjected to assessment of impairment indicators internally and the directors are of the view that there are no indicators of impairment thus no cause for raising further testing for impairment and subsequent charges beyond what has been applied. Management performed a desktop valuation of movable properties for the year 2025.

If property and equipment were stated on the historical cost basis, the carrying amount would be ZWG517.02 million (2024: ZWG515.97 million).

Notes to the Consolidated and Separate Annual Financial Statements continued

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	2025 ZWG000	2024 ZWG000
19 Proceeds on disposal of property, equipment and non-current asset held for sale		
Carrying amount of property and equipment disposed	30 181	6 363
Profit/(loss) on disposal of property and equipment	1 596	(2 539)
Proceeds on disposal of property and equipment	31 177	3 824
Proceeds on disposal on non current asset held for sale	–	66 524
Total proceeds on disposal of property, equipment and non-current asset held for sale	31 177	70 348
20 Investment properties		
Balance at beginning of the year	56 086	20 259
Currency translation adjustment	430	18 227
Transfer to property and equipment	(2 078)	12 873
Change in fair value	(1 463)	4 727
Balance at the end of the year	52 975	56 086
Rental income derived from investment properties	7 560	2 543
Maturity analysis – contractual undiscounted rentals receivable		
Less than one year	5 040	2 090
One to two years	3 949	774
Three to four years	1 221	774
Four to five years	–	–
More than five years	–	–
Total	10 210	3 638

The fair value of investment property was determined by external, independent property valuers, Integrated Properties (Pvt) Ltd (2024: Integrated Properties (Pvt) Ltd) having the appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. In terms of accounting policy, periodic valuation are done at least every three years by external independent valuers. Where there are significant changes in fair value, revaluation is done annually.

The fair value measurement of the investment property has been categorised as Level 3 in the fair value hierarchy (Note 32.2) based on the inputs to the valuation technique used.

Operating costs incurred on investment properties that generated rental income during the year were nil (2024: ZWG 0.54 million). These operating costs recognised in the profit or loss consist of council rates for the properties. Investment property comprises commercial properties that are leased to third parties, currently all properties in the investment property portfolio are generating rental income. No contingent rents are charged.

	2025 ZWG000	2024 ZWG000
21 Intangible assets		
Balance at beginning of year	33 486	6 170
Currency translation adjustment	410	1 473
Additions	–	33 666
Amortisation	(7 500)	(7 823)
Balance at 31 December	26 396	33 486
Cost	88 360	68 949
Accumulated amortisation	(61 964)	(35 463)
Balance at 31 December	26 396	33 486

Intangible assets comprise of acquired core banking, switch and other software and licences, amortised over a period of 6.7 years.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
22 Investment in subsidiary - Bank		
Balance at beginning of year	381 818	160 008
Currency translation adjustment	1 384	181 468
Additional share purchase	–	40 342
Changes in fair value	56 678	–
Balance at 31 December	439 879	381 818

The Bank has 100% shareholding in Thulilie Investments (Private) Ltd which owns a property on a piece of land measuring 18786 square metres. The subsidiary completed construction of First Capital Bank Head Office on the land during the year. The Group consolidates this subsidiary presenting consolidated financial statements per IFRS 10 requirements. Equity of the subsidiary is eliminated when consolidating. The property is revalued at least once every three years or annually when there is significant change in value.

The value of the investment in subsidiary is determined using the net assets value (NAV). The primary asset of subsidiary is the land which is a fair valued asset whose inputs in the determination of the fair value are elaborated in note 34.

	2025 ZWG000	2024 ZWG000
23 Non-current assets held for sale		
Balance at the beginning of the year	–	–
Currency translation adjustment	–	30 063
Disposal	–	27 784
Transfer from the Investment in joint venture	362 898	(57 847)
Balance at 31 December	362 898	–

The non-current asset held for sale in the current year is the bank's investment in Makasa Sun (Pvt) Ltd, previously accounted for as a joint venture under note 24. The investment is being actively sold with the sale transaction expected to complete within the next twelve months.

Non-current assets held for sale in prior year was of a commercial building, Dolphin house, located in Harare Central Business District. This property disposal was concluded during the 2024 financial year.

	2025 ZWG000	2024 ZWG000
24 Investment in joint venture		
Summarised financial information		
Revenue	–	878
Fair value (loss)/gain on property	99 551	(74 350)
(Loss)/profit for the year	79 498	(96 122)
Total comprehensive (loss)/income	79 498	(96 122)

The above profit/(loss) for the year include the income tax credit of ZWG 0.0 million (2024: ZWG 5.7 million income tax expense).

Non-current assets	–	675 921
Cash and cash equivalents	–	1 264
Current assets	–	2 709
Non-current liabilities	–	12 254
Current liabilities	–	8 642
Group's interest in investment		
Group's interest at beginning of year	321 759	194 450
Impact of change in functional currency	–	175 370
Current year share of total comprehensive (loss)/income in joint venture	39 762	
Currency translation adjustment	1 377	(48 061)
Transfer to non-current held for sale	(362 898)	
Carrying amount of investment at year end	–	321 759

The Group owns 50% investment in Makasa Sun (Pvt) Ltd. The other 50% is owned by First Capital Pension Fund. Makasa Sun (Pvt) Ltd owns a hotel building located in the tourist resort town of Victoria Falls, Zimbabwe.

The investment is being actively sold with the sale transaction expected to complete within the next twelve months. The investment has been assessed and qualifies as a non current asset held for sale.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
25 Leases		
25.1 Right of use asset		
Balance at beginning of year	101 414	50 199
Currency translation adjustment	1 091	28 928
Additions	28 485	57 550
Terminated	(15 479)	(15 479)
Depreciation for the year	(29 177)	(35 212)
Balance at 31 December	86 334	101 414
25.2 Lease liabilities		
Balance at beginning of year	74 119	38 266
Currency translation adjustment	747	34 993
Additions	15 399	3 204
Accretion of interest	13 112	6 762
Payments	(38 166)	(9 106)
Balance at 31 December	65 211	74 119
Maturity analysis – contractual undiscounted cash flows		
Less than one year	35 905	25 128
One to five years	68 979	54 822
More than five years	16 030	11 222
Total	120 914	91 172
Lease liabilities included in statement of financial position		
Current	14 134	19 968
Non-current	51 078	54 151
Balance at 31 December	65 212	74 119
Amounts recognised in profit/loss		
Interest on lease liabilities	(13 112)	(6 822)
Expenses – short term leases	(17 102)	(3 398)
Depreciation charge for the year	(29 177)	(35 212)
Total	(59 391)	(45 432)
Statement of cash-flows – Leases		
Short term lease	(3 990)	(3 398)
Finance lease*	(38 166)	(9 277)
Total cash outflows	(42 156)	(12 675)

* Lease liability includes finance cost of ZWG11 945 million (2024: ZWG3 490k) and principal cost ZWG 25 338 million (2024: ZWG 5 787k).

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000	
26 Balances due to banks			
Bank balances due to banks abroad	4 235	2 915	
Local interbank money market deposit	84 905	–	
Offshore lines of credit	283 423	310 924	
Clearance balances due to local banks	15 796	105 154	
Total Deposits from banks	388 360	418 993	
	Other balances	Offshore lines of credit	Total
2025			
As at beginning of the year	108 069	310 924	418 993
Net increase or decrease in long term borrowings	(3 990)	(30 400)	(34 390)
Principal additions	88 803	38 379	127 182
Principal repayment	(93 029)	(69 628)	(162 657)
Interest accrued	1 719	23 671	25 390
Interest paid	(1 351)	(20 681)	(22 032)
Currency translation adjustment	4 714	31 158	35 872
Balance at 31 December	104 936	283 423	388 359
Principal amount	104 608	280 981	385 589
Interest accrued	328	2 442	2 769
Balance at 31 December	104 936	283 423	388 360
2024			
As at beginning of the year	104 586	226 495	331 081
Net increase or decrease in long term borrowings	263 360	589 638	852 998
Principal additions	367 956	248 985	616 941
Principal repayment	(104 596)	(85 846)	(190 442)
Interest paid	–	(7 507)	(7 507)
Balance at beginning of year	(259 877)	(505 209)	(765 086)
Balance at 31 December	108 069	310 924	418 993
Principal amount	108 069	311 053	419 122
Interest accrued	–	(129)	(129)
Balance at 31 December	108 069	310 924	418 993

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
27 Deposits from customers		
27.1 Deposits from customers – Group		
Demand deposits		
Retail	1 151 153	893 247
Business banking	405 896	262 035
Corporate and investment banking	2 800 564	3 075 620
Total	4 357 613	4 230 902
Call deposits		
Retail	–	9 210
Corporate and investment banking	806 675	339 457
Total	806 675	348 667
Savings accounts		
Retail	25 149	6 346
Total	25 149	6 346
Other		
Corporate and investment banking	8 340	16 125
Total	8 340	16 125
Total deposits from customers	5 197 777	4 602 040

The bank has implemented strategies which has resulted in its deposit book increasing. The revision of call deposits terms has attracted both existing customers and new customers into taking up the product.

Included in the total deposits above are local currency deposits of ZWG 649.5 million (2024: ZWG 567 million). Also included in customer accounts are deposits of ZWG 8.3 million (2024: ZWG 16.25 million) held as collateral for loans advanced and letters of credit. Deposits from customers are financial instruments classified as liabilities at amortised cost. Fair value of deposits from customers approximates carrying amount because of their short term tenure.

	2025 ZWG000	2024 ZWG000
27.2 Deposits from customers – Bank		
Demand deposits		
Retail	1 151 153	893 247
Business Banking	405 896	262 035
Corporate and investment Banking	2 852 811	3 235 596
Total	4 409 860	4 390 878
Call deposits		
Retail	–	9 210
Business Banking	–	–
Corporate and investment Banking	806 675	339 457
Total	806 675	348 667
Savings accounts		
Retail	25 149	6 346
Total	25 149	6 346
Other		
Corporate and investment Banking	8 340	16 125
Total	8 340	16 125
Total deposits from customers	5 250 024	4 762 016

The bank has implemented strategies which has resulted in its deposit book increasing. The revision of call deposits terms has attracted both existing customers and new customers into taking up the product.

Included in the total deposits above are local currency deposits of ZWG 649.5 million (2024: ZWG 567 million). Also included in customer accounts are deposits of ZWG 8.3 million (2024: ZWG 16.25 million) held as collateral for loans advanced and letters of credit. Deposits from customers are financial instruments classified as liabilities at amortised cost. Fair value of deposits from customers approximates carrying amount because of their short term tenure.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	%	2024 ZWG000	%
27 Deposits from customers (continued)				
27.3 Deposits from customers – Group				
Concentration of customer deposits				
Trade and services	2 476 533	48	1 629 485	35
Energy and minerals	89 711	2	27 862	1
Agriculture	112 393	2	312 317	7
Construction and property	7 534	0	24 921	1
Light and heavy industry	554 896	11	1 012 230	22
Physical persons	1 176 302	22	887 314	19
Transport and distribution	234 892	5	218 333	5
Financial services	545 517	10	489 578	10
Total	5 197 777	100	4 602 040	100
27.4 Deposits from customers – Separate				
Concentration of customer deposits				
Trade and services	2 564 685	49	1 789 461	36
Energy and minerals	89 711	2	27 862	1
Agriculture	112 393	2	312 317	7
Construction and property	7 534	0	24 921	1
Light and heavy industry	554 896	11	1 012 230	21
Physical persons	1 140 397	22	887 314	19
Transport and distribution	234 892	4	218 333	5
Financial services	545 517	10	489 578	10
Total	5 250 024	100	4 762 016	100
28 Employee benefit accruals			2025 ZWG000	2024 ZWG000
Staff retention				
Balance at beginning of year			34 931	21 846
Currency translation adjustment			(330)	(51 122)
Accruals made during the year			61 811	31 493
Accruals used during the year			(36 890)	32 712
Impact of exchange rate movement			–	2
Balance at end of year			59 522	34 931
Outstanding employee leave				
Balance at beginning of year			4 541	3 091
Currency translation adjustment			59	707
Accruals made during the year			17 722	4 584
Accruals used during the year			(18 919)	(3 841)
Balance at end of year			3 403	4 541
Redundancy				
Balance at beginning of year			4 076	
Currency translation adjustment			111	57 382
Accruals made during the year			–	87 203
Accruals used during the year			(3 537)	(140 509)
Balance at end of year			650	4 076

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
28 Employee benefit accruals (continued)		
Other provisions		
Balance at beginning of year		–
Currency translation adjustment	(1 167)	–
Accruals made during the year	50 401	–
Accruals used during the year	–	–
Balance at end of year	49 233	–
Total accruals at end of year	112 808	43 548

The staff retention incentive is an accrual for performance based staff incentive to be paid to staff and is included in staff costs. Employee entitlements to annual leave are recognised when they accrue to employees. The accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date and the charge is recognised in profit or loss within staff costs.

The bank implemented a cost rationalisation exercise in 2024 and as part of that, it had to retrench some of its employees. The retrenchment package included staggered benefits which make up the redundancy balance. Other provisions include commercial paper potential defaults and card losses under investigations

	2025 ZWG000	2024 ZWG000
29 Other liabilities		
29.1 Other liabilities – Group		
Accrued expenses	30 865	22 289
Clearing accounts	110 805	105 800
Other foreign currency claims	–	34 544
Withholding taxes	104 910	114 450
Balance at 31 December	246 580	277 083
29.2 Other liabilities – Bank		
Accrued expenses	30 865	22 290
Clearing accounts	110 805	105 826
Other foreign currency claims	–	34 544
Withholding taxes	104 910	109 054
Balance at 31 December	246 580	271 714

30 Retirement benefit plans

First Capital Bank Pension Fund

The First Capital Bank Pension Fund ("The Fund") manages retirement funds for the active members and pensioners. The Fund is run by appointed Trustees. The assets of the Funds are managed as one composite pool, with no separation for the active members and pensioners. The awarding of pension increases and increase in accumulated values to active members is done in consideration of the performance of the Fund and any requirement to increase risk reserves.

The plan assets comprise of property, bank balance, equity instruments and money market deposits at 31 December 2025.

	2025 ZWG000	2024 ZWG000
30.1 Composition of pension fund plan assets		
Cash and bank balances	22 499	13 080
Equity and unity trusts	198 207	72 029
Money market	16 861	128 012
Properties	712 936	699 475
Other	30 709	4 799
Total	981 213	917 395

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

30 Retirement benefit plans (continued)

30.2 Defined contribution plans

The defined contribution pension plan, to which the Group contributes 18% (2024: 18%), is provided for permanent employees. Over and above the Group's contribution, the employee contributes 6% (2024: 6%) of the basic salary. Under this scheme, retirement benefits are determined by reference to the employees' and the Group's contributions to date and the performance of the Fund. The value of contributions made to the defined contribution fund is ZWG 34.29 million (2024: ZWG 31.47 million).

All employees are also members of the National Social Security Authority Scheme, to which both the employer and the employees contribute. The Group contributes 4.5% of pensionable emoluments (maximum ZWG140.30 K) for eligible employees.

30.3 Defined benefit pension plans

The Fund provides for annuities for those pensioners who opted not to purchase the annuity from an external insurer at the point of retirement. All annuities are now purchased outside the Fund at the point of retirement.

The provision of pension annuities to pensioners is a significant defined benefit. As a result, a valuation was performed based on IAS 19; Employee Benefits for the whole Fund for both the assets and liabilities.

Summary of the valuation is shown below:

30.4 Summary valuation of the pension obligation

	2025 ZWG000	2024 ZWG000
Present value of pensioner obligation (Defined Benefit)	183 268	166 117
Active members liability (Defined Contribution)	284 437	434 524
Deferred and preserved pensioners	203 533	173 443
Other liabilities – risk pools	18 784	17 956
Other sundry liabilities	228 994	800
Total liabilities	919 016	792 840
Total assets	981 213	917 395
Net surplus	62 197	124 555

This surplus is attributable to the Fund and the Trustees have discretion as to the application and appropriation of the surplus. The surplus could not be recognised as an asset by the Group because the Group will not receive any future benefits from the surplus in the form of contribution holidays or refunds. The Fund rules clearly state that the Group will not be paid any refund relating to the surplus. In addition the Group is currently not making any additional contributions for the pensioners, therefore, there will be no benefit to the Bank arising from reduced contributions or contribution holiday.

Movements in the present value of the defined benefit obligation in the current year were as follows:

	2025 ZWG000	2024 ZWG000
Movement in present value of obligation		
Opening present value	166 117	85 427
Currency translation adjustment	794	78 345
Interest cost	106	2 260
Surplus allocated to pensioners	44 097	96 407
Benefits paid	(27 847)	(11 652)
Impact of exchange rate movement	–	(84 670)
Present value at 31 December	183 268	166 117
Principal actuarial assumptions		
Discount rate	2%	2%
Average life expectancy in years of pensioner retiring at 60 – Male	15	16
Average life expectancy in years of pensioner retiring at 60 – Female	19	19

Notes to the Consolidated and Separate Annual Financial Statements continued

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2025	2024
ZWG000	ZWG000

30 Retirement benefit plans (continued)
30.4 Summary valuation of the pension obligation (continued)

Sensitivity of key principal assumptions	Increase in Defined benefit obligation	
Decrease in discount rate (0.5%)	6 833	6 914
Increase in life expectancy (1 year)	5 170	4 824

Pre-2009 Compensation for Loss of Value

Statutory Instrument 162 of 2023, Pensions and Provident Funds (Compensation for Loss of Pre 2009 Value of Pension Benefits) Regulations, 2023 were promulgated in October 2023. The regulations require the Pension Fund to quantify the loss of value and offer compensation to current and former members over the investigative period. This exercise is ongoing and the Pension Fund is yet to make a determination with the constraints of data availability being a key challenge. The Bank has therefore taken account of the Actuarial valuation of the pensioner liability as at December 2025. A contingent liability has been disclosed in note 40.

2025	2024
ZWG000	ZWG000

31 Deferred tax
31.1 Deferred tax – Group
Deferred tax balances

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

Deferred tax

Deferred tax assets	(89 945)	(48 862)
Deferred tax liabilities	183 865	222 357
Total deferred tax liability	93 920	173 495

Deferred tax assets and liabilities are attributable to the following:

Audited	Balance at period start ZWG000	Recognised in P/L ZWG000	Recognised in OCI ZWG000	Recognised directly in equity ZWG000	Currency translation adjustment ZWG000	Balance at period end ZWG000
2025						
(Assets)/liabilities						
Property and equipment	86 270	1 144	17 022	–	189	104 624
Investment property	2 348	53	–	–	15	2 416
Investment securities	68 547	–	3 058	(452)	424	71 577
Impairments	(13 880)	(33 113)	–	–	669	(46 324)
Unrealised foreign exchange gain	43 496	(44 842)	–	–	1 346	–
Deferred revenue	(9 649)	(7 367)	–	–	103	(16 913)
Provisions	(11 429)	(15 559)	–	–	280	(26 708)
Other items	7 792	(2 660)	–	–	116	5 248
Total	173 495	(102 344)	20 080	(452)	3 142	93 920
2024						
(Assets)/liabilities						
Property and equipment	63 420	(33 705)	(9 635)	–	66 190	86 270
Investment property	2 522	(1 340)	(116)	–	1 282	2 348
Investment securities	31 893	(16 950)	5 261	–	48 343	68 547
Impairments	(15 757)	8 373	(764)	–	(5 732)	(13 880)
Unrealised foreign exchange gain	68 125	(36 206)	4 089	–	7 488	43 496
Deferred revenue	(1 315)	699	339	–	(9 372)	(9 649)
Provisions	(4 516)	2 400	135	–	(9 448)	(11 429)
Other items	3 066	(1 628)	(93)	–	6 447	7 792
Total	147 438	(78 357)	(784)	–	105 198	173 495

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
31 Deferred tax (continued)		
31.2 Deferred tax – Bank		
The analysis of the deferred tax assets and deferred tax liabilities is as follows:		
Deferred tax		
Deferred tax assets	(89 919)	(48 888)
Deferred tax liabilities	194 290	235 798
Total deferred tax liability	104 364	186 910

Deferred tax assets and liabilities are attributable to the following:

Audited	Balance at period start ZWG000	Recognised in P/L ZWG000	Recognised in OCI ZWG000	Recognised directly in equity ZWG000	Currency translation adjustment ZWG000	Balance at period end ZWG000
2025						
(Assets)/liabilities						
Property and equipment	99 634	1 117	2 430	–	647	103 828
Investment property	2 348	52	–	–	16	2 416
Investment securities	68 547	–	14 389	(452)	161	82 645
Impairments	(13 880)	(32 346)	–	–	(72)	(46 298)
Unrealised foreign exchange gain	43 496	(43 803)	–	–	307	–
Deferred revenue	(9 649)	(7 197)	–	–	(67)	(16 913)
Provisions	(11 429)	(15 199)	–	–	(80)	(26 708)
Other items	7 843	(2 494)	–	–	52	5 401
Total	186 910	(99 870)	16 819	(452)	963	104 364
2024						
(Assets)/liabilities						
Property and equipment	70 458	–	(33 705)	(9 635)	72 516	99 634
Investment property	2 522	–	(1 340)	116	1 050	2 348
Investment securities	31 894	–	(16 950)	5 261	48 342	68 547
Impairments	(15 757)	–	8 373	(764)	(5 732)	(13 880)
Unrealised foreign exchange gain	68 125	–	(36 206)	4 089	7 488	43 496
Deferred revenue	(1 315)	–	699	339	(9 372)	(9 649)
Provisions	(4 516)	–	2 401	135	(9 449)	(11 429)
Other items	3 065	–	(1 629)	(93)	6 500	7 843
Total	154 476	–	(78 357)	(552)	111 343	186 910

Unrealised foreign exchange gain have been disclosed separately in the current year and the comparative note has also been amended accordingly.

Notes to the Consolidated and Separate Annual Financial Statements continued

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	2025 ZWG000	2024 ZWG000
32 Taxation		
32.1 Taxation payable – Group		
Tax (receivable)/payable at the beginning of the year	129 483	17 374
Currency translation adjustment	1 409	(49 462)
Current tax expense	331 156	187 144
Taxation paid	(361 396)	(25 573)
Impact of exchange rate movement/monetary adjustment	8 883	–
Tax payable/(receivable) at the end of the year	109 535	129 483
32.2 Taxation payable – Bank		
Tax (receivable)/payable at the beginning of the year	50 230	(3 295)
Currency translation adjustment	80 688	(68 153)
Current tax expense	331 156	147 251
Taxation paid	(361 396)	(25 573)
Impact of exchange rate movement/monetary adjustment	8 857	–
Tax payable/(receivable) at the end of the year	109 535	50 230
	2025 Number of shares	2024 Number of shares
33 Share capital and reserves		
Authorised shares		
Issued and fully paid	2 161 295 929	2 160 865 929
Shares under control of directors	2 838 704 071	2 839 134 071
Total authorised shares	5 000 000 000	5 000 000 000
Authorised share capital		
Ordinary shares (5 000 000 000 shares of ZWG0.01 cents per share)	500	500
33.1 Issued share capital		
Issued and fully paid shares		
Balance at beginning of year	2 161 295 929	2 160 865 929
Exercise of share options	580 000	430 000
Balance at end of year	2 161 875 929	2 161 295 929
	2025 ZWG000	2024 ZWG000
Ordinary shares	420	420
Total	420	420
The total authorised number of ordinary shares at year end was 5 billion (2024: 5 billion). The unissued share capital is under the control of the directors subject to the restrictions imposed by the Companies and Other Entities Act (Chapter 24:31), the Zimbabwe Stock Exchange listing requirements and the Articles and Memorandum of Association of the Bank.		
	2025 ZWG000	2024 ZWG000
33.2 Share premium		
Premiums from the issue of shares are reported in the share premium.		
Balance at beginning of year	46 660	46 660
Balance at end of year	46 660	46 660

Notes to the Consolidated and Separate Annual Financial Statements continued

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33 Share capital and reserves (continued)

33.3 Non-distributable reserves - Group and bank

This relates to the balance of currency translation reserves arising from the fair valuation of assets and liabilities on 1 January 2009 when the bank adopted the United States dollar as the functional and presentation currency.

	2025 ZWG000	2024 ZWG000
Balance at beginning of year	15 228	15 228
Balance at end of year	15 228	15 228

33.4 Investments at fair value through other comprehensive income reserve

This relates to fair value movements on investment securities held at fair value through other comprehensive income which include equity and debt securities.

Investments at fair value through other comprehensive income reserve - Group

Balance at beginning of year	14 299	20 530
Movement in Fair value through other comprehensive income reserve	63 005	(6 231)
Balance at end of year	77 304	14 299

Investments at fair value through other comprehensive income reserve - Bank

Balance at beginning of year	45 650	51 881
Currency translation adjustment	40 147	–
Movement in fair value through other comprehensive income reserve	108 360	(6 231)
Balance at end of year	154 010	45 650

33.5 Property revaluation reserve

Revaluation movement on property and equipment is classified under revaluation reserve. Additional detail on revaluation of assets is contained in note 18

Property revaluation reserve- Group

Balance at beginning of year	231 098	210 411
Movement in revaluation reserve	(19 602)	20 687
Balance at end of year	211 496	231 098

Property revaluation reserve – Bank

Balance at beginning of year	214 283	193 596
Movement in revaluation reserve	(61 678)	20 687
Balance at end of year	152 605	214 283

33.6 General Reserve – Group and bank

The General Reserve is the excess of Expected Credit losses computed per RBZ model over the ECL Computed per IFRS 9 model.

Balance at beginning of year	14 854	13 438
(Decrease)/increase in provision for regulatory impairment	(14 854)	1 416
Balance at end of year	–	14 854

33.7 Share based payment reserve – Group and bank

The fair value of share options granted to employees is classified under share based payment reserve. The reserve is reduced when the employees exercise their share options.

Balance at beginning of year	2 456	2 454
Movement in share based payment reserve	–	2
Balance at end of year	2 456	2 456

33.8 Local managerial share option scheme

This scheme benefits managerial employees. Managerial employees are granted shares in First Capital Bank. Share options issued have a vesting period of three years. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

The following assumptions were input into the valuation model:

- Volatility of 81.83%
- Nominal risk free rate of return of 80%
- Expected option exercise date is 2 years after vesting period.

In the valuation, volatility was calculated as the standard deviation of lognormal weekly returns for a full year. Volatility is a measure of the amount by which the price is expected to fluctuate between the grant date and the exercise date.

Notes to the Consolidated and Separate Annual Financial Statements continued

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	2025		2024	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
33 Share capital and reserves (continued)				
33.9 Movements during the period				
The following reconciles the share options outstanding at the beginning and end of the year:				
Outstanding at beginning of the year	1 900 000	0.05	4 920 000	0.05
Granted during the year	–	0.02	–	0.02
Forfeited during the year	–	–	(2 590 000)	–
Exercised during the year	(580 000)	–	(430 000)	–
Outstanding at 31 December	1 320 000	–	1 900 000	–
Exercisable at 31 December	610 000	–	1 140 000	–
Weighted average contractual life of options outstanding at end of period (years)	4.82		3.72	

	2025 ZWG000	2024 ZWG000
34 Financial instruments		
34.1 Financial instruments – Group		
Classification of assets and liabilities		
Financial assets		
Financial assets at fair value through profit and loss		
Gold backed digital gold tokens	56 820	34 983
Total	56 820	34 983
Financial assets at amortised cost		
Cash and bank balances	2 801 109	2 501 371
Treasury bills	–	69 888
Loans and advances to customers	3 342 963	2 918 172
Loans and receivables from banks	72 772	284 274
Other assets*	150 013	228 884
Total	6 366 857	6 002 589
<i>* Excludes prepayments and stationery.</i>		
Financial assets at fair value through other comprehensive income		
Treasury bills	503 038	118 286
Unquoted equity securities	158 586	111 295
Total	661 624	229 581
Total Financial assets	7 085 301	6 267 153
Financial liabilities at fair value through P/L		
Other foreign currency claims- cash swaps	21 042	34 544
Total	21 042	34 544
Financial liabilities at amortised cost		
Customer deposits	5 197 777	4 602 040
Balances due to banks	388 360	418 993
Other liabilities*	188 051	248 517
Lease liability	65 212	74 119
Balances due to group companies	35 074	25 850
Total Financial liabilities at amortised cost	5 874 474	5 369 519
Total Financial liabilities	5 895 516	5 369 519

* Excludes deferred income.

Notes to the Consolidated and Separate Annual Financial Statements continued

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	2025 ZWG000	2024 ZWG000
34 Financial instruments (continued)		
34.2 Financial instruments – Bank		
Classification of assets and liabilities		
Financial assets		
Financial assets at fair value through profit and loss		
Gold-backed digital gold tokens	56 820	34 983
Total	56 820	34 983
Financial assets at amortised cost		
Cash and bank balances	2 801 109	2 501 371
Treasury bills	–	69 888
Loans and advances to customers	3 342 963	2 918 172
Loans and advances from other Banks	72 772	284 274
Other assets*	150 013	228 910
Total	6 366 857	6 002 615
<i>* Excludes prepayments and stationery.</i>		
Financial assets at fair value through other comprehensive income		
Treasury bills and bonds	503 012	118 286
Unquoted equity securities	158 586	111 295
Total	661 598	229 581
Total financial assets	7 085 275	6 267 179
Financial liabilities		
Financial liabilities at amortised cost		
Customer deposits	5 197 777	4 762 016
Deposits due to banks	388 360	418 993
Other liabilities**	188 051	248 517
Lease liability	65 212	74 119
Balances due to group companies	35 074	25 850
Total financial liabilities	5 874 474	5 529 495
<i>** Excludes deferred income.</i>		

Notes to the Consolidated and Separate Annual Financial Statements continued

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34 Financial instruments (continued)

34.3 Fair value hierarchy of assets and liabilities held at fair value – Group

Fair value hierarchy

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

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 ZWG000	Level 2 ZWG000	Level 3 ZWG000	Total ZWG000
2025				
Recurring fair value measurements				
Financial assets				
Gold-backed digital tokens	56 820	–	–	56 820
Treasury bills	–	–	503 012	503 012
Unquoted equity instruments	–	–	158 586	158 586
Balance at 31 December 2025	56 820	–	661 598	718 418
Non-financial assets				
Property and equipment	–	–	892 177	892 177
Investment property	–	–	52 975	52 975
Balance at 31 December 2025	–	–	945 152	945 152
Financial liabilities				
Other foreign currency claims- cash swaps	–	21 042	–	21 042
Balance at 31 December 2025	–	21 042	–	21 042
Non-recurring non-financial assets				
Non-Current Assets held for sale	–	–	362 898	362 898
Balance at 31 December 2025	–	–	362 898	362 898
2024				
Recurring fair value measurements				
Financial assets				
Gold-backed digital tokens	34 983	–	–	34 983
Treasury bills	–	–	118 286	118 286
Unquoted equity instruments	–	–	111 295	111 295
Balance at 31 December 2024	–	–	229 581	264 564
Financial liabilities				
Other foreign currency claims- cash swaps	–	34 544	–	34 544
Balance at 31 December 2024	–	34 544	–	34 544
Non-financial assets				
Property and equipment	–	–	793 794	793 794
Investment property	–	–	56 086	56 086
Non-Current Assets held for sale	–	–	–	–
Balance at 31 December 2024	–	–	849 880	849 880

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

34 Financial instruments (continued)

34.3 Fair value hierarchy of assets and liabilities held at fair value – Bank

34.3.1 Fair value hierarchy of assets and liabilities held at fair value – Bank

Fair value hierarchy

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

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 ZWG000	Level 2 ZWG000	Level 3 ZWG000	Total ZWG000
2025				
Recurring fair value measurements				
Financial assets				
Gold-backed digital tokens	56 820	–	–	56 820
Treasury bills	–	–	503 012	503 012
Unquoted equity instruments	–	–	158 586	158 586
Balance at 31 December 2025	56 820	–	661 599	718 418
Financial liabilities				
Other foreign currency claims- cash swaps	–	–	–	–
Balance at 31 December 2025	–	–	–	–
Non – financial assets				
Property and equipment	–	–	507 688	507 688
Investment property	–	–	52 975	52 975
Investment in subsidiary	–	–	439 879	439 879
Balance at 31 December 2025	–	–	1 000 542	1 000 542
2024				
Recurring fair value measurements				
Financial assets				
Gold-backed digital tokens	34 983	–	–	34 983
Treasury bills	–	–	118 286	118 286
Unquoted equity instruments	–	–	111 295	111 295
Balance at 31 December 2024	34 983	–	229 581	264 564
Financial liabilities				
Other foreign currency claims- cash swaps	–	34 544	–	34 544
Balance at 31 December 2024	–	34 544	–	34 544
Non-financial assets				
Property and equipment	–	–	574 687	574 687
Investment property	–	–	56 086	56 086
Investment in joint venture	–	–	–	–
Investment in subsidiary	–	–	–	–
Non-current assets held for sale	–	–	381 818	381 818
Balance at 31 December 2024	–	–	1 012 591	1 012 591

34.4 Valuation techniques for the level 2 fair value measurement of assets and liabilities held at fair value

The table below sets out information about the valuation techniques applied at the end of the reporting period in measuring assets and liabilities whose fair value is categorised as Level 2 in the fair value hierarchy. A description of the nature of the techniques used to calculate valuations based on observable inputs and valuations is set out in the table below:

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

34 Financial instruments (continued)

34.4 Valuation techniques for the level 2 fair value measurement of assets and liabilities held at fair value (continued)

Category of asset/liability	Valuation technique applied	Significant observable inputs
Foreign Exchange Contracts	Discounted cash flow	Interest and foreign currency exchange rates

The table below sets out information about the significant unobservable inputs used at the end of the reporting period in measuring assets and liabilities whose fair value is categorised as Level 3 in the fair value hierarchy.

Category of asset/liability	Valuation technique applied	Significant unobservable inputs	Range of estimates utilised for the unobservable inputs
Unquoted equity financial instrument	Discounted Free Cash Flow method (DCF)- the method uses the past financial information to predict the future cashflows which are then discounted using the weighted cost of capital. The discounted free cash flow ("DCF") method was considered applicable regardless of the practical difficulties with its application, including but not limited to: <ul style="list-style-type: none"> difficulties of predicting the correct inputs for the model. reliance on multiple assumptions, as well as subjectivity of some of the assumptions. 	Cashflows and discount rates	WACC (discount rate): 13.34% to 14.97% Terminal Growth (g): 3% to 3%
	Price Earnings Valuation (PER)- the valuation method was considered suitable for valuation of Zimswitch Technologies as it is among the most generally used valuation methods when valuing a company's business. The method is more applicable where there are listed peer companies with published Price Earnings Ratios (PER). The main advantage of the method is that it factors into the valuation a consideration of the market dynamics and conditions. The application of the PER method is compromised as it relies on the use of historical earnings ("trailing earnings"). While there is the option of using forward earnings, determination of such forward earnings is subjective. This is particularly problematic for the valuation of Zimswitch Technologies given that the macro-economic environment, until recently, under which the valuation is being undertaken is characterized by volatility and hyperinflationary conditions, meaning that the historical earnings might not be reflective of the future earnings of the company. Furthermore, reliance on peer-listed companies, sometimes in a different jurisdiction, brings in subjectivity as certain adjustments must be made to align the PER with the local conditions. Coming up with such discounts builds in further subjectivity into the assumptions. Despite the method's shortcomings, we found it applicable after making necessary adjustments to earnings to improve their relevance in the valuation.	Adjusted market price earnings multiple	11.78X to 14.19X
	The Enterprise Value/Earnings Before Interest, Taxes and Depreciation or Amortization (EV/EBITDA) method- the enterprise multiple considers a company's debt cash levels in addition to its stock prices and relates that value to the firm's cash profitability. It measures the total value of a company, including its debt and equity, relative to its profitability.	EBITDA multiple	8.23X to 9X
	Enterprise Value/Sales valuation method (EV/SALES) – the method calculates the enterprise value (EV) by dividing the company's market capitalization by its annual sales revenue.	Value/Sales	2.98X to 3.17X
Residential properties (PPE)	Market approach- this approach adopts the principle that the value of one property may be derived by comparing it with prices achieved from market transactions in similar properties. It is widely used in the valuation of straightforward residential, rural, and commercial property assets. In determining the market value of the subject properties, we considered comparable market evidence.	Capitalisation rates and rental income per square metre	Cap rates: 9% to 15% Rental/m ² : \$3.17 to \$21.67
Commercial and industrial properties (PPE)	Income approach- The income approach is a widely accepted methodology for valuing income-generating properties. This approach encompasses two primary methods: the investment method and the profits method	Rental income per square metre	\$3.17 to \$21.67 per square metre
Investment properties	Market/income approach	Rental income per square metre	9% to 15%
Treasury bills	Discounted cash flow	Market yield – not actively traded	0% to 4%

Notes to the Consolidated and Separate Annual Financial Statements continued

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34 Financial instruments (continued)

34.5.1 Reconciliation of recurring level 3 fair value measurements – Group

	Property and equipment ZWG000	Investment securities ZWG000	Investment properties ZWG000	Non-current asset held for sale ZWG000	Total ZWG000
2025					
Balance at 1 January 2025	793 794	334 452	56 086	–	1 184 332
Currency translation adjustment	5 534	(29 072)	430	–	(23 108)
Additions	172 746	491 374	–	–	664 120
Accrued interest	–	15 506	–	–	15 506
Maturities/Disposal	(17 421)	(122 957)	–	–	(140 377)
Depreciation	(59 896)	–	–	–	(59 896)
Transfer to property and equipment	–	–	(2 078)	–	(2 078)
Revaluation	(2 580)	–	–	–	(2 580)
Total gains and losses recognised in profit or loss	–	(75 694)	(1 463)	–	(77 157)
Total gains and losses recognised in other comprehensive income	–	55 295	–	–	55 295
Transfer from Joint venture	–	–	–	362 898	362 898
Balance at 31 December 2025	892 177	718 418	52 975	362 898	1 976 955
2024					
Balance at 1 January 2024	338 132	178 558	20 259	30 063	567 012
Restatement due to change of functional currency	306 512	134 914	18 227	27 784	487 437
Impact of change in functional currency	191 944	161 432	–	–	353 376
Additions	–	19 629	–	–	19 629
Accrued interest	(6 362)	(212 611)	–	–	(218 973)
Maturities/Disposal	(34 482)	–	–	–	(34 482)
Change in fair value	–	–	–	(57 847)	(57 847)
Depreciation	(13 002)	–	12 873	–	(129)
Transfer/from to non current asset held for sale	–	–	4 727	–	4 727
Total gains and losses recognised in profit or loss	11 052	–	–	–	11 052
Total gains and losses recognised in other comprehensive income	–	–	–	–	–
Balance at 31 December 2024	793 794	334 452	56 086	–	1 184 332

Notes to the Consolidated and Separate Annual Financial Statements continued

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34 Financial instruments (continued)

34.5.2 Reconciliation of recurring level 3 fair value measurements – Bank

	Property and equipment ZWG000	Investment securities ZWG000	Investment properties ZWG000	Non-current asset held for sale ZWG000	Investment in subsidiary ZWG000	Total ZWG000
2025						
Balance at 1 January 2025	574 688	334 452	56 086	–	429 264	1 394 490
Additions	61 704	491 374	–	–	–	553 078
Currency translation adjustment	7 871	(6 058)	(1 649)	–	(46 062)	(45 898)
Accrued interest	–	15 506	–	–	–	15 506
Maturities/disposals	(17 421)	(122 957)	–	–	–	(140 378)
Revaluation	(59 257)	–	–	–	–	(59 257)
Disposal of non-current assets held for sale	–	–	–	–	–	–
Total gains and losses recognised in profit or loss	–	(75 694)	(1 463)	–	–	(77 157)
Total gains and losses recognised in other comprehensive income	–	55 295	–	–	56 678	111 973
Depreciation	(59 896)	–	–	–	–	(59 896)
Transfers to/from Investment property	–	–	–	–	–	–
Balance at 31 December 2025	507 688	718 418	–	–	439 879	1 692 461
2024						
Balance at 1 January 2024	300 164	178 558	20 259	30 063	207 454	736 498
Restatement due to change of functional currency	–	161 432	12 873	–	40 342	259 720
Additions	272 245	134 914	5 354	27 784	181 468	621 765
Translation adjustment(ZWG TBs)	45 073	19 629	–	–	–	19 629
Accrued interest	(6 362)	(212 611)	–	–	–	(218 973)
Maturities/Disposal	–	–	–	–	–	11 052
Loss arising from change in valuation of treasury bills	–	–	–	(57 847)	–	(57 847)
Fair value adjustment	11 052	–	4 727	–	–	4 727
Total gains and losses recognised in profit or loss	–	52 530	–	–	–	52 530
Total gains and losses recognised in other comprehensive income	(34 482)	–	–	–	–	(34 482)
Revaluation/fair value adjustment	(13 002)	–	12 873	–	–	(129)
Depreciation	–	–	–	–	–	–
Total gains and losses recognised in other comprehensive income	–	–	–	–	–	–
Balance at 31 December 2024	574 688	334 452	56 086	–	429 264	1 394 490

Notes to the Consolidated and Separate Annual Financial Statements continued

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34 Financial instruments (continued)

34.6 Fair value of financial instruments not held at fair value – Group

The disclosed fair values of these financial assets and financial liabilities measured at amortised cost approximate their carrying value because of their short term nature.

	2025		2024	
	Carrying amount ZWG000	Fair value ZWG000	Carrying amount ZWG000	Fair value ZWG000
Financial Assets				
Cash and bank balances	2 801 109	2 801 109	2 501 371	2 501 371
Loans and receivables from Banks	72 772	72 772	284 274	284 274
Treasury bills	–	–	69 888	69 888
Loans and advances to customers	3 342 963	3 342 963	2 918 172	2 918 172
Other assets	150 013	150 013	228 884	228 884
Total	6 366 857	6 366 857	6 002 589	6 002 589
Financial Liabilities				
Deposits from customers	5 197 777	388 360	4 602 040	4 602 040
Balances due to banks	388 360	5 197 777	418 993	418 993
Lease liability	65 212	65 212	74 119	74 119
Other liabilities	209 093	209 093	248 517	248 517
Balances due to group companies	35 074	35 074	25 850	25 850
Total	5 895 516	5 895 516	5 369 519	5 369 519

Fair value of financial instruments not held at fair value – Bank

The disclosed fair values of these financial assets and financial liabilities measured at amortised cost approximate their carrying value because of their short term nature.

	2025		2024	
	Carrying amount ZWG000	Fair value ZWG000	Carrying amount ZWG000	Fair value ZWG000
Financial Assets				
Cash and bank balances	2 801 109	2 801 109	2 501 371	2 501 371
Loans and receivables from Banks	72 772	72 772	284 274	284 274
Treasury bills	–	–	69 888	69 888
Loans and advances to customers	3 342 963	3 342 963	2 918 172	2 918 172
Other assets	150 013	150 013	228 910	228 910
Total assets	6 366 857	6 366 857	6 002 615	6 002 615
Financial Liabilities				
Deposits from customers	5 250 024	5 250 024	4 762 016	4 762 016
Balances due to banks	388 360	388 360	418 993	418 993
Lease liability	65 212	65 212	74 119	74 119
Other liabilities	209 093	209 093	248 517	248 517
Balances due to group companies	35 074	35 074	25 850	25 850
Total	5 947 763	5 947 763	5 529 495	5 529 495

35 Risk management

Financial risk management objectives

The Group's business involves taking on risks in a targeted manner and managing them professionally. The core functions of the Group's risk management are to identify all key risks for the Group, measure these risks, manage the risk positions and determine capital allocations. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practice.

The Group's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Group's financial performance.

The Group defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk. Internal audit and Operational Risk and Control departments are responsible for the review of risk management and the control environment.

The risks arising from financial instruments to which the Group is exposed to include among other risks credit risk, liquidity risk, market risk and operational risk.

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.1 Capital risk management

Capital risk – is the risk that the Group is unable to maintain adequate levels of capital which could lead to an inability to support business activity or failure to meet regulatory requirements. Capital risk is mostly managed for the bank.

The bank'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 banking regulators;
- To safeguard the bank's ability to continue as a going concern so that it can continue to provide returns; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored daily by the bank's management and the Directors, employing techniques based on guidelines developed by the Basel Committee as implemented by the Reserve Bank of Zimbabwe for supervisory purposes. The bank's regulatory capital comprises of three tiers:

- **Tier 1 Capital:** comprises contributed capital, accumulated profits, share based payment reserve and currency translation reserve.
- **Tier 2 Capital:** comprises impairment allowance, revaluation reserve and part of currency translation reserve.
- **Tier 3 Capital:** comprises operational and market risk capital.

The Reserve Bank of Zimbabwe requires each bank to maintain a core capital adequacy ratio of 8% and total capital adequacy ratio of 12%. The table below summarises the composition of regulatory capital and the ratios of the bank.

	2025 ZWG000	2024 ZWG000
Share capital	420	420
Share premium	46 660	46 660
Retained earnings	1 109 065	653 025
Share based payment reserve	2 456	2 456
Fair value through OCI reserve	154 010	45 650
Foreign currency translation reserve	888 191	883 524
Non-distributable reserve	15 228	15 228
Total core capital	2 216 030	1 646 963
Less market and operational risk capital	(269 446)	(124 942)
Less exposures to insiders	(33 047)	(16 614)
Tier 1 capital	1 913 537	1 505 407
Property revaluation reserve	152 605	214 283
General provisions (limited to 1.25% of weighted risk assets)	70 252	19 013
Tier 2 capital	222 857	233 296
Total tier 1 & 2 capital	2 136 394	1 738 703
Market risk	66 718	31 448
Operational risk	202 727	93 494
Tier 3 capital	269 445	124 941
Total tier 1, 2 & 3 capital base	2 405 841	1 863 646
Deductions from capital	(158 586)	(111 295)
Total capital base	2 247 255	1 752 351
Credit risk weighted assets	5 254 311	4 905 069
Operational risk equivalent assets	2 534 131	1 168 698
Market risk equivalent assets	834 006	393 195
Total risk weighted assets (RWAs)	8 622 448	6 466 961
Tier 1 capital ratio	22%	23%
Tier 1 and 2 capital ratio	25%	27%
Total capital adequacy ratio	26%	27%

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.1 Capital risk management (continued)

Credit risk capital – is subject to guidelines provided by the regulator which are based on Basel 1 principles. On this approach the Grouping book exposures are categorised into broad classes of assets with different underlying risk characteristics. Risk components are transformed into risk weighted assets using predetermined exposure and loss probability factors. Capital requirements for credit risk are derived from the risk weighted assets.

Market risk capital – is assessed using regulatory guidelines which consider the risk characteristics of the different trading book assets. Risk components are transformed into risk weighted assets and, therefore, capital requirements, based on predetermined exposure and loss probability factors.

Operational risk capital – is assessed using the standardised approach. This approach is tied to average gross income over three years per regulated business lines as indicator of scale of operations. Total capital charge for operational risk equals the sum of charges per business lines.

35.2 Credit risk

Credit risk is the risk of financial loss should the Group's customers, clients or market counter parties fail to fulfil their contractual obligations to the bank. The Group actively seeks to originate and manage credit risk in such a way as to achieve sustainable asset growth and risk adjusted returns in line with board-approved risk parameters. The credit risk that the Group faces arises mainly from corporate and retail loans advances and counter party credit risk arising from derivative contracts entered into with our clients. Other sources of credit risk arise from treasury bills, government bonds, settlement balances with counter parties and Group balances with Central Bank and other related banks. Credit risk management objectives are:

- Supporting the achievement of sustainable asset and revenue growth in line with our risk parameters;
- Operating sound credit granting processes and monitoring credit risk using appropriate models to assist decision making;
- Ensure credit risk taking is based on sound credit risk management principles and controls; and
- Continually improving collection and recovery.

(a) Risk limit and mitigation policies

The Group uses a range of policies and practices to mitigate credit risk. These include credit scoring, marking limits against counter parties, credit insurance, and monitoring cash flows and utilisation against limit and collateral. Principal collateral types used for loans and advances are:

- Mortgages over residential and commercial properties;
- Charges over business assets such as premises, inventory and accounts receivable, moveable assets and shares; and
- Cash cover.

The legal department is responsible for conducting sufficient legal review to confirm that the approved collateral is legally effective. The ratio of value of loan to value of security is assessed on grant date and continuously monitored.

(b) Credit risk grading

Corporate Exposures

The Group uses internal credit risk gradings that reflect its assessment of the probability of default of individual counter parties. The Group uses internal rating models tailored to the various categories of counter party. Borrower and loan specific information collected at the time of application (such as level of collateral; and turnover and industry type for wholesale exposures) is fed into this rating model. This is supplemented with external data such as credit bureau scoring information on individual borrowers. In addition, the models enable expert judgement to be fed into the final internal credit rating for each exposure. This allows for considerations which may not be captured as part of the other data inputs into the model.

The credit scores from this model are mapped to the regulatory scale with 10 grades which are in turn categorised into Risk Categories 1-3. Those in Category 1 display no or unusual business as usual risk and the risk of default is low. Category 2 implies there are some doubts that the borrower will meet its obligations but the risk of default is medium. Category 3 implies that there are strong doubts that the customer will meet its obligations and the risk of default is either high or has occurred.

Category 1 (sub categories 1a – 3c):	0 to 29 days past due, have no or temporary problems and the risk of default is low
Category 2 (sub categories 4a – 7c):	30 days to 89 days past due, implies there are doubts that the customer will pay but the risk of default is medium
Category 3 (sub categories 8 – 10):	90 days+ past due (Default), there are doubts that the customer will pay and the risk of default is high

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.2 Credit risk (continued)

(b) Credit risk grading (continued)

Retail exposures

After the date of initial recognition, for retail business, the payment behaviour of the borrower is monitored on a periodic basis to develop a behavioural internal credit rating. Any other known information about the borrower which impacts their creditworthiness such as unemployment and previous delinquency history is also incorporated into the behavioural internal credit rating. These ratings are reflected on the following delinquency bucket; Performing loans (Bucket 0); 1 day to 30 days past due (Bucket 1); 31 days to 60 days past due (Bucket 2); 61 days to 89 days past due (Bucket 3) and 90 days+ past due (default, Bucket 4).

(c) Expected credit losses measurement (ECLs)

The expected credit loss (ECLs) – is measured on either a 12 – month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit impaired.

- ECLs are discounted at the effective interest rate of portfolio
- The maximum period considered when estimating ECLs is the maximum contractual period over which the Bank is exposed to credit risk
- The Group uses a portfolio approach to calculate ECLs. The portfolios are segmented into retail, corporate and treasury and further by product.
- Expected credit losses are the probability weighted discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

Probability of default (PD) – is the likelihood of a borrower defaulting on its financial obligation (as per “Definition of default and credit-impaired” below), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. PDs are modelled using historic data into 12 month and Lifetime PDs. Where data is not available proxies which resemble the risk of default characteristics of the exposure are used. The PDs are determined at portfolio level and segmented into various products.

PDs modelled using historical data are then adjusted for forward looking factors. PDs are mapped into regulatory grades as follows:

Corporate exposures

Stage 1	12 Month PD	Central Bank Grades 1 to 3 (Internal Category 1)
Stage 2	Life Time PD	Central Bank Grades 4 to 7 (Internal Category 2)
Stage 3	Default PD	Central Bank Grades 8 to 10 (Internal Category 3)

Retail exposures

Stage 1	12 Month PD	Central Bank Grades 1 to 3 (Internal grades bucket 0 & bucket 1)
Stage 2	Life Time PD	Central Bank Grades 4 to 7 (Internal grades bucket 2 & bucket 3)
Stage 3	Default PD	Central Bank Grades 8 to 10 (internal grades bucket 4)

Treasury exposures

For debt securities in the treasury portfolio and interbank exposures, performance of the counter party is monitored for any indication of default. PDs for such exposures are determined based on benchmarked national ratings mapped to external credit rating agencies grade. For other bank balances where there are external credit ratings PDs are derived using those external credit ratings.

Exposure at default (EAD) – is the amount the Group expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For a revolving commitment, the EAD includes the current drawn balance plus any further amount that is expected to be drawn up by the time of default, should it occur. For term loans EAD is the term limit while for short term loans and retail loans EAD is the drawn balance. Debt securities and interbank balances EAD is the current balance sheet exposure.

Loss given default (LGD) – represents the Group’s expectation of the extent of loss on a defaulted exposure. LGD varies by type of counter party, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan. LGD is modelled based on historical data. LGD for sovereign exposure is based on observed recovery rates for similar economies.

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35 Risk management (continued)

35.2 Credit risk (continued)

(c) Expected credit losses measurement (ECLs) (continued)

Default

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is more than 89 days past due.

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

i) 12-month ECLs; (Stage 1 – no increase in credit risk)

ECLs measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. The 12 month ECL is calculated for the following exposures:

- Corporate loans with regulatory grades from 1 – 3;
- Retail loans graded in bucket 0 and bucket 1;
- Debt securities, loans to banks and bank balances which are not past due; and
- These are a product of 12 months PD, 12 months LGD and EAD.

ii) Life time ECLs (Stage 2 – significant increase in credit risk refer to 37.3 (d))

ECLs are measured based on expected credit losses on a lifetime basis. It is measured for the following exposures:

- Corporate loans with regulatory grades from grade 4 to grade 7;
- Retail loans in bucket 2 to 3 (bucket 2 is 31 days to 60 days past due, bucket 3 is 61 days to 89 days past due);
- Debt securities, loans to banks and bank balances where the credit risk has significantly increased since initial recognition; and
- These are a product of lifetime PD, lifetime LGD and EAD.

iii) Life time ECLs (Stage 3 – default)

ECLs are measured based on expected credit losses on a lifetime basis. This is measured on the following exposures:

- All credit impaired/in default corporate and retail loans and advances to banks and other debt securities in default.
- These are corporates in regulatory grade 8 – 10 and retail loans in bucket 4;
- Exposures which are 90 days+ past due; and
- These are a product of default PD, lifetime LGD and EAD.

(d) Significant increase in credit risk (SICR)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the group's historical experience and informed credit assessment and including forward-looking information.

The assessment of significant increase in credit risk incorporates forward looking information and is performed on a monthly basis at a portfolio level for all retail loans. Corporate and treasury exposures are assessed individually and reviewed monthly and monitored by an independent team in Credit Risk department, together with quarterly reviews by the Impairment Committee and Board Loans Review Committee of exposures against performance criteria.

Significant increase in credit risk – Quantitative measures

- Corporate loans – if the loan is reclassified from regulatory grades 1 – 3 to grades 4 – 7;
- Retail loans – if the loan is reclassified from buckets 0 and 1 to buckets 2 to 3; and
- Treasury exposures which are past due.

Significant increase in credit risk – Qualitative measures retail and corporate

There are various quantitative measures which include:

- Retail – Retrenchment, Dismissal, Salary diversion, employer facing difficulties
- Corporate – Adverse business changes, changes in economic conditions, quality challenges, among others.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.2 Credit risk (continued)

(e) Benchmarking Expected Credit Loss

Corporate and treasury

Corporate portfolio assessment is performed by way of a collective assessment semi-empirical IFRS 9 model (the ECL Model) developed in consultation with external consultants supported by available historic information to support the modelling of PD, LGD and EAD. Individual assessment is performed on all customer loans and advances after having defined a minimum exposure threshold. ECL for Treasury exposures is based on benchmarked PDs and LGDs due to lack of historical data. ECL for Retail exposures are based on model output with no benchmarking comparative since enough historical default data was available when designing the calculation model.

(f) Forward-looking information incorporated in the ECL models

The assessment of SICR and the calculation of ECLs both incorporate forward-looking information. The group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. These economic variables and their associated impact on the ECL vary by financial instrument. Expert judgment has also been applied in this process.

Main macroeconomic factors affecting Corporate ECL allowance

The Group conducts scenario sensitivity analysis to assess the potential impact of changes in economic conditions on the carrying value of material loans and advances. This analysis is a key component of the Group's risk management strategy and helps ensure the robustness of our financial position under varying economic scenarios.

Sensitivity Analysis Methodology

The sensitivity analysis is performed using a range of macroeconomic scenarios that reflect plausible future economic profiles. These scenarios are developed in consultation with economic experts and include both baseline and stressed conditions. The key variables considered in these scenarios include the below tabulated factors:

Macro economic factors	Country	ECL Scenario	Assigned Weightings (averages) %	Actual	Forecast				Long term rate
				2025	2026	2027	2028	2029	
Corporate									
Gross domestic product (current prices Purchasing power parity; international dollars Billions (% change))	Zimbabwe	Base case	58.33%	0.0862	0.0923	0.0942	0.0935	0.0948	0.0948
		Good case	6.25%	0.0862	0.1178	0.1197	0.1191	0.1197	0.1197
		Better case	2.68%	0.0862	0.1319	0.1332	0.1332	0.1332	0.1332
		Bad case	22.92%	0.0862	(0.0055)	(0.0049)	(0.0049)	(0.0049)	(0.0049)
		Worse case	9.82%	0.0862	(0.0592)	(0.0586)	(0.0586)	(0.0586)	(0.0586)
[Current account balance]	Zimbabwe	Base case	58.33%	1.0200	2.4002	2.5426	2.4951	2.5901	2.5901
		Good case	6.25%	1.0200	4.2990	4.4414	4.3939	4.4414	4.4414
		Better case	2.68%	1.0200	5.3433	5.4383	5.4383	5.4383	5.4383
		Bad case	22.92%	1.0200	(4.8627)	(4.8152)	(4.8152)	(4.8152)	(4.8152)
		Worse case	9.82%	1.0200	(8.8501)	(8.8027)	(8.8027)	(8.8027)	(8.8027)
Retail									
CPI (transformed state, percentage difference method)	Zimbabwe	Down	20.00%	7.1688	7.8105	8.1081	8.2494	8.3700	9.5480
		Base	60.00%	7.1688	7.5140	7.9060	8.0863	8.2295	9.4600
		Up	20.00%	7.1688	7.2175	7.7039	7.9231	8.0889	9.3720
Unemployment Rate (transformed state, first difference method)	Zimbabwe	Down	20.00%	1.2814	7.4538	3.8880	3.4071	2.5666	2.7820
		Base	60.00%	1.2814	(1.9161)	(2.5000)	(1.7500)	(1.8750)	-
		Up	20.00%	1.2814	(11.2860)	(8.8880)	(6.9071)	(6.3166)	(2.7820)
GDP (transformed state, percentage difference method)	Zimbabwe	Down	20.00%	49.1540	53.3100	52.0345	54.7125	57.1013	96.9562
		Base	60.00%	49.1540	53.3100	55.4340	57.4570	59.4650	98.4367
		Up	20.00%	49.1540	53.3100	58.8335	60.2015	61.8287	99.9172

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.2 Credit risk (continued)

Main macroeconomic factors affecting Corporate ECL allowances

The following table outlines the impact of multiple scenarios on the Group's corporate ECL allowance. This table shows the ECL of each probability weighted scenario of applying multiple economic scenarios compared to the ECL that would have resulted from applying a 100% weighting to the base case scenario as reported as at 31 December 2025.

	2025		2024	
	Total ECL Provision ZWG000	Total income statement charge ZWG000	Total ECL Provision ZWG000	Total income statement charge ZWG000
As reported	86 257	(60 457)	50 488	18 311
Scenarios	-	-	-	-
Base case	106 332	149 144	48 363	(4 784)
Good case	105 436	145 491	45 136	(8 011)
Better case	102 687	142 089	43 026	(10 121)
Bad case	110 209	156 302	59 328	6 181
Worse case	114 658	163 962	70 903	17 756

(g) Write offs

The Group will write off retail accounts following charge off of the account if the equivalent of an instalment is not recovered cumulatively over a 12-month period post charge off. Corporate accounts are written off once security has been realised depending on the residual balance and further recovery prospects. The corporate write off policy is not rules based, or time bound.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.2 Credit risk (continued)

(h) ECL model governance

The models used for PD, EAD and LGD calculations are governed on a day to day through the Impairments Committee. This committee comprises of senior managers in Risk, Finance and the business. Decisions and key judgements made by the Impairments Committee relating to the impairments and model overrides will be taken to Board Risk, Board Loans and Board Audit Committee.

(i) Maximum exposure to credit risk by credit quality grade before credit enhancements

The bank has an internal rating model which assigns clients a rating grade that maps to external rating agencies scale and allocates a PDs.

Performing loans

Loans and advances not past due and which are not part of renegotiated loans are considered to be performing assets, these are graded as per RBZ credit rating scale as grade 1 – 3.

Standard monitoring grade

These are loans and advances which are less than 90 days past due and in some cases not past due but the business has significant concern on the performance of that exposure, as per RBZ credit rating scale these are grade 4 – 7.

Non-performing grade

These are loans and overdrafts on which interest is no longer accrued or included in income unless the customer pays back. These non-performing (past due) assets include balances where the principal amount and/or interest is due and unpaid for 90 days or more, as per RBZ credit rating scale these are grade 8 – 10.

Loans and advances renegotiated

Bank balances with other banks are held with banks which have the following credit ratings: Counterparty

	Latest ratings 2024/25	Previous ratings 2023/24
Crown Agency	BB	BB

Other asset balances are held by counter parties with the following ratings: Counterparty

	2024	2023
VISA	AA-	AA-
Master card International	A+	A+

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

Maximum credit risk exposure

	Stage 1 ZWG000	Stage 2 ZWG000	Stage 3 ZWG000	Total ZWG000
35.2 Credit risk (continued)				
2025				
Loans and advances to customers				
Corporate	1 306 517	17 225	71 057	1 394 800
Business Banking	71 213	8 885	65 653	145 752
Retail	1 800 644	46 583	41 439	1 888 667
Total	3 178 374	72 693	178 149	3 429 219
Balances with central Bank				
Savings bonds and Treasury bills	518 029	–	–	518 029
Bank balances	2 089 004	–	–	2 089 004
Total	2 607 033	–	–	2 607 033
Balances with other Banks and settlement balances				
Settlement balances – local currency	4 287	–	–	4 287
Bank balances – Foreign currency	199 999	–	–	199 999
Interbank placements	68 485	–	–	68 485
Total	272 771	–	–	272 771
Other assets				
Other assets	166 225	–	–	166 225
Total	166 225	–	–	166 225
Total on balance sheet	6 224 403	72 693	178 149	6 475 248
Guarantees and letters of credit				
Guarantees	109 431	624	–	110 054
Other undrawn commitments to lend	57 651	–	–	57 651
Total	167 082	624	–	167 705

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

ECL Reconciliation

Stage 1 ZWG000	Stage 2 ZWG000	Stage 3 ZWG000	Total ZWG000
2 156	–	17 459	19 615
78	–	3 274	3 352
24 162	10 392	28 735	63 289
26 396	10 392	49 468	86 257
29 748	–	–	29 748
5 249	–	–	5 249
34 997	–	–	34 997
–	–	–	–
52	–	–	52
–	–	–	–
52	–	–	52
16 186	–	–	16 186
16 186	–	–	16 186
77 631	10 392	49 468	137 492
624	–	–	624
104	–	–	104
728	–	–	728

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

Maximum credit risk exposure

	Stage 1 ZWG000	Stage 2 ZWG000	Stage 3 ZWG000	Total ZWG000
35.2 Credit risk (continued)				
2024				
Loans and advances to customers				
Corporate	1 321 115	92 565	129	1 413 809
Business Banking	123 472	78 144	1 909	203 525
Retail	1 295 007	25 205	31 114	1 351 326
Total	2 739 594	195 914	33 152	2 968 660
Balances with central Bank				
Savings bonds and treasury bills	191 399	–	–	191 399
Bank balances	1 588 181	–	–	1 588 181
Gold-backed digital tokens	34 983	–	–	34 983
Total	1 814 563	–	–	1 814 563
Balances with other Banks and settlement balances				
Settlement balances – local currency	1 548	–	–	1 548
Bank balances – Foreign currency	248 156	–	–	248 156
Interbank placements	282 726	–	–	282 726
Total	532 430	–	–	532 430
Other assets				
Other assets	67 747	–	–	67 747
Total	67 747	–	–	67 747
Total on balance sheet	5 154 334	195 914	33 152	5 383 400
Guarantees and letters of credit				
Guarantees	123 936	–	–	123 936
Other undrawn commitments to lend	–	–	–	–
Total	123 936	–	–	123 936

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

ECL Reconciliation

Stage 1 ZWG000	Stage 2 ZWG000	Stage 3 ZWG000	Total ZWG000
1 883	2 838	52	4 773
103	1 006	1 857	2 966
10 784	10 397	21 568	42 749
12 770	14 241	23 477	50 488
3 225	–	–	3 225
2 193	–	–	2 193
–	–	–	–
5 418	–	–	5 418
–	–	–	–
52	–	–	52
–	–	–	–
52	–	–	52
103	–	–	103
103	–	–	103
18 343	14 241	23 477	56 061
1 109	–	–	1 109
–	–	–	–
1 109	–	–	1 109

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

Maximum credit risk exposure

	12 month Basel PD range	Stage 1 ZWG000	Stage 2 ZWG000	Stage 3 ZWG000	Total ZWG000
35.3.1 Maximum credit risk exposure 2025					
Loans and advances to customers					
Performing					
High grade	0.00% – 0.50%				–
Standard grade	0.50% – 11.7%	21 200	–	–	21 200
Sub-standard grade	11.7% – 29.50%	3 124 777	26 111	5 248	3 156 136
Low grade	29.5% – 100%	32 398	23 461	131 410	187 269
Non – performing					
Individually impaired	100%	–	–	–	–
Total		3 178 375	72 695	178 149	3 429 218
Balances with central Bank					
Performing					
High grade	0.00% – 0.50%	–	–	–	–
Standard grade	0.50% – 11.7%	2 607 033	1	–	2 607 034
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade					
Non – performing	–	–	–	–	–
Individually impaired	100%	–	–	–	–
Total		2 607 033	1	–	2 607 034
Balances with other Banks and settlement balances					
Performing					
High grade	0.00% – 0.50%	138 295	–	–	138 295
Standard grade	0.50% – 11.7%	134 476	–	–	134 476
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade					
Non – performing	–	–	–	–	–
Individually impaired	100%	–	–	–	–
Total		272 771	–	–	272 771
Other assets					
Performing					
High grade	0.00% – 0.50%	13 458	–	–	13 458
Standard grade	0.50% – 11.7%	152 767	–	–	152 767
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade					
Non – performing	–	–	–	–	–
Individually impaired	100%	–	–	–	–
Total		166 225	–	–	166 225
Total on balance sheet		6 224 403	72 696	178 149	6 475 248
Guarantees and letters of credit					
Performing					
High grade	0.00% – 0.50%	–	–	–	–
Standard grade	0.50% – 11.7%	161 392	624	–	162 016
Sub-standard grade	11.7% – 29.50%	5 690	–	–	5 690
Low grade					
Non – performing	–	–	–	–	–
Individually impaired	100%	–	–	–	–
Total		167 082	624	–	167 706

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

ECL Reconciliation

Stage 1 ZWG000	Stage 2 ZWG000	Stage 3 ZWG000	Total ZWG000
-	-	-	-
26 266	27	3 170	29 463
129	3 248	16 446	19 823
-	7 119	29 852	36 971
-	-	-	-
-	-	-	-
26 395	10 394	49 468	86 257
-	-	-	-
34 996	-	-	34 996
-	-	-	-
-	-	-	-
-	-	-	-
34 996	-	-	34 996
-	-	-	-
52	-	-	52
-	-	-	-
-	-	-	-
-	-	-	-
52	-	-	52
-	-	-	-
16 186	-	-	16 186
-	-	-	-
-	-	-	-
-	-	-	-
16 186	-	-	16 186
77 629	10 394	49 468	137 491
-	-	-	-
728	-	-	728
-	-	-	-
-	-	-	-
-	-	-	-
728	-	-	728

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

Maximum credit risk exposure

	12 month Basel PD range	Stage 1 ZWG000	Stage 2 ZWG000	Stage 3 ZWG000	Total ZWG000
35.3.1a Maximum credit risk exposure					
2024					
Loans and advances to customers					
Performing					
High grade	0.00% – 0.50%				–
Standard grade	0.50% – 11.7%	2 675 640	38 104	2 554	2 716 298
Sub-standard grade	11.7% – 29.50%	59 801	136 319	77	196 197
Low grade	29.5% – 100%	4 153	21 491	30 521	56 165
Non – performing					
Individually impaired	100%	–	–	–	–
Total		2 739 594	195 914	33 152	2 968 660
Balances with central Bank					
Performing					
High grade	0.00% – 0.50%	191 399	–	–	191 399
Standard grade	0.50% – 11.7%	1 623 164	–	–	1 623 164
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade	29.5% – 100%	–	–	–	–
Non – performing		–	–	–	–
Individually impaired	100%	–	–	–	–
Total		1 814 563	–	–	1 814 563
Balances with other Banks and settlement balances					
Performing					
High grade	0.00% – 0.50%	530 882	–	–	530 882
Standard grade	0.50% – 11.7%	1 549	–	–	1 549
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade	29.5% – 100%	–	–	–	–
Non – performing		–	–	–	–
Individually impaired	100%	–	–	–	–
Total		532 431	–	–	532 430
Other assets					
Performing					
High grade	0.00% – 0.50%	–	–	–	–
Standard grade	0.50% – 11.7%	67 747	–	–	67 747
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade	29.5% – 100%	–	–	–	–
Non – performing		–	–	–	–
Individually impaired	100%	–	–	–	–
Total		67 747	–	–	67 747
Total on balance sheet		5 154 335	195 914	33 152	5 383 400
Guarantees and letters of credit					
Performing					
High grade	0.00% – 0.50%	–	–	–	–
Standard grade	0.50% – 11.7%	123 936	–	–	123 936
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade	29.5% – 100%	–	–	–	–
Non – performing		–	–	–	–
Individually impaired	100%	–	–	–	–
Total		123 936	–	–	123 936

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

ECL Reconciliation

Stage 1 ZWG000	Stage 2 ZWG000	Stage 3 ZWG000	Total ZWG000
			-
11 558	103	2 115	13 776
955	6 785	52	7 792
257	7 353	21 310	28 920
-	-	-	-
-	-	-	-
12 770	14 241	23 477	50 488
3 225	-	-	3 225
2 193	-	-	2 193
-	-	-	-
-	-	-	-
-	-	-	-
5 418	-	-	5 418
-	-	-	-
52	-	-	52
-	-	-	-
-	-	-	-
-	-	-	-
52	-	-	52
-	-	-	-
103	-	-	103
-	-	-	-
-	-	-	-
-	-	-	-
103	-	-	103
18 343	14 241	23 477	56 061
-	-	-	-
1 109	1 109	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1 109	1 109	-	-

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for the year ended 31 December 2025

35 Risk management (continued)

Maximum credit risk exposure

	Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
35.3.2 Maximum credit risk exposure				
2025				
Loans and advances to customers				
Balance at beginning of the year	2 739 594	195 914	33 152	2 968 660
Movement with P&L impact	-	-	-	-
New assets, assumptions, changes in models	427 828	35 178	(935)	462 071
Transfer to stage 1	19 594	(19 594)	-	-
Transfer to stage 2	-	(140 181)	140 181	-
Transfer to stage 3	(27 989)	-	27 989	-
Total	419 433	(124 597)	167 235	462 071
Movement with no P&L impact				
Write offs	-	-	(22 473)	(22 473)
Balance at 31 December 2025	3 159 027	71 317	177 914	3 408 258
Treasury bills and bonds				
Balance at beginning of the year	191 399	-	-	191 399
Movement with P&L impact	336 315	-	-	336 315
Movement with OCI impact	-	-	-	-
Transfer to stage 2	-	-	-	-
Total	527 714	-	-	527 714
Balance at 31 December 2025	527 714	-	-	527 714
Balances with Central Bank				
Balance at beginning of the year	1 623 164	-	-	1 623 164
Movement with P&L impact	465 150	-	-	465 150
Total	465 150	-	-	465 150
Balance at 31 December 2025	2 088 314	-	-	2 088 314
Balances with other banks and settlement balances				
Balance at beginning of the year	532 430	-	-	532 430
Movement with P&L impact	(269 664)	-	-	(269 664)
Total	(269 664)	-	-	(269 664)
Balance at 31 December 2025	262 766	-	-	262 766
Other Assets				
Balance at beginning of the year	67 747	-	-	67 747
Movement with P&L impact	(57 077)	-	-	(57 077)
Movement with OCI impact	-	-	-	-
Total	(57 077)	-	-	(57 077)
Balance at 31 December 2025	10 670	-	-	10 670
Total on balance sheet	-	-	-	6 297 723
Guarantees, Letters of Credit and Undrawn Commitment				
Balance at beginning of the year	123 936	-	-	123 936
Movement with P&L impact	43 911	-	-	43 911
Total	43 911	-	-	43 911
Balance at 31 December 2025	167 847	-	-	167 847

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

ECL Reconciliation

Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
12 770	14 241	23 477	50 488
-	-	-	-
12 846	17 979	27 332	58 157
3 271	(3 196)	-	76
-	(18 758)	18 758	-
(2 208)	-	2 208	-
13 910	(3 975)	48 298	58 233
-	-	-	-
-	-	(22 473)	(22 473)
26 680	10 266	49 302	86 247
3 225	-	-	3 225
27 129	-	-	27 129
-	-	-	-
-	-	-	-
30 354	-	-	30 354
30 354	-	-	30 354
2 193	-	-	2 193
2 287	-	-	2 287
2 287	-	-	2 287
4 480	-	-	4 480
52	-	-	52
-	-	-	-
-	-	-	-
52	-	-	52
103	-	-	103
17 288	-	-	17 288
-	-	-	-
650	-	-	650
654	-	-	654
62 220	10 266	49 302	121 787
1 109	-	-	1 109
(388)	-	-	(388)
(388)	-	-	(388)
721	-	-	721

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	Stage 1 – 12 month ECL ZWG000	Stage 2 - Lifetime ECL not credit impaired ZWG000	Stage 3 - Lifetime ECL credit impaired ZWG000	Total ZWG000
--	--	--	--	-----------------

35 Risk management (continued)

35.3.2 Reconciliation of movements in expected credit losses during the year.

2024

Balance at beginning of the year	13 309	251	47 160	60 720
Movement with P&L impact				
New assets, assumptions, changes in models	(9 635)	12 331	2 005	4 701
Transfer to/(from) stage 1	1 449	(1 449)	–	–
Transfer to/(from) stage 2	–	(4 329)	4 329	–
Transfer to/(from) stage 3	–	2 459	(2 459)	–
Impact of change in presentation currency	(4 352)	4 790	2 059	2 497
Total	(12 538)	13 802	5 934	7 198
Movement with no P&L impact				
Write offs	–	–	(47 166)	(47 166)
Impact of change in presentation currency	11 999	188	17 549	29 736
Balance at 31 December 2024	12 770	14 241	23 477	50 488
Treasury bills and bonds				
Balance at beginning of the year	2 997	–	–	2 997
Movement with P&L impact	–	–	–	–
Movement with OCI impact	(607)	–	–	(607)
Translation adjustment	835	–	–	835
Total	228	–	–	228
Balance at 31 December 2024	3 225	–	–	3 225

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.4 Credit risk concentration of loans and advances were as follows:

	2025 ZWG000	%	2024 ZWG000	%
Industry/Sector				
Trade and services	432 345	13	215 030	7
Agriculture	471 030	14	581 343	20
Light and heavy industry	429 799	13	435 995	15
Physical persons	1 888 667	55	1 351 326	45
Transport and distribution	145 544	4	287 680	10
Financial services	61 834	2	97 286	3
Total	3 429 219	100	2 968 660	100

	Total loans ZWG000	Non performing loans ZWG000	Write offs ZWG000	Recoveries ZWG000	Impairment allowance ZWG000
2025					
Industry/Sector					
Trade and services	432 345	64 068	5 456	16 160	14 321
Agriculture	471 030	–	–	–	33 726
Light and heavy industry	429 799	72 642	–	–	28 910
Physical persons	1 888 667	41 439	17 017	–	3 352
Transport and distribution	145 544	–	–	–	4 522
Financial services	61 834	–	–	–	1 425
Gross value at 31 December 2025	3 429 219	178 150	22 473	16 160	86 256
2024					
Industry/Sector					
Trade and services	215 030	52	39 059	–	1 342
Energy and minerals	–	–	–	–	–
Agriculture	581 343	–	33 177	–	3 147
Light and heavy industry	435 995	1 857	–	–	2 709
Physical persons	1 351 326	9 055	–	–	42 748
Transport and distribution	287 680	129	–	–	413
Financial services	97 286	–	–	–	129
Gross value at 31 December 2024	2 968 660	11 093	72 236	–	50 488

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.4 Credit risk concentration of loans and advances (continued)

35.4.a Collateral held for exposure

An estimate of the fair value of collateral and other security enhancements held against loans and advances to customers are as shown below:

The tables below show the maximum exposure to credit risk by class of financial asset. They also show the total fair value of collateral, any surplus collateral (the extent to which the fair value of collateral held is greater than the exposure to which it relates), and the net exposure to credit risk. Management has applied a prudential haircut on the collateral held for corporate loans to reduce the stamped values of security offered for the loans so as to protect the bank in the event of a drop in the security's value. This prudential haircut is based on management experience on liquidation of security in the event of default. The collateral value following the hair cut is ZWG641.7 billion (2024: ZWG17.85 billion).

For retail customers, the bank requires credit guarantees instead of collateral security. The credit guarantees cover the bank under defined circumstances.

Type of collateral or credit enhancement

Fair value of collateral and credit enhancements held

	Maximum exposure to credit risk ZWG000	Cash ZWG000	Securities ZWG000	3rd party/gov guarantees ZWG000
2025				
Loans and advances to customers				
Term loans	3 174 895	–	51 961	1 053 404
Mortgages	6 261	–	–	1 819
Overdraft	248 064	18 186	–	730 109
Finance leases	–	–	–	–
Total	3 429 220	18 186	51 961	1 785 332
Total on balance sheet	3 429 220	18 186	51 961	1 785 332
Guarantees and letters of credit				
Guarantees	109 421	3 954	–	66 285
Letters of credit	–	–	–	–
Undrawn commitments	58 283	–	–	–
Total	167 704	3 954	–	66 285
2024				
Loans and advances to customers				
Term loans	62 304	–	1 806	1 503 111
Mortgage loans	–	–	–	–
Overdraft	172 186	3 926	–	65 820
Finance leases	–	–	–	–
Total	234 490	3 926	1 806	1 568 931
Total on balance sheet	234 490	3 926	1 806	1 568 931
Guarantees and letters of credit				
Guarantees	123 947	–	–	1 084
Letters of credit	–	–	–	–
Undrawn commitments	266 668	–	–	–
Total	390 615	–	–	1 084

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

Fair value of collateral and credit enhancements held

Property ZWG000	Other ZWG000	Total collateral ZWG000	Net exposure ZWG000	% of exposure subject to collateral requirements %	Associated ECL ZWG000
562 263	451 940	2 119 569	1 055 326	66.8%	85 439
7 610	–	–	6 261	0.0%	–
98 721	36 198	883 214	(635 150)	356.0%	817
–	–	–	–	0.0%	–
668 594	488 138	3 002 783	426 437	87.6%	86 257
668 594	488 138	3 002 783	426 437	87.6%	86 257
–	–	70 239	39 182	64.2%	623
–	–	–	–	0.0%	–
–	–	–	58 283	0.0%	104
–	–	70 239	97 465	64%	727
–	–	1 567 221	(1 504 917)	–	47 756
–	–	–	–	0.0%	–
–	–	241 933	(69 747)	140.5%	605
–	–	–	–	–	–
–	–	1 809 154	(1 574 663)	141%	48 361
–	–	1 809 154	(1 574 663)	140.5%	48 361
–	–	1 084	122 863	0.9%	1 115
–	–	–	–	0.0%	–
–	–	–	266 668	0.0%	–
–	–	1 084	389 531	1%	1 115

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.4 Market risk

The group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices.

The group separates exposures to market risk into either trading or banking book. Trading portfolios include those positions arising from market-making transactions where the group acts as principal with clients or with the market; this is mainly to support client trading activity. Non trading book primarily arises from the management of the bank's retail and commercial banking assets and liabilities.

Market risk measurement techniques

The objective of market risk measurement is to manage and control market risk exposures within acceptable limits while optimising the return on risk.

35.4.1 Foreign exchange risk

This is a risk that the value of a financial liability or asset denominated in foreign currency will fluctuate due to changes in the exchange rate. The bank takes on exposures to the effects of fluctuations in the prevailing foreign currency exchange rates in the financial position and cash flows. Mismatches on foreign exchange assets and liabilities are minimised through the daily monitoring of the net foreign exchange exposure by treasury. Currency swaps are also used to manage foreign exchange risk where necessary.

The table below summarises the bank's financial instruments at carrying amounts, categorised by currency.

	ZWG ZWG000	GBP ZWG000	ZAR ZWG000	*Other currency ZWG000	Total ZWG000
AT 31 DECEMBER 2025					
Assets					
Cash and bank balances	420 004	19 849	45 258	37 296	522 408
Investment securities	468	–	–	–	468
Loans and receivables from banks	15 666	–	–	–	15 666
Loans and advances to customers	282 540	9	119	3	282 671
Other assets	50 273	–	–	–	50 273
Total financial assets	768 951	19 858	45 377	37 299	871 486
Deposits from banks	38 312	–	2 830	1 403	42 545
Deposits from customers	686 250	18 455	29 604	32 138	766 447
Other liabilities	123 070	751	481	78	124 381
Total financial liabilities	847 632	19 206	32 915	33 619	933 372
Net currency positions	(78 681)	652	12 462	3 680	(61 886)
Exchange rate sensitivity to Profit for the year					
Exchange rate increase of 20%	15 736	(130)	(2 492)	(736)	12 377
Exchange rate decrease of 20%	(15 736)	130	2 492	736	(12 377)
Exchange rates applied in 2025					
USD closing rate	ZWG 25.9807	GBP 1.3458	Rand 16.6046	EUR 1.1737	CND 1.4354

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.4 Market risk (continued)

35.4.1 Foreign exchange risk (continued)

	ZWG ZWG000	GBP ZWG000	ZAR ZWG000	* Other currency ZWG000	Total ZWG000
AT 31 DECEMBER 2024					
Assets					
Cash and bank balances	284 609	15 789	80 569	220 371	601 338
Investment securities	176 333	–	–	–	176 333
Loans and receivables from banks	1 548	–	–	101 775	103 323
Loans and advances to customers	183 092	–	129	–	183 221
Other assets	514 706	–	–	–	514 706
Total financial assets	1 160 288	15 789	80 698	322 146	1 578 921
Liabilities					
Deposits from banks	106 006	–	–	1 961	107 967
Deposits from customers	555 390	8 230	16 692	281 668	861 980
Other liabilities	487 127	980	8 875	5 237	502 219
Total financial liabilities	1 148 523	9 210	25 567	288 866	1 472 166
Net currency positions	11 765	6 579	55 131	33 280	106 755
Exchange rate sensitivity to Profit for the year					
Exchange rate increase of 20%	(1 758)	51	427	258	(1 022)
Exchange rate decrease of 20%	1 758	(51)	(427)	(258)	1 022
Exchange rates applied in 2024					
USD closing rate	ZWG 25.80	GBP 1.25	Rand 18.79	EUR 1.04	CND 1.33

* Other currencies include BWP, EUR, AUD, CAD, CHF, CNY, INR, JPY, KES, MWK, SEK and ZMW.

Key techniques to measure exposure to FX risk is through monitoring of net open position as well as stress testing:

(i) Net Open Position (NOP) Management

Foreign exchange risk is managed through daily monitoring of the net foreign exchange exposure by Treasury. Currency swaps are also used to manage foreign exchange risk where necessary. This is achieved through limiting exposure per currency against total qualifying capital held. In compliance with regulatory provisions, exposure to a single currency is limited to 10% of total qualifying capital while total exposure is limited to 20% of the same.

(ii) Stress tests

Stress tests provide an indication of losses that could arise in extreme positions.

The stress measure for foreign currency risk is based on determining currency volatility for the past seven years and applying it to the average net open position for the past year assuming a 40 day holding period as per Basel guidelines.

	Average NOP ZWG000	Risk Position ZWG000
Summarised foreign currency position of the bank as at 31 December 2025		
Currency		
ZWG	(78 680)	(78 680)
GBP	652	652
Rand	12 462	12 462
*Other currencies	3 680	3 680
Total	(61 886)	(61 886)
Summarised foreign currency position of the bank as at 31 December 2024		
ZWG	11 765	11 765
GBP	6 579	6 579
Rand	55 131	55 131
*Other currencies	33 280	33 280
Total	106 755	106 755

* Other currencies include BWP, EUR, AUD, CAD, CHF, CNY, IN, JPY, KES, MWK, SEK and ZMW.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.4 Market risk (continued)

35.4.2 Interest rate risk

Interest rate risk is the risk that the group will be adversely affected by changes in the level or volatility of market interest rates. The group is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The responsibility of managing interest rate risk lies with the Assets and Liabilities Committee (ALCO). On a day to day basis, risks are managed through a number of management committees. Through this process, the Group monitors compliance within the overall risk policy framework and ensures that the framework is kept up to date. Risk management information is provided on a regular basis to the Risk and Control Committee and the Board.

The table below summarises interest rate risk exposure – Group

	Up to 1 month ZWG000	1 to 3 months ZWG000	3 to 6 months ZWG000	6 months to 1 year ZWG000
2025				
Assets				
Cash and bank balances	–	–	–	–
Loans and receivables from Banks	–	–	–	–
Loans and advances to customers	14 056	2 410 827	70 823	261 548
Investment securities	–	68 485	158 846	275 681
Total assets	14 056	2 479 312	229 669	537 229
Liabilities				
Deposits from customers	3 146 730	296 570	73 473	214 185
Balances due to banks	–	494	–	32 918
Lease liabilities	–	2 364	11 847	26 942
Total liabilities	3 146 730	299 428	85 321	274 044
Interest rate Re – pricing gap	(3 132 675)	2 179 885	144 349	263 184
Cumulative gap	(3 132 675)	(952 789)	(808 440)	(545 256)
2024				
Assets				
Cash and bank balances	28 946	–	–	–
Loans and receivables from Banks	284 274	–	–	–
Loans and advances to customers	903	–	–	–
Other assets	–	2 561 739	20 974	141 505
Investment securities	5 005	–	–	–
Intangible assets	–	25 850	–	19 994
Total assets	319 128	2 587 589	20 974	161 499
Liabilities				
Derivative financial liabilities	–	–	–	–
Deposits from customers	2 689 184	70 456	69 837	375 936
Employee benefit accruals	–	–	–	–
Balances due to group companies	–	–	–	–
Balances due to banks	418 993	–	–	–
Lease liabilities	1 703	3 405	5 108	10 216
Total liabilities	3 109 880	73 861	74 945	386 152
Interest rate Re – pricing gap	(2 790 752)	2 513 728	(53 971)	(224 653)
Cumulative gap	(2 790 752)	(277 023)	(330 994)	(555 647)

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1 to 5 years ZWG000	Over 5 years ZWG000	Non- interest bearing ZWG000	Total ZWG000
–	–	2 801 109	2 801 109
–	–	72 772	72 772
416 185	–	169 550	3 342 963
–	–	215 406	718 418
416 185	–	3 258 837	6 935 262
1 173 444	293 374	–	5 197 777
354 948	–	–	388 360
24 058	–	–	65 212
1 552 451	293 374	–	5 651 348
(1 136 266)	(293 374)	3 258 837	1 283 914
(1 681 522)	(1 974 896)	1 283 940	
–	–	2 472 425	2 501 371
–	–	–	284 274
–	–	–	–
193 051	–	–	2 725 122
–	–	–	5 005
–	67 437	216 166	329 447
193 051	67 437	2 688 591	5 845 219
1 117 307	279 320	–	4 602 040
–	–	–	–
–	–	–	–
–	–	–	418 993
44 554	9 133	–	74 119
1 161 861	288 453	–	5 095 152
(1 161 860)	(221 016)	2 688 591	750 067
(1 717 507)	(1 938 523)	750 069	–

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.4 Market risk (continued)

35.4.2 Interest rate risk (continued)

Interest rate risk is the risk that the group will be adversely affected by changes in the level or volatility of market interest rates. The group is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The responsibility of managing interest rate risk lies with the Assets and Liabilities Committee (ALCO). On a day to day basis, risks are managed through a number of management committees. Through this process, the Group monitors compliance within the overall risk policy framework and ensures that the framework is kept up to date. Risk management information is provided on a regular basis to the Risk and Control Committee and the Board.

The table below summarises interest rate risk exposure – Bank

	Up to 1 month ZWG000	1 to 3 months ZWG000	3 to 6 months ZWG000	6 months to 1 year ZWG000
2025				
Assets				
Cash and bank balances	–	–	–	–
Loans and receivables from Banks	–	–	–	–
Loans and advances to customers	14 056	2 410 827	70 823	261 548
Investment securities	–	68 485	158 846	275 681
Total assets	14 056	2 479 312	229 669	537 229
Liabilities				
Deposits from customers	3 146 730	296 570	73 473	214 185
Balances due to banks	–	494	–	32 918
Lease liabilities	–	2 364	11 847	26 942
Other liabilities	–	–	–	–
Total liabilities	–	2 364	11 847	26 942
Interest rate Re – pricing gap	14 056	2 476 948	217 822	510 287
Cumulative gap	14 056	2 491 004	2 708 826	3 219 113
2024				
Assets				
Cash and bank balances	28 946	–	–	–
Loans and receivables from Banks	284 274	–	–	–
Loans and advances to customers	903	2 561 739	20 974	141 505
Investment securities	5 005	25 850	–	19 994
Total assets	319 128	2 587 589	20 974	161 499
Liabilities				
Deposits from customers	2 689 184	70 456	69 837	375 936
Balances due to banks	418 993	–	–	–
Lease liabilities	1 703	3 405	5 108	10 216
Total liabilities	3 109 880	73 861	74 945	386 152
Interest rate Re – pricing gap	(2 790 752)	2 513 728	(53 971)	(224 653)
Cumulative gap	(2 790 752)	(277 024)	(330 995)	(555 648)

Notes to the Consolidated and Separate Annual Financial Statements continued

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	1 to 5 years ZWG000	Over 5 years ZWG000	Non- interest bearing ZWG000	Total ZWG000
	–	–	2 801 109	2 801 109
	–	–	72 772	72 772
	416 185	–	169 550	3 342 963
	–	–	215 406	718 418
	416 185	–	3 258 837	6 935 262
	1 173 444	293 374	52 244	5 250 021
	354 948	–	–	388 360
	24 058	–	–	65 212
	–	–	220 083	220 083
	24 058	–	220 083	285 294
	392 127	–	3 038 755	6 649 968
	3 611 239	3 611 239	6 649 994	
	–	–	2 472 425	2 501 371
	–	–	–	284 274
	1	–	–	2 725 122
	–	67 437	216 166	334 452
	1	67 437	2 688 591	5 845 219
	1 117 307	279 320	–	4 602 040
	–	–	–	418 993
	44 554	9 133	–	74 119
	1 161 861	288 453	–	5 095 152
	(1 161 860)	(221 016)	2 688 591	750 067
	(1 717 508)	(1 938 524)	750 067	–

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.4 Market risk (continued)

35.4.2 Interest rate risk (continued)

Net interest income sensitivity ("NII")

NII measures the sensitivity of annual earnings to changes in interest rates. NII is calculated at a 15% and 5% change in local currency and foreign currency interest rates respectively.

The bank's interest income sensitivity is shown below:

	2025 Impact on earnings ZWG000	2024 Impact on earnings ZWG000
Net interest income sensitivity		
USD Currency		
1500bps increase in interest rates	192 466	206 502
1500bps decrease in interest rates	(192 466)	(206 502)
Benchmark	–	–

35.5 Liquidity risk

Liquidity risk is the risk that the group may fail to meet its payment obligations when they fall due and to replace funds when they are withdrawn, the consequences of which may be the failure to meet the obligations to repay deposits and fulfil commitments to lend. Liquidity risk is inherent in all banking operations and can be affected by a range of group specific and market wide events. The efficient management of liquidity is essential to the group in maintaining confidence in the financial markets and ensuring that the business is sustainable.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the bank's short, medium and long term funding and liquidity management requirements.

- Limits are set across the business to control liquidity risk;
- Early warning indicators are set to identify the emergence of increased liquidity risk;
- Sources of liquidity are regularly reviewed by ALCO to maintain a wide diversification of source of funding; and
- Managing concentration of deposits.

	2025 ZWG000	2024 ZWG000
Liquidity ratios		
Total liquid assets	3 690 429	2 869 077
Deposits and other short term liabilities	5 663 221	5 397 149
Liquidity ratio	65%	53%
Reserve Bank of Zimbabwe minimum	30%	30%

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.5 Liquidity risk (continued)

Liquidity coverage ratio (%)

Category	Sub-category	Total weighted value (average)	Total weighted value (average)
High-quality liquid assets			
	Level 1 Assets	3 151 615	2 459 861
	Total high-quality liquid assets	3 151 615	2 459 861
Cash outflows	Stable deposits	(20 447)	(18 033)
	Less stable deposits	(120 628)	(86 760)
	Operational deposits (all counterparties) and deposits in networks of cooperative banking institutions	(2 052)	(800)
	Non-operational deposits (all counterparties)	(1 196 515)	(1 339 149)
	Other contractual funding obligations	(488 411)	(314 871)
	Total cash outflows	(1 828 054)	(1 759 613)
Cash inflows	Other contractual cash inflows	341 672	479 336
	Total cash inflows	341 672	479 336
	Total high-quality liquid assets	3 151 615	2 459 861
	Total net cash outflows	(1 486 382)	(1 280 277)
	Liquidity coverage ratio (%)	212%	192%

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.5.a Liquidity risk (continued)

Liquidity profiling as at 31 December 2025

The amounts disclosed in the table below are the contractual undiscounted cash flows. The assets which are used to manage liquidity risk, which is mainly Cash and bank balances and investment securities are also included on the table based on the contractual maturity profile.

	Less than 1 month ZWG000	1 to 3 months ZWG000	3 to 6 months ZWG000	6 to 12 months ZWG000
On balance sheet items as at 31 December 2025				
2025				
Assets held for managing liquidity risk – Group (contractual maturity dates)				
Cash and bank balances	2 801 109	–	–	–
Loans and receivables from Banks	72 772	–	–	–
Loans and advances to customers	14 056	206 001	116 316	1 080 381
Investment securities	–	70 174	48 272	618 523
Other assets	166 225	–	–	–
Total assets	3 054 162	276 175	164 588	1 698 904
Liabilities				
Deposits from customers	434 995	296 570	792 126	2 214 283
Balances due to banks	–	494	8 028	39 802
Balances due to Group companies	35 074	–	–	–
Lease liabilities	3 134	6 269	9 143	17 388
Other liabilities	141 673	–	–	–
Total liabilities – (contractual maturity)	614 876	303 333	809 297	2 271 473
Liquidity gap	2 439 286	(27 158)	(644 709)	(572 569)
Cumulative liquidity gap	2 439 286	2 412 128	1 767 419	1 194 850

Contingent liabilities and commitments as at 31 December 2025

	Less than 1 month ZWG000
2025	
Assets	
Guarantees	195
Commitment to lend	1 747
Total assets	1 942
Liabilities	
Guarantees	195
Commitment to lend	1 747
Total liabilities	1 942
Liquidity gap	–
Cumulative liquidity gap	–

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	1 to 3 months ZWG000	3 to 5 months ZWG000	5+ years ZWG000	Total ZWG000	Carrying amount ZWG000
	-	-	-	2 801 109	2 801 109
	-	-	-	72 772	72 772
	2 028 079	-	-	3 342 963	3 342 963
	-	-	-	718 418	718 418
	-	-	-	166 225	269 160
	2 028 079	-	-	7 101 487	7 204 422
	1 175 237	293 374	-	5 206 584	5 197 777
	336 224	35 949	-	420 498	388 360
	-	-	-	35 074	35 074
	68 990	15 980	-	120 904	65 212
	-	-	-	141 673	246 583
	1 580 451	345 303	-	5 924 733	5 933 005
	447 629	(345 303)	-	1 176 754	1 271 418
	1 642 478	1 297 175	1 297 175		

	1 to 3 months ZWG000	3 to 6 months ZWG000	6 to 12 months ZWG000	1 to 5 years ZWG000	Total ZWG000
	10 569	1 299	97 357	-	109 421
	1 299	-	-	55 237	58 283
	11 868	1 299	97 357	55 237	167 704
	10 569	1 299	97 357	-	109 421
	1 299	-	-	55 237	58 283
	11 868	1 299	97 357	55 237	167 704
	-	-	-	-	-
	-	-	-	-	-

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.5.a Liquidity risk (continued)

Contingent liabilities and commitments as at 31 December 2024

	Less than 1 month ZWG000	1 to 3 months ZWG000	3 to 6 months ZWG000	6 to 12 months ZWG000
On balance sheet items as at 31 December 2024				
2024				
Assets held for managing liquidity risk – Group (contractual maturity dates)				
Cash and bank balances	2 501 371	–	–	–
Loans and receivables from Banks	284 274	–	–	–
Loans and advances to customers	536 841	640 861	338 966	677 752
Investment securities	34 312	197 771	–	–
Current tax Asset	244 467	–	42 155	–
Other assets	–	–	–	–
Total assets	3 601 265	838 632	381 121	677 752
Liabilities				
Deposits from customers	445 566	659 461	879 290	1 510 605
Balances due to banks	216 862	–	–	–
Balances due to Group companies	25 850	–	–	–
Lease liabilities	2 090	4 179	6 295	12 564
Other liabilities	49 843	–	208 581	–
Total liabilities – (contractual maturity)	740 211	663 640	1 144 396	1 523 169
Liquidity gap	2 861 054	174 992	(763 275)	(845 417)
Cumulative liquidity gap	2 861 054	3 036 046	2 272 771	1 427 354

Contingent liabilities and commitments as at 31 December 2024

	Less than 1 month ZWG000
2024	
Assets	
Commitment to lend	121 382
Total assets	121 382
Liabilities	
Commitment to lend	121 382
Total liabilities	121 382
Liquidity gap	
Cumulative liquidity gap	

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

1 to 3 months ZWG000	3 to 5 months ZWG000	5+ years ZWG000	Total ZWG000	Carrying amount ZWG000
–	–	–	2 501 371	2 501 371
–	–	–	284 274	284 274
1 272 201	537 125	23 864	4 027 610	2 918 172
108 663	–	–	340 746	334 452
–	–	–	286 622	286 621
–	–	–	–	–
1 380 864	537 125	23 864	7 440 623	6 324 890
–	–	–	–	–
1 109 697	–	–	4 604 619	4 602 040
162 892	95 867	–	475 621	418 993
–	–	–	25 850	25 850
54 822	–	11 222	91 172	74 119
–	–	–	258 424	250 761
1 327 411	95 867	11 222	5 505 916	5 421 993
53 453	441 258	12 642	1 934 707	–
1 480 807	1 922 065	1 934 707	–	–
1 to 3 months ZWG000	3 to 6 months ZWG000	6 to 12 months ZWG000	1 to 5 years ZWG000	Total ZWG000
18 859	25 670	50 591	50 126	266 628
18 859	25 670	50 591	50 126	266 628
18 859	25 670	50 591	50 126	266 628
18 859	25 670	50 591	50 126	266 628
–	–	–	–	–
–	–	–	–	–

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.5.b Liquidity risk (continued)

	Less than 1 month ZWG000	1 to 3 months ZWG000	3 to 6 months ZWG000	6 to 12 months ZWG000
On balance sheet items as at 31 December 2025				
2025				
Assets held for managing liquidity risk – Group (contractual maturity dates)				
Cash and bank balances	2 801 109	–	–	–
Loans and receivables from Banks	–	70 174	48 272	618 523
Loans and advances to customers	72 772	–	–	–
Investment securities	14 056	206 001	116 316	1 080 381
Other assets	166 225	–	–	–
Total assets	3 054 162	276 175	164 588	1 698 904
Liabilities				
Deposits from customers	434 995	296 570	792 126	2 214 283
Balances due to banks	35 074	–	–	–
Balances due to Group companies	–	494	8 028	39 802
Lease liabilities	3 134	6 269	9 143	17 388
Other liabilities	220 083	–	–	–
Total liabilities – (contractual maturity)	693 286	303 332	809 297	2 271 473
Liquidity gap	2 360 876	(27 157)	(644 709)	(572 569)
Cumulative liquidity gap	2 360 876	2 333 719	1 689 011	1 116 442

Contingent liabilities and commitments as at 31 December 2025

	Less than 1 month ZWG000
2025	
Assets	
Guarantees	195
Commitment to lend	1 747
Total assets	1 942
Liabilities	
Guarantees	195
Commitment to lend	1 747
Total liabilities	1 942
Liquidity gap	–
Cumulative liquidity gap	–

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

1 to 3 months ZWG000	3 to 5 months ZWG000	5+ years ZWG000	Total ZWG000	Carrying amount ZWG000
-	-	-	2 801 109	2 801 109
-	-	-	736 969	736 969
-	-	-	72 772	72 772
2 028 079	-	-	3 342 963	3 342 963
-	-	-	166 225	166 225
2 028 079	-	-	7 120 038	7 120 038
1 175 237	293 374	52 244	5 206 884	5 197 777
-	-	-	35 074	35 074
336 224	35 949	-	420 498	388 360
68 990	15 980	-	120 903	120 903
-	-	-	220 083	388 360
1 580 452	345 304	52 244	6 003 441	6 130 473
447 627	(345 304)	(52 244)	1 116 596	989 565
1 564 069	1 218 765	1 166 520	-	-

1 to 3 months ZWG000	3 to 6 months ZWG000	6 to 12 months ZWG000	1 to 5 years ZWG000	Total ZWG000
10 569	1 299	97 357	-	109 422
1 299	-	-	55 237	58 283
11 868	1 299	97 357	55 237	167 705
10 569	1 299	97 357	-	109 422
1 299	-	-	55 237	58 283
11 868	1 299	97 357	55 237	167 704
-	-	-	-	1
-	-	-	-	-

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.5.b Liquidity risk (continued)

Contingent liabilities and commitments as at 31 December 2024

	Less than 1 month ZWG000	1 to 3 months ZWG000	3 to 6 months ZWG000	6 to 12 months ZWG000
On balance sheet items as at 31 December 2024				
2024				
Assets held for managing liquidity risk – Group (contractual maturity dates)				
Cash and bank balances	2 501 370	–	–	–
Loans and receivables from Banks	34 312	197 771	–	–
Loans and advances to customers	284 274	–	–	–
Investment securities	536 841	640 861	338 966	677 752
Current tax Asset	244 467	–	42 155	–
Other assets	3 601 264	838 632	381 121	677 752
Total assets				
Liabilities	445 566	819 386	879 290	1 510 605
Deposits from customers	25 859	–	–	–
Balances due to banks	216 862	–	–	–
Balances due to Group companies	2 090	4 179	6 295	12 564
Lease liabilities	49 843	–	208 581	–
Other liabilities				
Total liabilities – (contractual maturity)	740 220	823 565	1 094 166	1 523 169
Liquidity gap	2 861 044	15 067	(713 045)	(845 417)
Cumulative liquidity gap	2 861 044	2 876 111	2 163 066	1 317 649

Contingent liabilities and commitments as at 31 December 2024

	Less than 1 month ZWG000
2024	
Assets	
Commitment to lend	121 382
Total assets	121 382
Liabilities	
Commitment to lend	121 382
Total liabilities	121 382
Liquidity gap	–
Cumulative liquidity gap	–

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

1 to 3 months ZWG000	3 to 5 months ZWG000	5+ years ZWG000	Total ZWG000	Carrying amount ZWG000
–	–	–	2 501 370	2 501 370
108 663	–	–	340 746	340 746
–	–	–	284 274	284 274
1 272 200	537 124	925	4 004 669	4 004 669
–	–	–	286 622	286 622
1 380 863	537 124	925	7 417 681	7 417 681
1 109 697	–	–	4 764 544	4 762 016
–	–	–	25 859	25 850
162 892	95 867	95 867	571 488	418 993
54 822	–	–	79 950	74 119
–	–	–	258 424	250 788
1 327 411	95 867	95 867	5 700 265	5 531 766
53 452	441 257	(94 942)	1 717 416	1 885 915
1 371 102	1 812 360	1 717 419	3	–
1 to 3 months ZWG000	3 to 6 months ZWG000	6 to 12 months ZWG000	1 to 5 years ZWG000	Total ZWG000
18 859	25 670	50 591	50 126	266 628
18 859	25 670	50 591	50 126	266 628
18 859	25 670	50 591	50 126	266 628
18 859	25 670	50 591	50 126	266 628
–	–	–	–	–
–	–	–	–	–

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

36 Other risks

Strategic risk

The roles of the Chairman and the Managing Director are not vested in the same person. The executive team formulates the strategy under the guidance of the Board which approves it. The executive directors bear the responsibility to execute the approved strategy. The Board reviews the performance and suitability of the strategy at least quarterly.

Legal and compliance risk

The Risk Management Committee ensures that the management and operations of the bank's business is done within the established governance and regulatory control framework of the Reserve Bank of Zimbabwe and other regulatory bodies. A dedicated legal and compliance unit is in place to monitor legal and compliance requirements and ensure that they are met on a daily basis.

Reputation risk

The group adheres to very strict reputation standards set based on its chosen set of values. The Human Resources Committee of the Board assists the Board in ensuring that staff complies with set policies and practices consistent with the reputation demands of both the group and the industry. The compliance unit and human resources function monitor compliance by both management and staff with the group's ethical codes and compliance standards in managing conduct risk.

Operational risk

This is the risk of losses arising from inadequate or failed internal processes, people and/or systems or from external events. A significant part of the group's operations are automated and processed in the core banking system. Key banking operations in corporate and investment banking, retail and business banking and treasury are heavily dependent on the group's core banking system. The core banking system also supports key accounting processes for financial assets, financial liabilities and revenue including customer interface on mobile, internet banking and related electronic platforms.

Practices to minimise operational risk are embedded across all transaction cycles. Risk workshops are held for the purpose of identifying major risks in the operating environment and methods of mitigating the risks. The group employs the standardised approach to determine capital required to cover operational risk. Each function carries out a risk and control assessment of their processes on a regular basis. The assessment results are reviewed by Operational Risk Management department. Internal Audit audits selected functions at given times.

Financial Crime Risk

This is the risk that the bank's products and services will be exploited for criminal activity. This includes fraud, bribery and corruption, tax evasion, sanctions and export control violations and evasion, money laundering, terrorist financing and proliferation financing. The bank is committed to maintaining the highest standards in combating money laundering, terrorist financing, and other financial crimes. In line with the Reserve Bank of Zimbabwe directives, relevant legislation, and international best practices, the bank has established a comprehensive AML/CFT framework designed to mitigate these risks effectively.

To manage and mitigate these risks, the bank has implemented a robust AML/CFT framework that includes the following key elements:

- Governance and Oversight – A clear governance structure with defined roles and responsibilities for AML/CFT compliance, overseen by senior management and the Risk and Compliance Sub-Committee of the Board.
- Policies and Procedures – Comprehensive AML/CFT policies and procedures that are regularly reviewed and updated to reflect changes in legislation, regulatory guidance, and evolving risks. These policies cover areas such as Know Your Customer, Customer Due Diligence, Enhanced Due Diligence for high-risk customers, transaction monitoring, record keeping, and reporting of suspicious activity.

Cyber Risk

Cybersecurity risk is the potential for loss or harm to the bank resulting from a cyberattack, data breach, or other security incident that compromises the confidentiality, integrity, or availability of its information systems and data. This risk can encompass a range of negative consequences, including financial loss, reputational damage, operational disruption, and legal liabilities. The bank recognizes the increasing threat of cybercrime and is committed to maintaining a strong cybersecurity posture. While no cyber incidents have occurred during the period, the bank is constantly monitoring and adapting its cybersecurity practices to address evolving threats.

The bank has implemented various measures to manage cyber risks, including:

- Information security policies – The bank has established information security policies to protect sensitive information.
- Network security – The bank has implemented network security measures, including firewalls and intrusion detection systems.
- Employee training – The bank provides regular training to employees on cyber security best practices.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

36 Other risks (continued)

Risks and Ratings

The Central Bank conducts regular examinations of bank and financial institutions it regulates. The last on-site examination of the bank was as at 30 June 2023 and it assessed the overall condition of the bank to be satisfactory. This is a score of "2" on the CAMELS rating scale. The CAMELS rating evaluates banks on capital adequacy, asset quality, management and corporate governance, liquidity and funds management and sensitivity to market risks.

The CAMELS and Risk Assessment System (RAS) ratings are summarised in the following tables:

CAMELS Components

CAMELS component	Current Examination June 2023	Prior Examination November 2016	Prior Examination July 2012
Capital	2 – Satisfactory	1 – Strong	2 – Satisfactory
Asset Quality	2 – Satisfactory	2 – Satisfactory	2 – Satisfactory
Management	2 – Satisfactory	2 – Satisfactory	3-Fair
Earnings	2 – Satisfactory	1 – Strong	3-Fair
Liquidity and Funds Management	2 – Satisfactory	2 – Satisfactory	2 – Satisfactory
Sensitivity to Market Risk	2 – Satisfactory	1 – Strong	1 – Strong
Overall Composite Rating	2 – Satisfactory	2 – Satisfactory	3-Fair

First Capital Bank Risk Matrix as at 30 June 2023

Type of risk	Level of inherent risk	Adequacy of risk management systems	Overall composite risk	Direction of overall composite risk
Credit	Moderate	Acceptable	Moderate	Stable
Liquidity	Low	Acceptable	Low	Stable
Interest rate risk	Low	Acceptable	Low	Stable
Foreign exchange	Moderate	Acceptable	Moderate	Stable
Operational & Cyber	High	Acceptable	High	Increasing
Legal	Low	Strong	Low	Stable
Reputational	Low	Strong	Low	Stable
Compliance	Moderate	Acceptable	Moderate	Stable
Strategic	Moderate	Acceptable	Moderate	Stable
Overall	Moderate	Acceptable	Moderate	Stable

Summary of RAS ratings

RAS component	Latest RAS Ratings – June 2023	Previous RAS Ratings – June 2016	Previous RAS Ratings – July 2012
Overall Inherent Risk	Moderate	Moderate	Moderate
Overall Risk Management Systems	Acceptable	Stable	Acceptable
Overall composite Risk	Moderate	Moderate	Moderate
Direction of Overall composite Risk	Stable	Stable	Stable

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

36 Other risks (continued)

Interpretation of risk matrix

Level of inherent risk

Low – reflects lower than average probability of an adverse impact on a banking institution’s capital and earnings. Losses in a functional area with low inherent risk would have little negative impact on the banking institution’s overall financial condition.

Moderate – could reasonably be expected to result in a loss which could be absorbed by a banking institution in the normal course of business.

High – reflects a higher than average probability of potential loss. High inherent risk could reasonably be expected to result in a significant and harmful loss to the banking institution.

Adequacy of risk management systems

Weak – risk management systems are inadequate or inappropriate given the size, complexity and risk profile of the banking institution. Institution’s risk management systems are lacking in important ways and therefore a cause of more than normal supervisory attention. The internal control systems will be lacking in important aspects, particularly as indicated by continued exceptions or by the failure to adhere to written policies and procedures.

Acceptable – management of risk is largely effective but lacking to some modest degree. While the institution might be having some minor risk management weaknesses, these have been recognised and are being addressed. Management information systems are generally adequate.

Strong – management effectively identifies and controls all types of risk posed by the relevant functional areas or per inherent risk.

Decreasing – based on current information, risk is expected to decrease in the next 12 months.

Stable – based on current information, risk is expected to be stable in the next 12 months.

2025

Rating agent	International Credit Rating	Global Credit Rating	
	Latest credit ratings	Latest credit ratings	Previous credit ratings
Period	2025/26	2024/25	2023/24
Rate	AA	A+(ZW)	A+(ZW)

37 Segment reporting

Management has determined the operating segments based on the reports reviewed by the Country Management Committee (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses its performance. All operating segments used by the Group meet the definition of a reportable segment under IFRS 8 Operating Segments. The Country Management Committee assesses the performance of the operating segments monthly based on a measure of profit or loss. This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs and legal expenses. The measure also excludes the effects of equity-settled share-based payments and unrealised gains or losses on financial instruments.

The group has three broad business segments:

1. **Retail Banking** – focuses on individual customers with product offering that incorporates direct debit facilities, current and savings accounts, investment savings products, safe custody, debit cards, consumer loans and mortgages.
2. **Treasury** – focuses on management of the overall Bank operating asset balances and balance sheet structure. Main products include financial instruments and foreign currency trading.
3. **Corporate Banking** – focuses on corporates, multi-nationals and non-governmental organisations. Product offering includes current accounts, overdrafts, loans and foreign currency products.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

37 Segment reporting (continued)

Segment results of operations – Bank

	Retail Banking ZWG000	Corporate Banking ZWG000	Treasury ZWG000	Total ZWG000
2025				
Interest income	846 524	256 125	43 563	1 146 210
Interest expense	(137)	(23 986)	(65 906)	(90 030)
Net interest income	846 387	232 138	(22 343)	1 056 180
Fee and commission income	670 689	287 244	37 980	995 912
Fee and commission expense	(55 879)	(27 991)	(30 001)	(113 860)
Trading and foreign exchange income	–	–	280 888	280 888
Net investment and other income	–	8 032	19 017	27 049
Fair value loss on investment property	–	–	(1 463)	(1 463)
Total Income	1 461 197	499 424	284 078	2 244 707
Impairment losses on loans and receivables	(37 776)	(4 418)	(46 798)	(88 993)
Net operating income	1 423 421	495 006	237 280	2 155 714
Loss on derecognition of financial assets	–	–	(56 704)	(56 704)
Staff costs	(258 201)	(110 767)	(50 747)	(419 722)
Infrastructure costs	(94 459)	(44 073)	(19 283)	(157 815)
Administration and general expenses	(232 409)	(152 554)	(50 135)	(435 095)
Depreciation and amortisation	(66 390)	(22 759)	(7 474)	(96 174)
Operating expenses	(651 459)	(330 153)	(184 342)	(1 165 510)
Segment contribution	771 962	164 852	52 937	990 204
Share of (loss) in joint ventures	–	–	39 762	39 762
Taxation	(177 426)	(37 900)	(13 511)	(228 918)
Profit for the year	594 536	126 952	79 188	800 613
Total assets	2 003 049	1 558 750	5 118 795	8 680 592
Total liabilities	1 289 463	2 983 906	1 932 277	6 311 957
2024				
Interest income	411 079	170 973	47 506	629 558
Interest expense	(455)	(35 534)	(9 028)	(45 017)
Net interest income	410 624	135 439	38 478	584 541
Fee and commission income	350 337	166 482	(2 604)	514 215
Fee and commission expense	(34 808)	(69)	–	(34 877)
Net trading and foreign exchange income	–	–	152 662	152 662
Net investment and other income	–	–	23 941	23 941
Fair value gain on investment property	–	–	4 727	4 727
Total Income	726 153	301 852	217 204	1 245 209
Impairment losses on financial assets	151 301	(74 770)	(58 220)	18 311
Net operating income	877 454	227 082	158 984	1 263 520
Staff costs	(193 926)	(98 523)	(43 227)	(335 676)
Infrastructure costs	(100 178)	(51 744)	52 550	(99 372)
General expenses	(165 964)	(98 071)	(27 937)	(291 972)
Depreciation and amortisation	–	–	(77 517)	(77 517)
Operating expenses	(460 068)	(248 338)	(96 131)	(804 537)
Segment contribution	417 386	(21 256)	62 853	458 983
Share of profits from joint venture	–	–	(48 061)	(48 061)
Taxation	(52 096)	(16 521)	(40 037)	(108 654)
Profit for the year	365 290	(37 777)	(25 245)	302 268
Total assets	1 350 681	1 634 541	4 808 918	7 794 140
Total liabilities	909 939	3 835 876	1 172 225	5 918 040

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

38 Related parties

The Group is controlled by FMBcapital Holdings PLC incorporated in Mauritius which owns 52% (2024: 52%) of the ordinary shares. 15% is held by an Employee Share Ownership Trust (ESOT) and the remaining 33% of the shares are widely held. There are other companies which are related to First Capital Bank through common shareholdings or common directorship.

38.1 Key management compensation

	2025 ZWG000	2024 ZWG000
Salaries and other short term benefits	71 150	31 019
Post-employment contribution plan	4 811	3 194
Total	75 961	34 213

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly. These include the Chief Executive Officer, Chief Finance Officer, Head of Risk, Commercial Director, Chief Operating Officer, Consumer Banking Director, Chief Internal Auditor, Head of Compliance, Company Secretary and Head of Human Resources.

38.2 Loans to key management

	2025 ZWG000	2024 ZWG000
Loans outstanding at 1 January	2 005	6 436
Currency translation adjustment	29 429	2262
Loans issued during the year	1 648	1 802
Loans repayments during the year	(501)	(8 495)
Loans outstanding at 31 December	32 581	2 005

The above loans to directors and other key management personnel are insured and repayable monthly over 7 years at average interest rates of 15% (2024:15%). Interest received from loans to key management amounts to ZWG 3 million (2024: ZWG129k).The loans to directors were issued under conditions similar to other staff loans. Impairment losses of ZWG390k (2024: Nil) have been recognised for loans to key management.

38.3 Deposits from executive directors and key management

	2025 ZWG000	2024 ZWG000
Deposits at 1 January	1 233	4 499
Currency translation adjustment	18	–
Deposits received during the year	122 824	91 565
Deposits repaid during the year	(123 010)	(94 831)
Deposits at 31 December	1 065	1 233

Notes to the Consolidated and Separate Annual Financial Statements continued

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38 Related parties (continued)

38.4 Balances with related parties – related through common directorship and shareholding

	Deposits 2025 ZWG000	Loans and advances 2025 ZWG000	Deposits 2024 ZWG000	Loans and advances 2024 ZWG000
Boost Fellowship	26	–	213	–
Canelands Trust	2 520	–	3 113	–
Cimas Holdings	234	–	1 817	–
Dulys Holdings	17 875	–	2 253	–
Hippo Valley Estates	3 248	–	616	–
Lotus Stationary Manufacturers (Pvt) Ltd	78	–	1 542	–
Makasa Sun Private Limited	182	33 047	1 271	15 468
NCP Distillers Zimbabwe	156	–	39	–
Nicoz diamond insurance	–	–	1 402	–
St Georges College	2 546	20 005	2 284	–
Thulile Investments	2 390	–	–	–
Tobacco Industry and Marketing Board	104	–	2 396	–
Triangle Limited	63 263	–	3 282	–
United refineries	–	–	12 240	–
Zimbabwe Sugar Sales	24 214	–	–	–
Safe deposit box company	104	–	–	–
Tasimba Properties	5 326	–	–	–
Malilangwe Trust	61 082	–	–	–
Beitbridge Bulawayo Railway P/L	–	–	–	–
Total	183 347	53 052	32 468	15 468
Current	183 347	53 052	32 468	15 468
Non – current	–	–	–	–
Total	183 347	53 052	32 468	15 468

Repayments on the loans to the related parties were made on due dates and new loans were also granted. Impairment losses of ZWG 15 million (2024: ZWG 21K) have been recognised for Balances with related parties through common directorship.

	2025 ZWG000	2024 ZWG000
38.5 Balances with group companies		
Bank balances due from group companies		
Other balances due from group companies		(696)
Other balances due to group companies	(35 074)	(25 154)
Total	(35 074)	(25 850)

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 ZWG000	2024 ZWG000
39 Capital commitments and contingencies		
Authorised and contracted for	38 296	–
Authorised but not yet contracted for	69 992	192 612
Total capital commitment	108 288	192 612
40 Contingent liabilities		
Loan commitments	58 283	266 679
Defined Benefit Pension	183 252	166 096
Guarantees and letters of credit	109 431	–
Total	350 966	432 775

41 Subsequent events

41.1 Geopolitical developments in the Middle East

Event and timing

Subsequent to 31 December 2025, geopolitical tensions in the Middle East escalated significantly following the commencement of an armed conflict in the region on 28 February 2026.

The conflict remains ongoing at the date of authorisation of these consolidated financial statements.

Market impact

The outbreak of hostilities resulted in heightened volatility in global financial and commodity markets, particularly in energy markets. Concerns over potential disruptions to global supply routes, including the strategic Strait of Hormuz, led to a sharp increase in international crude oil prices. Brent crude oil prices rose from approximately USD 72 per barrel prior to the outbreak of hostilities to levels exceeding USD 80 per barrel in early March 2026, an increase of roughly 10–15% within a short period following the escalation of the conflict. This has contributed to elevated inflation expectations, foreign exchange volatility and uncertainty in emerging and frontier markets.

Impact on the Group

The Group does not have direct operations, investments or credit exposures in the immediate conflict zone. However, as a regional banking group operating in Malawi, Zambia, Zimbabwe, Mozambique and Botswana, sustained increases in crude oil prices and broader geopolitical uncertainty could indirectly affect the Group through:

- increased inflationary pressures and operating costs in the Group's operating markets;
- foreign exchange volatility in import dependent economies;
- increased market volatility affecting the valuation of financial assets; and
- potential pressure on borrower affordability and credit quality, particularly for corporate and retail clients exposed to higher input and energy costs.

Non-adjusting event conclusion

Management has considered whether these developments represent indicators of impairment for financial assets measured under IFRS 9 Financial Instruments. Based on information available at the date of authorisation of these consolidated financial statements:

- no evidence has been identified indicating a material deterioration in credit quality as at 31 December 2025;
- forward looking information and macroeconomic assumptions used in the measurement of expected credit losses (ECLs) will continue to be monitored, and any necessary updates will be reflected in future reporting periods; and
- the Group remains vigilant to potential stress in borrower portfolios arising from inflation, foreign exchange volatility and higher energy costs.

Non-adjusting event conclusion

In accordance with IAS 10 – Events after the Reporting Period, these developments are classified as a non adjusting event, and no adjustments have been made to the amounts recognised in these consolidated financial statements.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

42 Going concern

The Directors have no reason to believe that the Group will not be a going concern in the period ahead. Going concern assessment was performed by review of the economic conditions under which the Group is expected to perform over the next 12 months, its ability to adapt its strategy, business and operating models to the projected macro environment, financial forecasts and business underwriting capacity. The Group has sufficient capital, human and physical resources as well as sources of sustainable deposits which are well diversified and is therefore able to address short term stress factors within reasonable parameters. The Group's financial statements as at 31 December 2025 have therefore been prepared on the going-concern assumption.

43 New accounting pronouncements

Standards, amendments and interpretations that are relevant to the Group.

NEW AND AMENDMENTS TO IFRS THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR

The Group applied new and several amendments to IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2025.

Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates

The effects of changes in foreign exchange rates – Amendments to IAS 21. The amendments provide guidance on how to determine the exchange rate when a currency is not exchangeable and introduce new disclosure requirements.

On 15 August 2023, the IASB issued 'Lack of Exchangeability' which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments) IAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

The amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not.

The amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

The application of these amendments did not have a material impact on the Group's financial statements.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2026, and earlier application is permitted. The Bank has not early-adopted these new or amended standards in preparing these financial statements. Management will continue to assess the impact of the new standards effective from 1 January 2026.

Annual Improvements to IFRS Standards – Volume 11

In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards. The amendments to IFRS 9 address:

- A conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables.
- How a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15.

They also clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

The amendments are effective for annual reporting periods starting on or after 1 January 2026. Earlier application is permitted.

The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

The Group will adopt the amendments from 1 January 2026.

The Group expects that the amendments, when initially applied will have no material impact on its financial statements.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

43 New accounting pronouncements (continued)

Standards issued but not yet effective (continued)

Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

Nature-dependent electricity contracts enable companies to source their electricity directly from wind and solar power generation because the volume of electricity produced under these contracts can fluctuate due to weather conditions-factors beyond a company's control-current accounting standards may not fully reflect their impact on financial performance.

To address this, the IASB has introduced targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments:

Disclosures to enhance how such contracts are reported in financial statements, the amendments include:

1. Clarifying how the 'own-use' exception should be applied
2. Allowing hedge accounting when these contracts are used as hedging instruments
3. Introducing new disclosure requirements to help investors understand how these contracts influence a company's financial performance and cash flows

These changes are effective for annual reporting periods beginning on or after 1 January 2026, with early adoption allowed.

The Group does not engage in electricity purchase contracts or derivatives linked to nature-dependent electricity.

Therefore, the amendments are not expected to affect the Group's recognition or measurement of financial instruments.

IFRS 18 (Presentation and Disclosure in Financial Statements)

IFRS 18, which replaces IAS 1 Presentation of Financial Statements, introduces updated requirements for presenting information in the statement of profit or loss, including prescribed totals and subtotals.

The standard also requires entities to disclose management-defined performance measures and sets out new principles for aggregating and disaggregating financial information, based on the defined 'roles' of the primary financial statements and the accompanying notes.

Issued in April 2024, IFRS 18 becomes effective for annual reporting periods beginning on or after 1 January 2027.

The directors will continue to assess the implications of the new standard on future financial reporting.

The impact will affect the presentation and disclosures of the financial statements and the Group will adopt these amendments when they become effective.

IFRS 19 (Subsidiaries without Public Accountability Disclosures)

IFRS 19 permits eligible subsidiaries to apply IFRS while using the reduced disclosure framework provided by the standard. A subsidiary may elect to apply IFRS 19 in its consolidated, separate, or individual financial statements, provided that at the reporting date:

1. it does not have public accountability; and
2. its parent prepares consolidated financial statements in accordance with IFRS that are available for public use.

A subsidiary applying IFRS 19 must explicitly state, in its unreserved and explicit statement of compliance, that it has adopted the standard.

IFRS 19 is effective for annual reporting periods beginning on or after 1 January 2027.

The Group is not eligible to adopt the reduced disclosure requirements under IFRS 19 due to its status as a publicly accountable entity.

IAS 21 The Effects of Changes in Foreign Exchange Rates (Translation to a Hyperinflationary Presentation Currency)

The amendments set out the translation requirements for an entity whose presentation currency is that of a hyperinflationary economy in situations where:

1. Its functional currency is that of a non-hyperinflationary economy and it translates its financial results and position into a hyperinflationary presentation currency; or
2. It translates into a hyperinflationary currency the financial results and position of a foreign operation whose functional currency is non-hyperinflationary.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

43 New accounting pronouncements (continued)

STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and liabilities
- On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:
 - Clarifications of the requirements for recognition and derecognition of financial assets and liabilities
 - A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment
 - Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
 - Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
 - The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through (OCI)

The Amendments are effective for annual periods starting on or after 1 January 2026.

With respect to the amendments on the derecognition of financial liabilities that are settled through an electronic payment system, the Bank has performed an assessment of all material electronic payment systems used in the various jurisdictions it operates.

The Bank has determined that it will not apply the accounting policy option to derecognise financial liabilities before the settlement date. Moreover, the Bank has also reviewed its other payment systems such as cheques, credit cards, debit cards) and concluded that the recognition and derecognition policies are already in line with the amendments.

In addition, the Bank has assessed the impact of the Amendments on its financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features, as well as on non-recourse financing and contractually linked instruments.

Based on the assessments performed, the amendments in these areas are not expected to have a material impact on the financial statements.

The Bank has not early-adopted these new or amended standards in preparing these financial statements. Management will continue to assess the impact of the new standards effective from 1 January 2026

The Group has not opted for early adoption. Based on the directors' assessment, the amendments are not expected to have a material impact on the Group's financial statements.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

Shareholder Statistics

Top 20 shareholders

Names	Shares	Percentage
FMBcapital Holdings Plc	1 134 268 206	52.47%
1912 Employee Share Ownership Trust	322 998 026	14.94%
Stanbic Nominees (Pvt) Ltd	94 707 771	4.38%
Old Mutual Life Ass Co Zim Ltd	87 729 687	4.06%
Barclays Zimbabwe Nominees P/L	51 884 670	2.40%
Amaval Investments (Pvt) Ltd	37 929 816	1.75%
Hitesh Anadkat	36 068 751	1.67%
Dinkrain Investments	31 776 940	1.47%
Public Service Commiss PF-Abc	22 487 106	1.04%
Nssa Staff Pension Fund – Abc	18 464 490	0.85%
Tirent Investments Pvt Ltd	17 303 308	0.80%
Mining Industry Pension Fund	14 141 174	0.65%
Hippo Valley Estates PF-Imara	12 334 339	0.57%
Fed Nominees (Pvt) Ltd	11 407 358	0.53%
Rumbidzai Dahwa	11 402 859	0.53%
Danchen Investments	10 932 348	0.51%
Avenell Investments (Pvt) Ltd	9 803 832	0.45%
Fed Nominees Non Taxable	7 707 873	0.36%
National Foods P F-Imara	6 656 783	0.31%
Amzim Pension Fund – Imara-003	6 588 184	0.30%
Selected Shares	1 946 593 521	90.04%
Non – Selected Shares	215 282 408	9.96%
Issued Shares	2 161 875 929	100.00%

Analysis of shareholding for the year ended 31 December 2025

Analysis by volume	Shares	Shares %	Shareholders	Shareholders %
1-5 000	8 895 098	0.41	5 765	62.20
5 001-10 000	6 733 758	0.31	982	10.60
10 001-25 000	21 558 446	1.00	1 296	13.98
25 001-50 000	23 767 462	1.10	719	7.76
50 001-100 000	12 672 404	0.59	185	2.00
100 001-200 000	15 885 232	0.73	112	1.21
200 001-500 000	25 298 082	1.17	80	0.86
500 001-1 000 000	27 813 813	1.29	40	0.43
1 000 001 and Above	2 019 251 634	93.40	89	0.96
Totals	2 161 875 929	100.00	9 268	100.00

Analysis by industry

FIRST CAPITAL BANK LIMITED: ANALYSIS BY INDUSTRY AS AT: 31 December 2025

Industry	Shares	Shares %	Shareholders	Shareholders %
Financial services- majority shareholder	1 134 268 206	52.5%	1	0%
Employee share ownership trust	322 998 026	14.9%	1	0%
Pension Funds	175 586 843	8.1%	143	2%
Insurance companies	87 930 139	4.1%	11	0%
Individuals	130 545 749	6.0%	8 076	86%
Nominee companies	147 411 429	6.8%	159	2%
Financial organisations	741	0.0%	02	0%
Other	163 134 796	7.5%	1 034	
Totals	2 161 875 929	100%	9 427	89%



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The following supplementary information comprising of USD denominated key statements (Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows) has been provided to comply with the requirements of the Victoria Falls Stock Exchange listing requirements to publish financial information in USD.

Consolidated and Separate Annual Financial Statements (USD)

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Directors' report

for the year ended 31 December 2025

The Directors of the Group are pleased to submit their report to shareholders for the financial year ended 31 December 2025.

Share capital

The authorised share capital of the Group remained unchanged at 5 000 000 000 with a nominal value of ZWG0.01 per each share. Issued and fully paid-up shares as at 31 December 2025 amounted to 2 161 875 929 (2024: 2 161 295 929).

Financial Results

Following the listing on the Victoria Falls Stock Exchange (VFEX) by the Bank, the Group adopted the United States Dollar (USD) as its functional and reporting currency in order to present its financial statements in a currency that is indicative of the primary economic environment. The change in functional currency was tested against and satisfied the requirements of IAS 21: The Effects of changes in foreign Exchange Rates.

The Group posted a profit for the year 2025 amounting to US\$30 million compared to a profit of US\$28 million in 2024. The total comprehensive income amounted to US\$32 million in 2025 having increased from US\$21 million in 2024.

Total assets as at 31 December 2025 amounted to US\$332 million, having increased from US\$296 million as at 31 December 2024.

The Group's total equity grew to US\$91 million as at 31 December 2025 up from US\$73 million as at 31 December 2024. Core capital was USD78 million which was above the minimum requirement of USD30 million.

Capital ratios achieved as at year end were as follows:

	2025	2024
Tier 1 Capital Ratio	20%	20%
Tier 1 & 2 Capital Ratio	25%	27%
Total Capital Adequacy Ratio	26%	27%

Dividends

The Directors declared dividends for the year totaling USD19.4 million, with USD6.6 million having been paid as an interim dividend whilst USD6.8 million will be paid as a final dividend.

Directorate

Appointments and resignations

The following board changes took place during the year 2025:

- N. Simões joined the board on the 13th of May 2025.

Director rotation

Article 103 of the Bank's Articles of Association provides for the retirement of directors by rotation as required by section 66(3) of the Zimbabwe Stock Exchange Listing Rules, 2019. Subject to meeting eligibility criteria, including compliance with the fact that the period of continued service on the Board does not exceed ten (10) years as required by Section 11 of the Banking Amendment Act, 2015, a retiring director can offer himself/herself for re-election.

Mr Kiritkumar Naik, Mrs Sara Nyaradzo Moyo and Mrs Tembiwe Moyo were re-elected to the Board by the shareholders at the Annual General Meeting of 10 June 2025, having been eligible, and after offering themselves for such re-election. Mrs Acquilina Chinamo, Mrs Sara Nyaradzo Moyo, and Mrs Tembiwe Moyo will retire at the forthcoming Annual General Meeting. Mrs Acquilina Chinamo, being eligible, offers herself for re-election. Mrs Sara Nyaradzo Moyo and Mrs Tembiwe Moyo, having served on the Board for the maximum allowable term of ten (10) years, are not eligible for re-election and will retire from the Board at the conclusion of the forthcoming Annual General Meeting.

Directors' Statement of responsibility

for the year ended 31 December 2025

The Directors are responsible for overseeing the preparation, integrity and objectivity of the consolidated annual financial statements and ensure that they fairly present the state of the affairs of the Group at the end of the financial year, the financial performance and cash flows for the reporting period, and other information contained in this report.

To enable the Directors to meet these responsibilities:

- All directors and employees endeavour to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach;
- The Board sets standards and management implements systems of internal control, accounting and technology aimed at providing reasonable assurance that both assets on and off the statement of financial position are safeguarded and the risk of error, fraud or loss is reduced in a cost-effective manner. These controls, contained in established policies and procedures, include the proper delegation of responsibilities and authorities within a clearly defined framework, effective accounting procedures and adequate segregation of duties;
- The Board and management identify all key areas of risk across the Group and endeavour to mitigate or minimise these risks by ensuring that appropriate infrastructure, controls, systems and discipline are applied and managed within predetermined procedures and constraints;
- The internal audit function reports directly to First Capital Bank Limited's Audit Committee Chairperson and it operates unimpeded and independently from operational management, appraises, evaluates and, when necessary, recommends improvements to the systems of internal control and accounting practices, based on audit plans that take cognisance of the relative degrees of risk of each function or aspect of the business; and
- The internal auditors play an integral role in matters relating to financial and internal control, accounting policies, reporting and disclosure.

To the best of their knowledge and belief, based on the above, the Directors are satisfied that no material breakdown in the operation of the systems of internal control and procedures occurred during the year under review.

The Group consistently adopts appropriate and recognised accounting policies and these are supported by reasonable and prudent judgements and estimates on a consistent basis. The preparation and presentation of the annual financial statements of First Capital Bank Limited (Zimbabwe) and all the information contained herein is the responsibility of the directors. The information contained in these financial statements has been prepared on the going concern basis and in accordance with provisions of the Companies and Other Business Entities Act (Chapter 24:31) as applicable to

a financial institution registered in terms of the Banking Act (Chapter 24:20) as read with the Banking Amendment Act No. 12 of 2015. These financial statements have also been prepared in accordance with Accounting Standards as issued by the International Accounting Standards Board.


Approval of annual financial statements

The Directors' report on page 169 and the annual financial statements of the Group which appear on pages 178 to 283 were approved by the Board of Directors on the 26 March 2026.

It is the responsibility of the independent auditors to report on the fair presentation of annual financial statements. The auditors' report to the shareholders of the Group is set out on pages 171 to 177 of this report.



P Devenish
Chairperson



T Mushoriwa
Chief Executive officer



S Binha
Company Secretary

Preparation of annual financial statements

These annual financial statements have been prepared under the supervision of the Head of Financial Reporting, Trymore Gatsi FCCA, CA(Z) PAAB no. 04464. and have been audited in terms of Section 188 of the Companies and the Other Business Act (Chapter 24:31).



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Independent Auditor's Report

To the Shareholders of First Capital Bank Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of First Capital Bank Limited and its subsidiaries ('the group') and company set out on pages 9 to 86, which comprise of 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 notes to the consolidated and separate financial statements, including 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 the group and company 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 the requirements of the Companies and Other Business Entities Act (Chapter 24:31).

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 Consolidated and Separate Financial Statements* section of our report. We are independent of the group and company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") and other independence requirements applicable to performing audits of financial statements of the group and company and in Zimbabwe. We have fulfilled our other ethical responsibilities in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) and in accordance with other ethical requirements applicable to performing audits of the group and company and in Zimbabwe. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Independent Auditor’s Report (Continued)

First Capital Bank Limited

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

The key audit matters apply equally to the audit of the consolidated and separate financial statements.

Key Audit Matters

Key Audit Matter	How the matter was addressed in the audit
<p>Expected credit losses (ECL) on loans and advances to customers and Treasury bills</p> <p>The Group and Bank have net loans and advances portfolio of USD128 671 000 and Treasury bills of USD19 361 000 at 31 December 2025. As explained in the accounting policies, these loans and advances are carried at amortised cost, less allowance for credit losses of USD3 320 000. The Group and Bank’s net loans and advances represented 38,75% whilst the Treasury Bills represented 5,83% of the Group and Bank total assets at the reporting date.</p> <p>In arriving at the reported expected credit losses, management applied judgements and made assumptions which, by their very nature, are subjective due to the significant uncertainty associated with them. The main inputs with increased complexity in respect of the timing and measurement of ECL include:</p> <ul style="list-style-type: none"> • Modelled ECL allowance - The Group and Bank’s loans and advances portfolio is disaggregated into two main sections- Corporate loan book and Retail loan book. The ECL allowance is calculated using a modelled approach. The development and execution of the model requires significant management judgement, including estimation of the probability of default (PD); exposure at default (EAD) and loss given default (LGD) model parameters. 	<p>Our audit procedures in assessing the ECL included the following:</p> <p>We obtained an understanding of the Group and Bank’s processes and tested the design effectiveness of the Group and Bank’s internal controls over credit origination, credit monitoring and credit remediation, as well as the governance process over the approval and review of the Group’s ECL models, including management adjustments.</p> <p>Modelled ECL allowance</p> <p>With the support of specialists:</p> <ul style="list-style-type: none"> • We assessed the conceptual soundness of the model construct and statistical/mathematical techniques applied as well as the reasonableness underpinning significant assumptions applied with reference to the requirements of IFRS 9 - Financial instruments, in determining the Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) parameters included in the models.

Independent Auditor's Report (Continued)

First Capital Bank Limited

Key Audit Matter	How the matter was addressed in the audit
<ul style="list-style-type: none"> • Staging - the determination of what constitutes significant increase in credit risk ("SICR") and consequent timely allocation of qualifying assets to the appropriate stage in accordance with IFRS 9. • Economic Scenarios - The Group incorporates forward looking information through macroeconomic variables. These require management judgement, given the uncertain macroeconomic environment and the complexity of incorporating these scenario forecasts and probability weightings into the estimation of ECL. <p>The calculation of ECL relating to loans and advances to customers was identified as a key audit matter considering the significance to the consolidated financial statements and the high degree of estimation uncertainty due to significant judgements and assumptions applied in the calculation which required increased audit effort and the use of specialists.</p>	<ul style="list-style-type: none"> • We evaluated the ECL models by assessing the reasonableness of underpinning assumptions, inputs and formulae used. This included a combination of assessing the appropriateness of model design, model implementation and validation, sensitivity testing and recalculating the Probability of Default, Loss Given Default and Exposure at Default parameters. • We independently reperformed the ECL calculations as per model build steps to assess the reasonableness of the ECL model outputs. Our recalculation procedures included challenging management's forward looking economic assumptions, recovery rates and probability weightings. • We assessed the data inputs used in the ECL models by reconciling the data inputs to the core banking system, customer agreements and collateral valuation reports. • We tested the Group's legal right to the collateral for a sample of exposures by inspecting legal agreements and valuation reports supporting the collateral valuations included in the Group's ECL models. • We evaluated the competency and independence of a sample of specialists engaged by the Group to perform collateral valuations. Our procedures included inspecting the specialists' qualifications, professional credentials, registrations with relevant professional bodies, as well as reviewing the terms of their engagement contracts to confirm the appropriateness of their appointment. • In addition, we assessed management's application of overlays.

Independent Auditor's Report (Continued)

First Capital Bank Limited

Key Audit Matter	How the matter was addressed in the audit
<p>The disclosures associated to Expected credit losses (ECL) on loans and advances are set out in the financial statements in the following notes:</p> <p>Note 16 - Loans and advances to customers.</p> <p>Note 10 - Impairment loss on financial assets</p> <p>Note 35.3.1 - Maximum Credit Risk Exposure</p>	<ul style="list-style-type: none"> We reviewed on a sample basis, the valuation reports obtained from these specialists and benchmarked the discount rates and asset valuations reported by these specialists against discount rates and asset valuations for similar assets obtained from our own internal valuation specialists and other valuation specialists for similar assets in the same geographical areas; and <p>Staging</p> <ul style="list-style-type: none"> We evaluated the criteria used to determine significant increase in credit risk including quantitative backstops with the resultant allocation of financial assets to stage 1, 2 or 3 in accordance with IFRS 9. We reperformed the staging distribution for all applicable financial assets and assessed the reasonableness of staging downgrades applied by management. We obtained and tested loan arrears reports, evaluated that balances are classified in the appropriate stage based on the days past due and credit risk assessments performed and risk ratings determined for individual accounts. We assessed the risk ratings for a sample of accounts by reviewing the financial statements received from customers, comparing the risk ratings to the Group's credit watchlist, and reviewing the payment behaviour for the selected accounts. We compared the risk ratings for these selected accounts to management's SICR assessment. For the Corporate book, we selected a sample of counterparties to independently recalculate the credit rating as at reporting date. The credit rating is used for both SICR and ECL calculation. Our procedures included reviewing the assumptions used in the derivation of the credit rating, reperforming the calculation steps and comparing the outputs to the ECL files. <p>Economic Scenarios Refer to</p> <p>With the support of a specialist; we:</p> <ul style="list-style-type: none"> Reviewed the completeness and appropriateness of the macroeconomic variables used as inputs to; and

Independent Auditor’s Report (Continued)

First Capital Bank Limited

Key Audit Matter	How the matter was addressed in the audit
	<ul style="list-style-type: none"> • Evaluated of the reasonableness of economic assumptions used in the models. Procedures performed included benchmarking the forecasts of the selected macroeconomic variables to peers, historical data and other external sources. • We assessed the presentation of the Expected Credit Loss and the appropriateness of the accounting policies as well as the adequacy of disclosures by comparing these to the requirements of with IFRS 9 - Financial instruments.

Other Information

The directors are responsible for the other information. The other information comprises Corporate Governance report, Chairman’s Statement and Chief Executive Officer’s Statement included in the document titled “First Capital Bank Limited Annual Report for the year ended 31 December 2025”, which includes the Directors’ Report, as required by the Companies and Other Business Entities Act (Chapter 24:31). The other information does not include the consolidated or the 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 express an audit opinion or any form of assurance conclusion thereon.

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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

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), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate 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 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 company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report (Continued)

First Capital Bank Limited

Auditor's Responsibilities for the Audit of the Consolidated and 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 consolidated and separate 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 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.
- 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 for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our 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.

Independent Auditor's Report (Continued)

First Capital Bank Limited

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

The engagement partner on the audit resulting in this independent auditor's report is Mr David Marange (PAAB Practicing Certificate Number 0436)



Ernst & Young
Chartered Accountants (Zimbabwe)
Registered Public Auditors

Harare

Date: 26 March 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2025

	Notes	2025 USD000	Restated* 2024 USD000
Interest income calculated using the effective interest method	4	42 053	34 661
Other interest and related income	4	1 043	1 027
Interest income		43 096	35 688
Interest expense calculated using the effective interest method	5	(3 206)	(2 409)
Other interest and similar expense	5	(179)	(164)
Interest expense		(3 385)	(2 573)
Net interest income		39 711	33 115
Fee and commission income	6	37 444	30 605
Fee and commission expense	6	(4 281)	(2 029)
Net fee and commission		33 163	28 576
Trading and foreign exchange income	7	10 561	10 968
Investment and other income	8	1 017	1 505
Fair value (loss)gain on investment property	20	(55)	181
Net non interest income		44 686	41 230
Total net income		84 397	74 345
Impairment (losses)/release on financial assets	10	(3 346)	(156)
Net operating income		81 051	74 189
Loss on derecognition of financial assets	14.1	(2 132)	–
Staff costs	9.1.1	(15 781)	(20 330)
Infrastructure costs	9.1.2	(9 576)	(10 455)
General expenses	9.1.3	(16 363)	(16 590)
Operating expenses		(43 852)	(47 375)
Share of profit/(loss) from joint venture	24	1 495	(1 867)
Profit before tax		38 694	24 947
Tax expense	11.1	(8 603)	(5 110)
Profit for the year		30 091	19 837
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss:			
(Loss)/gain on revaluations of property plant and equipment	18	(97)	432
Deferred tax (charge)/credit		(640)	883
Gain on equity investments at fair value through other comprehensive income	14.3	2 026	81
Deferred tax charge		(115)	(305)
Items that will be reclassified subsequently to profit or loss:			
Gain/(loss) on debt instruments at fair value through other comprehensive income		495	(202)
Net gain on other comprehensive income		1 669	889
Total comprehensive income		31 760	20 726
Earnings per share			
Basic (cents per share)	12	1.39	0.92
Diluted (cents per share)	12	1.39	0.92

* Refer to note 3(xi)

Separate Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2025

	Notes	2025 USD000	Restated* 2024 USD000
Interest income calculated using the effective interest method	4	42 053	34 661
Other interest and related income	4	1 043	1 027
Interest income		43 096	35 688
Interest expense calculated using the effective interest method	5	(3 206)	(2 409)
Other interest and similar expense	5	(179)	(164)
Interest expense		(3 385)	(2 573)
Net interest income		39 711	33 115
Fee and commission income	6	37 445	30 606
Fee and commission expense	6	(4 281)	(2 029)
Net fee and commission		33 164	28 577
Trading and foreign exchange income	7	10 561	10 968
Investment and other income	8	1 017	1 505
Fair value (loss)/gain on investment property	20	(55)	181
Net non interest income		44 687	41 231
Total net income		84 398	74 346
Impairment (losses)/release on financial assets	10	(3 346)	(156)
Net operating income		81 052	74 190
Loss on derecognition of financial assets	14.1	(2 132)	
Staff costs	9.2.1	(15 781)	(20 330)
Infrastructure costs	9.2.2	(9 566)	(10 447)
General expenses	9.2.3	(16 359)	(16 590)
Operating expenses		(43 838)	(47 367)
Share of profit/(loss) from joint venture	24	1 495	(1 867)
Profit before tax		38 709	24 956
Tax expense	11.1	(8 607)	(5 112)
Profit for the year		30 102	19 844
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss:			
(Loss)/gain on revaluations of property plant and equipment	18	(2 228)	432
Deferred tax (charge)/credit		(91)	883
Gain on equity investments at fair value through other comprehensive income	14.3 & 22	4 158	81
Deferred tax charge		(541)	(305)
Effects of change in functional currency			
Items that will be reclassified subsequently to profit or loss:			
Gain/(loss) on debt instruments at fair value through other comprehensive income		495	(202)
Net gain on other comprehensive income		1 792	889
Total comprehensive income		31 894	20 733

* Refer to note 3(xi)

Consolidated Statement of Financial Position

as at 31 December 2025

	Notes	2025 USD000	Restated* 2024 USD000	Restated* 2023 USD000
ASSETS				
Cash and bank balances	13	107 815	96 958	70 877
Non-current assets held for sale	23	13 968	–	2 217
Loans and receivables from banks	15	2 801	11 019	6 465
Loans and advances to customers	16	128 671	113 114	86 062
Other assets	17	10 360	11 110	12 983
Investment securities	14	27 652	12 964	13 168
Investment properties	20	2 039	2 174	1 494
Investment in joint venture	24	–	12 472	14 340
Intangible assets	21	1 016	1 298	455
Right of use assets	25.1	3 323	3 931	3 702
Property and equipment	18	34 340	30 769	24 936
Total assets		331 985	295 809	236 699
LIABILITIES				
Deposits from customers	27.1	200 063	178 384	122 980
Provisions and employee benefit accruals	28	4 342	1 688	1 839
Other liabilities	29.1	9 491	10 740	6 627
Balances due to group companies	38.5	1 350	1 002	1 198
Current tax liabilities	32.1	4 216	5 019	1 276
Lease liabilities	25.2	2 510	2 873	2 822
Balances due to banks	26	14 948	16 241	24 416
Deferred tax liabilities	31	3 615	6 725	10 873
Total liabilities		240 535	222 672	172 031
EQUITY				
Capital and reserves				
Share capital	33.1	31	31	31
Share premium	33.2	3 441	3 441	3 441
Non-distributable reserve	33.3	1 123	1 123	1 123
Investments at fair value through other comprehensive income reserve	33.4	3 456	1 088	1 514
Property revaluation reserve	33.5	16 095	16 832	15 517
General reserve	33.6	–	435	991
Share-based payment reserve	33.7	181	181	181
Retained earnings		67 123	50 006	41 870
Total equity		91 450	73 137	64 668
Total equity and liabilities		331 985	295 809	236 699

* Refer to note 3(xi)

Separate Statement of Financial Position

as at 31 December 2025

	Notes	2025 USD000	Restated* 2024 USD000	Restated* 2023 USD000
ASSETS				
Cash and bank balances	13	107 815	96 958	70 877
Non-current assets held for sale	23	13 968	–	2 217
Loans and receivables from banks	15	2 801	11 019	6 465
Loans and advances to customers	16	128 671	113 114	86 062
Other assets	17	10 360	11 110	10 929
Investment securities	14	27 652	12 964	13 168
Investment properties	20	2 039	2 174	1 494
Investment in joint venture	24	–	12 472	14 340
Intangible assets	21	1 016	1 298	455
Right of use assets	25.1	3 323	3 931	3 702
Investment in subsidiaries	22	16 931	14 800	11 800
Property and equipment	18.2	19 541	22 276	22 136
Total assets		334 117	302 116	243 645
LIABILITIES				
Deposits from customers	27.2	202 074	184 585	129 926
Provisions and employee benefit accruals	28	4 342	1 688	1 839
Other liabilities	29	9 491	10 741	6 525
Balances due to group companies	38.5	1 350	1 002	1 198
Current tax liabilities	32	4 216	5 019	1 281
Lease liabilities	25.2	2 510	2 873	2 822
Balances due to banks	26	14 948	16 241	24 416
Deferred tax liabilities	31	4 017	7 245	11 392
Total liabilities		242 948	229 394	179 399
EQUITY				
Capital and reserves				
Share capital	33.1	31	31	31
Share premium	33.2	3 441	3 441	3 441
Non-distributable reserve	33.3	1 123	1 123	1 123
Investments at fair value through other comprehensive income reserve	33.4	7 473	3 400	3 826
Property revaluation reserve	33.5	13 273	15 592	14 277
General reserve	33.6	–	435	991
Share-based payment reserve	33.7	181	181	181
Retained earnings		65 647	48 519	40 376
Total equity		91 169	72 722	64 246
Total equity and liabilities		334 117	302 116	243 645

* Refer to note 3(xi)

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

	Share capital USD000	Share premium USD000	Non-distributable reserve USD000
Balance at 1 January 2025	31	3 441	1 123
Profit for the year	-	-	-
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Transfer of fair value gain on disposal to Retained Earnings	-	-	-
Regulatory impairment allowances	-	-	-
Dividends paid	-	-	-
Balance at 31 December 2025	31	3 441	1 123

	Share capital USD000	Share premium USD000	Non-distributable reserve USD000
Balance at 1 January 2024	31	3 441	1 123
Adjustment on correction of error – Note 3(x)	-	-	-
Balance at 1 January 2024 (restated)	31	3 441	1 123
Profit for the year	-	-	-
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Regulatory impairment allowances	-	-	-
Dividends paid	-	-	-
Balance at 31 December 2024 (restated)	31	3 441	1 123

Fair value through other comprehensive income USD000	Property revaluation reserve USD000	General reserve USD000	Share-based payment reserve USD000	Retained earnings USD000	Total equity USD000
1 088	16 832	435	181	50 006	73 137
-	-	-	-	30 091	30 091
2 406	(737)	-	-	-	1 669
2 406	(737)	-	-	30 091	31 760
(38)	-	-	-	38	-
-	-	(435)	-	435	-
-	-	-	-	(13 447)	(13 447)
3 456	16 095	-	181	67 123	91 450

Fair value through other comprehensive income USD000	Property revaluation reserve USD000	General reserve USD000	Share-based payment reserve USD000	Retained earnings USD000	Total equity USD000
1 514	15 517	991	181	43 835	66 633
-	-	-	-	(1 965)	(1 965)
1 514	15 517	991	181	41 870	64 668
-	-	-	-	19 837	19 837
(426)	1 315	-	-	-	889
(426)	1 315	-	-	19 837	20 726
-	-	(556)	-	556	-
-	-	-	-	(12 257)	(12 257)
1 088	16 832	435	181	50 006	73 137

Separate Statement of Changes in Equity

for the year ended 31 December 2025

	Share capital USD000	Share premium USD000	Non-distributable reserve USD000
Balance at 1 January 2025	31	3 441	1 123
Profit for the year	-	-	-
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Transfer of fair value gain on disposal to Retained Earnings	-	-	-
Regulatory impairment allowances	-	-	-
Dividends paid	-	-	-
Balance at 31 December 2025	31	3 441	1 123

	Share capital ZWG000	Share premium ZWG000	Non-distributable reserve ZWG000
Balance at 1 January 2024	31	3 441	1 123
Adjustment on correction of error – Note 3(x)	-	-	-
Balance at 1 January 2024 (restated)	-	-	-
Profit for the year	31	3 441	1 123
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	-	-
Regulatory impairment allowances	-	-	-
Dividends paid	-	-	-
Balance at 31 December 2024 (restated)	31	3 441	1 123

Fair value through other comprehensive income USD000	Property revaluation reserve USD000	General reserve USD000	Share-based payment reserve USD000	Retained earnings USD000	Total equity USD000
3 400	15 592	435	181	48 519	72 722
-	-	-	-	30 102	30 102
4 111	(2 319)	-	-	-	1 792
4 111	(2 319)	-	-	30 102	31 894
(38)	-	-	-	38	-
-	-	(435)	-	435	-
-	-	-	-	(13 447)	(13 447)
7 473	13 273	-	181	65 647	91 169

Fair value through other comprehensive income ZWG000	Property revaluation reserve ZWG000	General reserve ZWG000	Share-based payment reserve ZWG000	Retained earnings ZWG000	Total equity ZWG000
3 826	14 277	991	181	42 341	66 211
-	-	-	-	(1 965)	(1 965)
3 826	14 277	991	181	40 376	64 246
-	-	-	-	19 844	19 844
(426)	1 315	-	-	-	889
(426)	1 315	-	-	19 844	20 733
-	-	(556)	-	556	-
-	-	-	-	(12 257)	(12 257)
3 400	15 592	435	181	48 519	72 722

Consolidated Statement of Cash Flows

for the year ended 31 December 2025

	Notes	2025 USD000	Restated* 2024 USD000
Cash flows from operating activities			
Profit before tax		38 694	24 947
Adjustments:			
Depreciation of property, equipment and right of use asset	9.1.2	3 351	4 204
Software amortisation	9.1.2	282	448
Foreign exchange revaluation gain	7	(60)	(5 404)
Impairment loss on financial assets	10	3 968	156
Fair value gain on gold-backed digital tokens	14.2	(884)	(1 405)
Share of (profit)/loss from joint venture	24	(1 495)	1 866
Fair value loss/(gain) on investment property	20	55	(181)
Dividend income from equity securities	8	(341)	(174)
(Profit)/loss on disposal of property and equipment	19	(60)	180
Interest income accrued on investment securities and bank balances	4	(1 626)	(2 743)
Amortisation of staff loan benefits		–	(9)
Interest expense accrued on customer deposits and balances due to banks	5	2 892	2 172
Interest accrued on lease liabilities	5	493	401
Interest income accrued on loans	4	(41 470)	(32 945)
Cash flows from operating activities		3 799	(8 487)
Increase in loans and advances to customers		(19 348)	(23 428)
Decrease in other assets		749	6 214
Increase in deposits from customers		21 358	55 232
Increase in employee accruals, amounts due to group companies and other liabilities		3 367	3 635
Corporate income tax paid	32	(13 588)	(5 843)
Interest received on loans and bank balances		41 747	31 843
Interest paid on deposits		(1 558)	(2 259)
Decrease/ (increase) in loans and receivables from banks		8 206	(4 554)
Net cash generated from operating activities		44 732	52 353
Cash flows from investing activities			
Purchase of property, equipment and intangible assets	18 & 21	(6 495)	(7 712)
Proceeds from sale of property and equipment	19	1 200	166
Purchase of gold-backed digital tokens	14.2	–	(2 616)
Dividend from equity securities		341	174
Interest received from investment securities		1 827	2 696
Proceeds from sale and maturities of TBs and Bonds	14.1	4 334	6 614
Purchase of Treasury Bills and Bonds	14.1	(18 475)	(6 957)
Proceeds from disposal of gold-backed digital tokens	14.2	53	5 994
Proceeds from sale of non-current assets held for sale	19	–	2 550
Net cash generated from investing activities		(17 215)	909
Cash flows from financing activities			
Interest paid on lease liabilities	25.2	(460)	(203)
Dividend paid		(13 447)	(12 257)
Lease liabilities payments	25.2	(975)	(337)
Balances due to banks – Principal repayments	26	(6 261)	(14 598)
Balances due to banks – Interest payments	26	(848)	(602)
Balances due to banks – repayments	26	4 861	7 025
Net cash used in financing activities		(17 130)	(20 972)
Net increase in cash and cash equivalents		10 387	32 290
Cash and cash equivalents at the beginning of the year		96 958	70 877
Exchange gain/(loss) on foreign cash balances		470	(6 209)
Cash and cash equivalents at the end of the year		107 815	96 958

* Refer to note 3(xi)

Separate Statement of Cash Flows

for the year ended 31 December 2025

	Notes	2025 USD000	Restated* 2024 USD000
Cash flows from operating activities			
Profit before tax		38 709	24 956
Adjustments:			
Depreciation of property, equipment and right of use asset	9.2.2	3 351	4 204
Software amortisation	9.2.2	282	448
Foreign exchange revaluation gain	7	(60)	(5 404)
Impairment loss on financial assets	10	3 968	156
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Share of (profit)/loss from joint venture	24	(1 495)	1 866
Fair value loss/(gain) on investment property	20	55	(181)
Dividend income from equity securities	8	(341)	(174)
(Profit)/loss on disposal of property and equipment	19	(60)	180
Interest income accrued on investment securities and bank balances	4	(1 626)	(2 743)
Amortisation of staff loan benefits		–	(9)
Interest expense accrued on customer deposits and balances due to banks	5	2 892	2 172
Interest accrued on lease liabilities	5	493	401
Interest income accrued on loans	4	(41 470)	(32 945)
Cash flows from operating activities		3 814	(8 478)
Increase in loans and advances to customers		(19 348)	(23 428)
Decrease in other assets		749	6 039
Increase in deposits from customers		17 168	54 525
Increase in employee accruals, amounts due to group companies and other liabilities		3 367	3 869
Corporate income tax paid	32	(13 588)	(5 843)
Interest received on loans and bank balances		41 747	31 843
Interest paid on deposits		(1 558)	(2 259)
Decrease/ (increase) in loans and receivables from banks		8 206	(4 554)
Net cash generated from operating activities		40 557	51 714
Cash flows from investing activities			
Purchase of property, equipment and intangible assets	18 & 21	(2 320)	(4 073)
Proceeds from sale of property and equipment	19	1 200	166
Purchase of gold-backed digital tokens	14.2	–	(2 616)
Dividend from equity securities		341	174
Interest received from investment securities		1 827	2 696
Proceeds from sale and maturities of TBs and Bonds	14.1	4 334	6 614
Purchase of Treasury Bills and Bonds	14.1	(18 475)	(6 957)
Proceeds from disposal of gold-backed digital tokens	14.2	53	5 994
Proceeds from sale of non-current assets held for sale	19	–	2 550
Investment in subsidiary	22	–	(3 000)
Net cash generated from/(used in) investing activities		(13 040)	1 548
Cash flow from financing activities			
Interest paid on lease liabilities	25.2	(460)	(203)
Dividend paid		(13 447)	(12 257)
Lease liabilities payments	25.2	(975)	(337)
Balances due to banks- Principal repayments	26	(6 261)	(14 598)
Balances due to banks- Interest payments	26	(848)	(602)
Balances due to banks- repayments	26	4 861	7 025
Net cash used in financing activities		(17 130)	(20 972)
Net increase in cash and cash equivalents		10 387	32 290
Cash and cash equivalents at the beginning of the year		96 958	70 877
Exchange gain/(loss) on foreign cash balances		470	(6 209)
Cash and cash equivalents at the end of the year		107 815	96 958

* Refer to note 3(xi)

Notes to the Consolidated and Separate Annual Financial Statements

for the year ended 31 December 2025

1 General information and statement of compliance

1.1 General information

First Capital Bank Limited (“the bank”) provides retail, corporate and investment banking services in Zimbabwe. The Bank which is incorporated and domiciled in Zimbabwe is a registered commercial bank under the Zimbabwe Banking Act Chapter (24:20). The parent company is FMBcapital Holdings PLC which is incorporated in Mauritius. The bank is listed on the Victoria Falls Stock Exchange and is registered under registration number 148/1981.

1.2 Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, in a manner required by the Companies and Other Business Entities Act, (Chapter 24:31), the Zimbabwe Banking Act (Chapter 24:20) and the Banking Amendment Act of 2015.

2 Accounting policies

The accounting policies applied in the preparation of these consolidated and separate financial statements are consistent with the most recent financial statements for the year ended 31 December 2024.

2.1 Basis of preparation

The consolidated and separate financial results have been prepared and presented on the basis that they reflect the information necessary to be fair in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board as well as the requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the Banking Act (Chapter 24:20).

2.2 Basis of measurement

The consolidated and separate financial statements for the period are measured on historical cost basis except for the following:

- i) Equity investments and debt instruments measured at fair value through OCI,
- ii) Debt instruments held for trading and measured at fair value through profit or loss,
- iii) Investment property measured at fair value,
- iv) Property and equipment measured at fair value using the revaluation method,
- v) Non-current assets held for sale are measured at the lower of carrying amount and fair value less costs to sell,
- vi) Investment in subsidiary – Thulilie Investment (Private) Ltd is measured at fair value.

The consolidated and separate annual financial statements have been prepared on the basis of accounting policies applicable to a going concern entity.

2.3 Basis of consolidation

The bank has 100% shareholding in Thulilie Investments (Private) Ltd which owns a property on a piece of land measuring 18 786 square metres. The subsidiary completed construction of First Capital Bank Head Office on the land during the year. The Group consolidates this subsidiary presenting consolidated financial statements per IFRS 10 requirements.

Equity of the subsidiary is eliminated when consolidating. The property is revalued every three years or annually when there is significant change in value.

2.4 Functional and presentation currency

The consolidated and separate financial statements are presented in United States Dollars (USD), the functional and presentation currency for all the entities within the Group.

2.5 Conversion of foreign currency transactions and balances at interbank exchange rates.

The entities within the Group used the interbank exchange rates prevailing at the date of transactions to convert foreign currency transactions to USD, the entities' functional currency. At the end of each reporting period, monetary items denominated in foreign currencies are translated to USD at closing rates.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.6 Material estimates and judgements

Estimates, judgements and assumptions made by management which would have significant effects on the audited consolidated and separate financial statements are on the following areas:

- a) Determination of the functional currency
- b) Measurement of the expected credit losses on financial assets
- c) Fair value computations on securities, investment properties, property and equipment
- d) Useful lives of property and equipment; and
- e) Computation of tax liabilities

Further explanation on material estimates and judgement is included in Note 3.

2.7 Adoption of new and revised accounting standards

During the year 2025, the Group adopted all of the new and revised standards and interpretations issued in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board that are relevant to its operations and effective for annual reporting periods beginning on 1 January 2025. Further details of major new and revised IFRS Accounting Standards are in note 42.

The principal accounting policies are set out below:

2.8 Revenue recognition

i) Net fee and commission income

The Group applies IFRS 15 – Revenue from contracts with customers. Net fee and commission income is calculated by subtracting fee and commission charges from fee and commission income. Fee and commission income from customer banking transactions relates to revenue earned for the rendering of services and is recognised net of any trade discounts, volume rebates and amounts received on behalf of third parties, such as sales taxes, goods and service taxes, and value added taxes. When the Group is acting as an agent, amounts collected on behalf of the principal are not income. Only net commission retained by the Group is, in this case, recognised as income. Examples of services rendered are: customer accounts maintenance, cash transactions, foreign payments, card transactions, inter-Group transfers, letters of credit facilities and internet banking transactions. The Group provide system platforms for customers to process these transactions and fee income is collected from each of the service provided.

Under IFRS 15 - Revenue from contracts with customers, entities are required to recognise revenue in a manner which depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Fees and commission income earned in respect of services rendered are recognised at a point in time or over time depending on the type of service rendered.

ii) Net trading income

In accordance with IFRS 9 Financial Instruments, gains or losses on assets or liabilities reported in the trading portfolio which are measured at fair value are included in the profit or loss component of the statement of comprehensive income under gains and losses from Banking and trading activities. Interest and dividends arising from long and short positions and funding costs relating to trading activities are also included under gains and losses from Grouping and trading activities.

Income arises from both the sale and purchase of trading positions, margins which are achieved through market making and customer business and from changes in fair value caused by movements in interest and exchange rates, equity prices and other market variables.

Own credit gains/losses arise from the fair valuation of financial liabilities designated at fair value through the profit or loss component of the statement of comprehensive income.

iii) Net interest income

Interest income on loans and advances at amortised cost, debt instruments at fair value through other comprehensive income, and interest expense on financial liabilities held at amortised cost, are calculated using the effective interest method which allocates interest, direct and incremental fees and costs, over the expected lives of the assets and liabilities.

Net interest income also includes other interest income and other charges which are not recognised based on the effective interest method.

IFRS 9 requires interest income to be calculated on stage 1 or stage 2 financial assets by multiplying effective interest rate (EIR) by the gross carrying amount of such assets. In addition IFRS 9 requires interest income to be recognised on Stage 3 assets based on the net carrying amount (gross loan less expected credit loss allowance). To achieve this requirement the Group first suspends the recognition of contractual interest and then adjusts by applying effective interest rate on the net carrying amount of the financial assets.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.9 Leasing

As lessor

The Group entered into lease agreements as a lessor with respect to some of its investment properties. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the investment property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

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.

Lease Liability

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 Group 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; 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 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.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) every half year.

- The lease payments change due to changes in payment terms, 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.

Right of use asset

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.

Right of use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The right of use assets are presented as a separate line in the 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.

The Group applied practical expedience on lease and non-lease components where for all contracts that contain a lease component and one or more additional lease or non-lease components, the Group aggregates the consideration. Short term lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into short term leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.10 Employee benefits

Defined contribution schemes:

The Group recognises contributions due to defined contribution plans as an expense as and when the services are rendered by employees that entitle them to such contributions. Any contributions unpaid at the reporting date are therefore included as a liability.

Defined benefit schemes:

The Group has a defined benefit liability which relates to pensioners whose lifetime annuities were guaranteed by the Group's Pension Fund, of which the Group is the sponsor.

The Group recognises its obligation (determined using the projected unit credit method) to members of the scheme at the period end, less the fair value of the scheme assets. Scheme assets are stated at fair value as at the reporting period end.

Costs arising from regular pension cost, interest on net defined benefit liability or asset, past service cost settlements or contributions to the plan are recognised in profit or loss.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses and the effect of the asset ceiling (if applicable) are recognised immediately in the statement of financial position with a charge or credit to other comprehensive income in the period in which they occur. Adjustments recorded in other comprehensive income are not recycled. However, the Group may transfer those amounts recognised in other comprehensive income within equity.

Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Gains and losses on curtailments are recognised when the curtailment occurs, which may be when a demonstrable commitment to a reduction in benefits, or reduction in eligible employees, occurs. The gain or loss comprises any change in the present value of the obligation and the fair value of the assets. Where a scheme's assets exceed its obligation, an asset is recognised to the extent that it does not exceed the present value of future contribution holidays or refunds of contributions.

The Group faces a number of actuarial risks such as:

Investment risk – Actual returns maybe less than what is anticipated which may result in less assets to cover the benefits therefore the Group will have to fund the shortfall.

Longevity risk – pensioners may live longer than expected resulting in an increase in pension liability.

Measurement risk – the liability is measured using various assumptions including discount rate and inflation. These variables may fluctuate than anticipated.

Regulatory risk – pension liabilities are measured based on current rules, however there be may changes to the rules resulting from the regulatory changes.

Staff costs

Short-term employee benefits, including salaries, accrued performance costs, salary deductions and taxes are recognised over the reporting period in which the employees provide the services to which the payments relate. Performance costs are recognised to the extent that the Group has a present obligation to its employees that can be measured reliably and are recognised on an undiscounted basis over the period of service that employees are required to work to qualify for the services.

2.11 Share-based payments

The Group operates a local equity-settled share-based payment plan.

Employee services settled in equity instruments

The cost of the employee services received in respect of the shares or share options granted is recognised in profit or loss over the period that employees provide services, generally the period in which the award is granted or notified and the vesting date of the shares or options. The overall cost of the award is calculated using the number of shares and options expected to vest and the fair value of the shares or options at the date of grant.

The number of shares and options expected to vest takes into account the likelihood that performance and service conditions included in the terms of the awards will be met. Failure to meet the non-vesting condition is treated as a cancellation, resulting in an acceleration of recognition of the cost of the employee services.

The fair value of shares is the market price ruling on the grant date, in some cases adjusted to reflect restrictions on transferability. The fair value of options granted is determined using option pricing models to estimate the numbers of shares likely to vest. These take into account the exercise price of the option, the current share price, the risk-free interest rate, the expected volatility of the share price over the life of the option and other relevant factors. Market conditions that must be met in order for the award to vest are also reflected in the fair value of the award, as are any other non-vesting conditions.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.12 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Income tax payable on taxable profits is recognised as an expense for the year in which the profits arise.

Income tax recoverable on tax allowable losses is recognised as a current tax asset only to the extent that it is regarded as recoverable by offsetting against taxable profits arising in the current or prior reporting period.

Provisions are recognised for pending tax audit issues based on estimates of whether additional taxes will be due after taking into account legal advice, progress made in the discussions or negotiations with tax authorities and previous tax precedents.

Where the outcome of such matters is different from the amounts provided, the amounts will affect current period only.

Deferred taxation

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax assets and liabilities are only offset when there is both a legal right to set-off and an intention to settle on a net basis.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax not recognised in profit or loss

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.13 Property and equipment

Property and equipment are shown at fair value based on periodic valuation done once every three years by external independent valuers, less subsequent accumulated depreciation and impairment. Where there are significant changes in fair value, revaluation is done annually. Revaluation gains are credited to revaluation reserve whilst losses reduce previously recognised gains to the extent of credits in the revaluation reserve. Any losses above previous revaluation credits are charged to profit or loss. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. Historical cost includes costs that are directly attributable to the acquisition of the items.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.13 Property and equipment (continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Revaluation reserves for disposed property will be reclassified from revaluation reserve to retained income at the point of de-recognition.

For an estimate of useful lives refer to note 3 – Judgements and Estimates x – (Useful lives and residual values).

2.14 Investment in subsidiary

In 2021, the Group acquired 100% shareholding in Thulile (Private) Limited. The Group consolidates this subsidiary presenting consolidated financial statements per IFRS10 requirements. Equity of the subsidiary is eliminated when consolidating. Please refer to note 2.3 for more details on the nature of assets held by the subsidiary.

2.15 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.16 Investment in joint venture

A joint venture is a contractual arrangement whereby two or more parties (venturers) undertake an economic activity that is subject to joint control through a company, partnership or other entity. Joint control exists only when the strategic, financial and operating decisions relating to the activity require unanimous consent of the venturers.

The performance results, assets and liabilities of a jointly controlled entity are incorporated in these financial statements using the equity method of accounting. The investment in a jointly controlled entity is carried in the balance sheet at cost, plus post-acquisition changes in the Group's share of net assets in the entity, less distributions received and less any impairment in the value of the investment. The Group's profit or loss statement reflects the Group's share of profit after tax of the jointly controlled entity.

The Group assesses investments in jointly controlled entities for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Where the carrying amount exceeds the recoverable amount, the investment is written down to its recoverable amount.

The Group ceases to use the equity method of accounting on the date from which it no longer has joint control or significant influence over the joint venture, or when the interest becomes held for sale.

2.17 Intangible assets – Computer Software

Intangible assets include acquired core banking, switch and other software and licences which are accounted for in accordance with IAS 38: Intangible Assets. The asset which is controlled by the entity must be separately identifiable, reliably measured and should be probable that future economic benefits will arise from the asset.

Implementation costs are capitalised only if they can be measured reliably and the asset will bring future economic benefits. Other implementation expenditure not meeting this definition will be expensed.

Intangible assets are stated at cost less accumulated amortisation and any impairment. The assets are amortised over their useful lives in a manner that reflects the pattern in which they contribute to future cash-flows.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.17 Intangible assets – Computer Software (continued)

2.17.1 Impairment of intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless if it relates to an asset accounted for under revaluation model where the impairment will be accounted for in equity as a revaluation decrease up to the extent of previous revaluation surpluses.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss or in equity for the assets which are accounted for under the revaluation model.

Intangible assets are stated at cost less accumulated amortisation and any provision for impairment. The assets are amortised over their useful lives in a manner that reflects the pattern in which they contribute to future cash-flows.

2.18 Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale, if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense. The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position. Additional disclosures are provided in note 23. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.19 Provisions, contingent liabilities and undrawn commitments provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

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

Contingent liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events, and present obligations where the transfer of economic resources is uncertain or cannot be reliably measured. Contingent liabilities are not recognised on the statement of financial position but are disclosed unless the outflow of economic resources is remote.

At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with IAS 37 (Provisions, Contingent Liabilities and Contingent Assets) and the amount initially recognised less cumulative amortisation recognised in accordance with IFRS 15.

Undrawn commitments

Under IFRS 9, the provision for impairment for undrawn commitments is provided for depending on the nature of the product. Depending on the product any undrawn commitment will be included in Exposure At Default (EAD). For revolving commitment the EAD includes the current drawn balance plus any further amount that is expected to be drawn up by the time of default, should it occur.

2.20 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are capitalised to the initial carrying amount of the financial asset/liability, as appropriate on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

On initial recognition, it is presumed that the transaction price is the fair value unless there is observable information available in an active market to the contrary. The best evidence of an instrument's fair value on initial recognition is typically the transaction price. However, if fair value can be evidenced by comparison with other observable current market transactions in the same instrument, or is based on a valuation technique whose inputs include only data from observable markets then the instrument should be recognised at the fair value derived from such observable market data.

At inception, staff loans are present valued at market interest rates. The difference between the present value and the disbursed amount is a staff loan prepayment benefit which is amortised over life of the loan.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.20 Financial instruments (continued)

2.20.1 Financial assets and financial liabilities

Financial assets mapping table vs. accounting policies

The following table shows the classification of financial assets, the business model and the subsequent measurement.

Financial instrument	Business model	IFRS 9 classification	IFRS9 subsequent measurement
Loans and advances to customers	Hold to collect contractual cash-flows (note 2.20 (i))	Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss. At inception, staff loans are present valued at market interest rates. The difference between the present value and the disbursed amount is a staff loan prepayment benefit which is amortised over life of the loan.
Loans and receivable from banks (held for investment purposes)	Hold to collect contractual cash-flows (note 2.20 (i))	Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange on derecognition is recognised in profit or loss.
Investment securities-debt (held for liquidity purposes)	Hold to collect contractual cash-flows and sell(note 2.20 (ii))	Financial assets at fair value through Other Comprehensive Income (OCI)	These assets are subsequently measured at fair value. Interest income impairment is recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Investment securities-equity	Other business model	Financial assets at fair value through Other Comprehensive Income	These assets are subsequently measured at fair value.
Derivative financial instruments	Other	Financial assets at fair value through profit and loss	The asset is subsequently measured at fair value.
Legacy treasury bills	Other	Financial assets at amortised cost	The asset is subsequently measured at amortised cost.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at:

- i) Amortised cost;
- ii) Fair Value Through Other Comprehensive Income (FVOCI) – debt investments;
- iii) Fair Value Through Other Comprehensive Income – equity investments or;
- iv) Fair value through profit or loss (FVTPL).

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.20 Financial instruments (continued)

2.20.1 Financial assets and financial liabilities (continued)

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification. The categories of financial assets and business models are explained as follows:

i) Hold to collect contractual cash-flows – financial assets held at amortised cost

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

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

Where the business model is to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

These assets are initially measured at fair value and subsequently measured at amortised cost using the effective interest method. The carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

Interest income of loans and debt instruments in stage 1 and stage 2 is recognised on the outstanding loan balance based on original effective interest rate. When loans are in stage 3 interest income is recognised only on the expected recoverable balance.

The financial assets in this category include the loans and advances, debt instruments held for investment and Group balances.

ii) Hold to collect contractual cash-flows and sell – financial assets at fair value through other comprehensive income (FVOCI)

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

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

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

These assets include debt instruments held for liquidity management.

iii) Other business models – equity investments at fair value through OCI

On initial recognition of an equity investment that is not held for trading, the Group irrevocably elects to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. These assets include equity investments.

iv) Hold to sell – financial assets at fair value through profit or loss

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. They are held for selling and profit making. The assets are subsequently measured at fair value. Gains and losses are recognised in profit or loss. These assets include debt instruments held for selling and derivatives.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.20 Financial instruments (continued)

2.20.1 Financial assets and financial liabilities (continued)

Modification of loans

The Group sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Group assesses whether or not the new terms are substantially different to the original terms. The Group does this by considering, among others, the following factors:

If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.

- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not in financial difficulty.
- Significant change in the interest rate.
- Change in the currency the loan is denominated in.

Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan if the terms are substantially different, the Group derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on de-recognition.

If the terms are not substantially different, the renegotiation or modification does not result in de-recognition, and the Group recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

Modified loans are assessed for significant increase in credit risk, if there is a significant increase in credit risk the loan will be downgraded to stage 2 and lifetime impairment will be calculated.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses (ECLs) associated with its debt instrument assets, loans and advances carried at amortised cost and FVOCI and with the exposure arising from loan commitments, Group balances and financial guarantee contracts. The Group recognises a loss allowance for such losses at each reporting date.

Subsequent increases or decreases in impairment will be recorded in the statement of comprehensive income.

Expected credit loss measurement

ECLs are measured on either a 12 month or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether the asset is considered credit impaired.

ECLs are a probability-weighted discounted product of Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD). Credit losses are measured 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).

ECLs are discounted at the effective interest rate of the portfolio.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Groups exposed to credit risk.

The Group uses a portfolio based approach to calculation of ECLs. The portfolios are segmented into retail and corporate and further by product.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full without recourse by the Group to actions such as realising security (if any is held) or the financial asset is more than 90 days past due.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.20 Financial instruments (continued)

2.20.1 Financial assets and financial liabilities (continued)

IFRS 9 outlines a three stage model for impairment based on changes in credit quality since initial recognition. The loss allowance is measured on either of the following basis:

i) 12-month ECLs (Stage 1 – no significant increase in credit risk)

These are ECLs on financial instruments not credit impaired on initial recognition and they are in the performing grade. These are a portion of lifetime ECLs that result from possible default events within the 12 months after the reporting date. The ECLs are measured on the assets with the following grading:

- Corporate loans with regulatory grades from 1 – 3
- Retail loans graded in bucket 0 and bucket 1 (bucket 0 no missed instalment, bucket 1 instalment overdue but less than 30 days)
- Debt securities, loans to Groups and Group balances which are performing grade
- These are a product of 12 month PD, 12 month LGD and EAD

ii) Lifetime ECLs (Stage 2 – significant increase in credit risk)

These are ECLs that result from all possible default events over the expected life of a financial instrument. These ECLs are measured on assets with significant increase in credit risk since initial recognition.

- Corporate loans with regulatory grades from grade 4 to grade 7
- Retail loans in bucket 2 to 3 (bucket 2 is 30 days to 60 days past due, bucket 3 is 60 days to 89 days past due)
- Debt securities, loans to Groups and Group balances classified from grade 4 – 7 or standard monitoring grade
- These are a product of lifetime PD, lifetime LGD and EAD

iii) Lifetime ECLs (Stage 3 – default)

These ECLs are measured on all credit impaired/in default credit exposures.

- These are corporates in regulatory grade 8 – 10 and retail loans in bucket 4, and debt securities, loans to banks, bank balances in default
- All exposures which are 90 days and above past due
- These are a product of default PD, lifetime LGD and EAD

Note 35.2 provides more detail of how the expected credit loss allowance is measured.

Significant increase in credit risk (SICR)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort this includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment including forward looking information, refer to note 35.2 (d) for examples of significant increase in credit risk.

Following impairment, interest income continues to be recognised at the original effective interest rate on the restated carrying amount, representing the unwind of the discount of the expected cash flows, including the principal due on non-accrual loans.

Uncollectable loans are written off against the related allowance for loan impairment on completion of the Group's internal processes and all recoverable amounts have been collected. Subsequent recoveries of amounts previously written off are credited to the profit or loss component of the statement of comprehensive income.

Benchmarking ECL

Corporate exposures

The ECL for all financial instruments portfolios is determined from an impairment model. However due to lack of enough historical information on corporate portfolio defaults from which PD and LGD are derived, a judgemental benchmarking is used parallel to the corporate model output. The higher of benchmarking ECL and the model output is considered as the final ECL stock.

Treasury

ECL for treasury exposures is based on benchmarked PDs and LGDs due to lack of historical data.

Retail

ECL for retail exposures are totally based on model output with no benchmarking comparative since enough historical default data was available when designing the calculation model.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.20 Financial instruments (continued)

2.20.1 Financial assets and financial liabilities (continued)

De-recognition of financial assets

Full de-recognition only occurs when the rights to receive cash flows from the asset have been discharged, cancelled or have expired, or the Group transfers both its contractual right to receive cash flows from the financial assets (or retains the contractual rights to receive the cash flows, but assumes a contractual obligation to pay the cash flows to another party without material delay or reinvestment) and substantially all the risks and rewards of ownership, including credit risk, prepayment risk and interest rate risk. When an asset is transferred, in some circumstances, the Group may retain an interest in it (continuing involvement) requiring the Group to repurchase it in certain circumstances for other than its fair value on that date.

Financial liabilities

All financial liabilities are held or measured at amortised cost with the exception of derivative liabilities. The Group did not elect to irrevocably designate financial liabilities as measured at fair value through profit or loss as permitted by IFRS 9.

De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same party on substantially different terms, or the terms of an existing liability are substantially modified (taking into account both quantitative and qualitative factors), such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the profit or loss component of the statement of comprehensive income. Where the terms of an existing liability are not substantially modified, the liability is not derecognised. Costs incurred on such transactions are treated as an adjustment to the carrying amount of the liability and are amortised over the remaining term of the modified liability.

2.20.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary share capital

Proceeds are included in equity, net of transaction costs. Dividends and other returns to equity holders are recognised when paid or declared by the Board.

2.20.3 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of impairment allowance measured in accordance with IFRS 9; and
- The amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies of IFRS 15.

Any increase in the liability relating to guarantees is recognised in profit or loss. Any liability remaining is credited to profit or loss when the guarantee is discharged, cancelled or expires.

2.20.4 Loan commitments

The Group enters into commitments to lend to its customers subject to certain conditions. Such loan commitments are made either for a fixed period, or are cancellable by the Group subject to notice conditions. Provision is made for undrawn loan commitments to be provided at below-market interest rates and for similar facilities, if it is probable that the facility will be drawn and result in recognition of an asset at an amount less than the amount advanced.

2.20.5 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

2 Accounting policies (continued)

2.20 Financial instruments (continued)

2.20.6 Offsetting

In accordance with IAS 32 Financial Instruments: Presentation, the Group reports financial assets and financial liabilities on a net basis on the statement of financial position only if there is a current legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.21 Cash and cash equivalents

For the purposes of the statement of cash flows, cash comprises cash on hand and demand deposits with banks. Cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of three months or less.

2.22 Earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity holders of the Group and the number of basic weighted average number of ordinary shares excluding treasury shares held in employee benefit trusts or held for trading. When calculating the diluted earnings per share, the weighted average number of shares in issue is adjusted for the effects of all dilutive potential ordinary shares held.

2.23 Segment reporting

Management has determined the operating segments based on the reports reviewed by the Country Management Committee (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses its performance. All operating segments used by the Group meet the definition of a reportable segment under IFRS 8 Operating Segments. The Country Management Committee assesses the performance of the operating segments monthly based on a measure of profit or loss. This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs and legal expenses. The measure also excludes the effects of equity-settled share-based payments and unrealised gains or losses on financial instruments.

The Group has three broad business segments:

1. **Retail Banking** – focuses on individual customers with product offering that incorporates direct debit facilities, current and savings accounts, investment savings products, safe custody, debit cards, consumer loans and mortgages.
2. **Treasury**- focuses on management of the overall Bank operating asset balances and balance sheet structure. Main products include financial instruments and foreign currency trading.
3. **Corporate Banking** – focuses on corporates, multi-nationals and non-governmental organisations. Product offering includes current accounts, overdrafts, loans and foreign currency products.

Revenue allocated to the segments is from external customers. There were no trading revenues from transactions with a single external customer that amounted to 10% or more of the Group's revenues. Costs incurred by support functions are allocated to the business segments on the basis of the determined cost drivers.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

3 Judgements and estimates

In the preparation of the annual financial statements, management is required to make judgements, estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates, which may be material to the financial statements within the next financial period.

Judgements made by management that could have a significant effect on the amounts recognised in the financial statements include:

i) Functional currency

Determination of the functional currency

The Directors determined that the functional currency of all entities within the Group is USD based on requirements and conditions under IAS 21 "The Effects of Changes in Foreign Exchange Rates" for the determination of functional currency. Refer to note 2.4 section for functional and presentation currency.

ii) Measurement of the expected credit loss allowance (ECL)

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 35.2(c-f), which also sets out key sensitivities of the ECL to changes in these elements.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL such as determination of EAD PD;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Detailed information about the judgements and estimates made by the Group in the above areas is set out in note 35.2.

iii) Income taxes

The Group is subject to income tax in Zimbabwe. Significant judgement is required in determining the income tax payable. There are many transactions and calculations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from amounts that were initially recognised, such differences will impact the income and deferred income tax provisions in the period in which such determination is made.

iv) Fair value of share options

The fair value of share options that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date. The fair value of outstanding share options during the year was determined by reference to the Black Scholes Model.

v) Defined benefit pension scheme

The First Capital Bank Pension Fund manages retirement funds for the active members and pensioners. The assets of the funds are managed as one composite pool, with no separation for the active members and pensioners. A review of the Fund resulted in the conclusion that the provision of pension annuities to pensioners was a significant defined benefit. As a result, a valuation is performed based on IAS 19; Employee Benefits for the whole Fund for both the assets and liabilities. In determining the liability, assumptions relating to life expectancy of pensioners, discount rate and expected investment returns which are judgemental in nature are applied.

vi) Investment property and investment in Joint Venture

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 the price that would be received to sell the property in an orderly transaction at measurement date or value determined by capitalisation of market rentals. Given the property pricing distortions in the market, sellers withholding properties for sale in local currency, unavailability of sales information and which currency sales are made, valuation of properties becomes a significant judgement area particularly on the USD fair value inputs applied.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

3 Judgements and estimates (continued)

vii) FVOCI – treasury bills and bonds

These instruments are not actively traded hence the valuation inputs are unobservable. The unobservable inputs are generally determined based on inputs of similar nature or historical observations. Treasury bills are fairly valued based on yields of recent treasury bill issues.

viii) FVOCI – equity instruments (Zimswitch investment)

Equity securities includes an investment in Zimswitch Holdings (Private) Limited which is classified as Fair value through other comprehensive income with Fair value categorised as level 3 on the fair value hierarchy. Fair value was determined by an independent valuer, BDO Zimbabwe Chartered Accountants as at 31 December 2025. Equal weights of 25% were allocated to the results of the DCF, Price/Earnings and Enterprise Value/EBITDA methods, which were used in determining the final range of values. The following key inputs had significant judgements in their determination and have sensitivities have been used to show the value ranges.

Sensitivity assessment

		Sensitivity analysis			Sensitivity analysis	
		Valuation inputs used in model	Discount rate change	Valuation decrease	Discount rate change	Valuation increase
Discounted Cashflow	Discount Rate	33.25%	+500bps	17%	-500bps	16%
	Terminal Growth rate	4.50%	-100bps	3%	+100bps	5%

viii) Owner occupied property

The fair value is calculated by reference to the price that would be received to sell the property in an orderly transaction at a measurement date (once every three years) which is close to the end of the financial year, or value determined by capitalisation of market rentals.

	Consolidated USD000	Separate USD000
Property value sensitivity analysis		
Total Property portfolio value	27 747	12 948
Average capitalisation rate applied	8.22%	8.22%
50bps increase in capitalisation rate impact	(1 591)	(743)
50bps decrease in capitalisation rate impact	1 798	839

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

3 Judgements and estimates (continued)

x) Conversion of foreign currency transactions and balances at interbank exchanges rates

The Group used the interbank exchanges rates to translate foreign currency balances and transactions into USD reporting currency. The interbank exchanges rates were determined by management as appropriate for buying and selling foreign currency and where the Group made its own purchases were all conducted at interbank rate.

xi) Useful lives and residual values

Depreciation on other assets is calculated using the straight – line method to allocate the cost down to the residual values over their estimated useful lives, see below:

	Useful life	
	Dec 2025 USD000	Dec 2024 USD000
Property and equipment		
Buildings	50	50
Furniture and fittings	5	5
Computers	5	5
Office equipment	5	5
Motor vehicles	5	5
Intangible assets		
Intangible asset computer software	6.7	6.7

xii) Restatement of the financial statements for the year ended 31 December 2024

We have noted an error in the computation of prior year numbers, and this has been corrected.

The table below illustrates impact of restatements on the Financial Statements:

	CONSOLIDATED			SEPARATE		
	As previously reported	Adjustments	Restated	As previously reported	Adjustments	Restated
	2024 USD000	USD000	2024 USD000	2024 USD000	USD000	2024 USD000
Statement of Profit or Loss and Other Comprehensive Income						
General expenses	(16 011)	(579)	(16 590)	(16 011)	(579)	(16 590)
Tax Expense	(3 562)	(1 548)	(5 110)	(3 564)	(1 548)	(5 112)
Profit for the year	21 964	(2 127)	19 837	21 971	(2 127)	19 844
Statement of Financial Position						
Other liabilities	9 720	1 020	10 740	9 721	1 020	10 741
Current tax liabilities	1 947	3 072	5 019	1 947	3 072	5 019
Retained earnings	54 098	(4 092)	50 006	52 611	(4 092)	48 519
Earnings per share						
Basic (cents per share)	1.02	(0.10)	0.92	1.02	(0.10)	0.92
Diluted (cents per share)	1.02	(0.10)	0.92	1.02	(0.10)	0.92
	As previously reported	Adjustments	Restated	As previously reported	Adjustments	Restated
	2023 USD000	USD000	2023 USD000	2023 USD000	USD000	2023 USD000
Statement of Financial Position						
Other liabilities	6 186	441	6 627	6 084	441	6 525
Current tax liabilities	(248)	1 524	1 276	(243)	1 524	1 281
Retained earnings	43 835	(1 965)	41 870	42 341	(1 965)	40 376

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
4 Interest income- Group and bank		
Interest income calculated using the effective interest method	583	1 716
Loans and receivables from banks and investment securities	41 470	32 945
Loans and advances to customers	42 053	34 661
Other interest and similar income		
Bank balances	1 043	1 027
Total	43 096	35 688
Interest revenue has been presented separately for interest revenue calculated using the effective interest method and other interest and similar income to reflect the requirements of International Accounting Standard 1 paragraph 82.		
	2025 USD000	2024 USD000
5 Interest expense calculated using the effective interest method		
Interest on lease liabilities	(493)	(401)
Balances due to banks	(974)	(1 389)
Customer deposits	(1 739)	(619)
Total	(3 206)	(2 409)
Other interest and similar expense		
Other interest and similar expense	(179)	(164)
Total other interest and similar expense	(179)	(164)
Total Expense	(3 385)	(2 573)
6 Net fee and commission income		
6.1 Fee and commission income-Group		
Account maintenance fees	6 434	5 281
Insurance commission received	483	183
Transfers and other transactional fees	16 264	13 102
Guarantees	60	212
Card based transaction fees	6 419	4 092
Cash withdrawal fees	7 784	7 735
Fee and commission income	37 444	30 605
Fee and commission expense		
Guarantees	-	(4)
Card expenses	(4 281)	(2 025)
Fee and commission expense	(4 281)	(2 029)
Net fee and commission income	33 163	28 576

Net fee and commission income above excludes amounts included in determining the effective interest rate on financial assets measured at amortised cost.

79% (2024: 87%) of the fee and commission income was recognised at a point in time. The remaining 21% (2024:13%) was recognised over time.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
6 Net fee and commission income (continued)		
6.2 Fee and commission income – Bank		
Account maintenance fees	6 435	5 282
Insurance commission received	483	183
Transfers and other transactional fees	16 264	13 102
Guarantees	60	212
Card based transaction fees	6 419	4 092
Cash withdrawal fees	7 784	7 735
Fee and commission income	37 445	30 606
Fee and commission expense		
Guarantees	–	(4)
Card expenses	(4 281)	(2 025)
Fee and commission expense	(4 281)	(2 029)
Net fee and commission income	33 164	28 577
Net fee and commission income above excludes amounts included in determining the effective interest rate on financial assets measured at amortised cost.		
79% (2024: 87%) of the fee and commission income was recognised at a point in time. The remaining 21% (2024:13%) was recognised over time.		
	2025 USD000	2024 USD000
7 Trading and foreign exchange income		
Trading and foreign exchange income-Group and Bank		
Foreign exchange revaluation gain	60	5 404
Foreign exchange trading income	10 501	5 564
Total	10 561	10 968
8 Investment and other income		
Dividend income	341	174
Loss on disposal of property and equipment	60	–
Rental income	291	151
Sundry income/(loss)	325	1 180
Total	1 017	1 505
9 Operating expenses		
9.1 Operating expenses – Group		
Loss on derecognition of financial assets	(2 132)	
Staff costs	(15 781)	(20 330)
Infrastructure costs	(9 576)	(10 455)
General expenses	(16 363)	(16 590)
Total	(43 852)	(47 375)
9.1.1 Operating expenses analysis		
Staff costs		
Salaries, allowances and Directors remuneration	(13 651)	(12 807)
Medical costs	(630)	(696)
Social security costs	(185)	(142)
Pension costs: defined contribution plans	(1 315)	(1 141)
Retrenchment costs	–	(5 544)
Total	(15 781)	(20 330)
Average number of employees during the period:	462	515

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
9 Operating expenses (continued)		
9.1 Operating expenses – Group (continued)		
9.1.2 Infrastructure costs		
Repairs and maintenance	(520)	(547)
Heating, lighting, cleaning and rates	(1 181)	(1 124)
Security costs	(476)	(533)
Depreciation of property, equipment and right of use asset	(3 351)	(4 204)
Software amortisation	(282)	(448)
Short term leases	(150)	(196)
Connectivity, software and licences	(3 616)	(3 223)
Loss on disposal of property and equipment	–	(180)
Total	(9 576)	(10 455)
9.1.3 General expenses		
Consultancy, legal & professional fees	(869)	(666)
Subscription, publications & stationery	(868)	(702)
Marketing, advertising & sponsorship	(800)	(1 079)
Travel & accommodation	(313)	(904)
Cash transportation	(665)	(701)
Insurance costs	(979)	(694)
Telex, telephones & communication	(1 453)	(1 246)
Group recharges	(6 664)	(7 163)
Other administrative & general expenses	(3 752)	(3 435)
Total	(16 363)	(16 590)
Included in the operating expenses are the following:		
Directors fees and remuneration:		
For services as part of management	(921)	(427)
For the oversight role as the director	(128)	(132)
Total	(1 049)	(559)
Auditors' remuneration for audit related services	(349)	(222)
9.2 Operating expenses – Bank		
Loss on derecognition of financial assets	(2 132)	
Staff costs	(15 781)	(20 330)
Infrastructure costs	(9 566)	(10 447)
General expenses	(16 359)	(16 590)
Total	(43 838)	(47 367)
9.2.1 Operating expenses analysis		
Staff costs		
Salaries, allowances and Directors remuneration	(13 651)	(12 807)
Medical costs	(630)	(696)
Social security costs	(185)	(142)
Pension costs: defined contribution plans	(1 315)	(1 141)
Retrenchment costs	–	(5 544)
Total	(15 781)	(20 330)
Average number of employees during the period:	462	515

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
9 Operating expenses (continued)		
9.2 Operating expenses – Bank		
9.2.2 Infrastructure costs		
Repairs and maintenance	(520)	(547)
Heating, lighting, cleaning and rates	(1 171)	(1 116)
Security costs	(476)	(533)
Depreciation of property, equipment and right of use asset	(3 351)	(4 204)
Software amortisation	(282)	(448)
Short term leases	(150)	(196)
Connectivity, software and licences	(3 616)	(3 223)
Loss on disposal of property and equipment	–	(180)
Total	(9 566)	(10 447)
	2025 USD000	2024 USD000
9.2.3 General expenses		
Consultancy, legal & professional fees	(869)	(666)
Subscription, publications & stationery	(868)	(702)
Marketing, advertising & sponsorship	(799)	(1 078)
Travel & accommodation	(313)	(903)
Loss arising from change in valuation of treasury bills	–	–
Cash transportation	(665)	(701)
Directors fees	–	–
COVID-19 costs	–	–
Insurance costs	(979)	(694)
Telex, telephones & communication	(1 453)	(1 246)
Group recharges	(6 664)	(7 163)
Other administrative & general expenses	(3 749)	(3 437)
Total	(16 359)	(16 590)
Included in the operating expenses are the following:		
Directors fees and remuneration:		
For services as part of management	(921)	(427)
For the oversight role as the director	(128)	(132)
Total	(1 049)	(559)
Auditors' remuneration for audit related services	(349)	(222)
10 Impairment losses on financial assets		
Stage 1		
Loans and advances to customers	(521)	486
Balances with banks – local & nostro	(86)	(79)
Investment securities – treasury bills & bonds	(1 020)	96
Other assets, guarantees and letters of credit	(635)	24
Total	(2 262)	527
Stage 2		
Loans and advances to customers	153	(535)
Total	153	(535)
Stage 3		
Loans and advances to customers	(1 859)	(232)
Total	(1 859)	(232)
Total impairment raised during the period	(3 968)	(239)
Recoveries of loans and advances previously written off	622	83
Impairment (charge)/release recognised in profit/loss	(3 346)	(156)

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
11 Taxation		
11.1 Income tax recognised in profit or loss- Group		
Current tax		
Normal tax – current year	(12 451)	(8 569)
Capital gains Tax	–	(111)
Total	(12 451)	(8 680)
Deferred tax		
Deferred tax expense recognised in the current year	3 848	3 570
Total	3 848	3 570
Total income tax charge recognised in the current year	(8 603)	(5 110)
11.2 Income tax recognised in profit or loss -Bank		
Current tax		
Normal tax – current year	(12 451)	(8 569)
Capital gains Tax – Current year	–	(111)
Total	(12 451)	(8 680)
Deferred tax		
Deferred tax expense recognised in the current year	3 844	3 568
Total	3 844	3 568
Total	(8 607)	(5 112)
Total income tax charge recognised in the current year		
Income tax recognised in profit or loss: reconciliation of tax expense amount		
Profit for the year	38 694	24 947
Income tax expense calculated at 25.75%	(9 963)	(6 424)
Effect of income that is exempt from taxation*	3 124	3 797
Effect of expenses that are not deductible in determining taxable profit**	(1 764)	(2 483)
Income tax expense recognised in profit or loss	(8 603)	(5 110)
Statutory tax rate	25.75%	25.75%
Effective income tax rate	22.23%	20.48%
11.3 Income tax recognised in profit or loss: reconciliation of tax expense amount		
Profit for the year		
Income tax expense calculated at 25.75%	25.75%	25.75%
Effect of income that is exempt from taxation*	(8.07%)	(15.22%)
Effect of expenses that are not deductible in determining taxable profit**	4.56%	9.95%
Increase in opening defferred tax as a result of change in tax rate	0.00%	0.00%
Income tax expense recognised in profit or loss	22.23%	20.48%

* Exempt income include;- fair value adjustments on investment property, dividend income and interest on Treasury bills and Bonds.

** Non-deductible costs include;- entertainment costs, IMTT taxes and disallowable donations.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
11 Taxation		
11.3 Income tax recognised in other comprehensive income		
Deferred tax		
Property revaluations	(640)	883
Fair value remeasurement of FVTOCI financial assets	(115)	(305)
Total income tax through other comprehensive income	(755)	578
11.4 Income tax recognised in profit or loss -Bank		
Current tax		
Normal tax – current year	(12 451)	(8 569)
Capital gains Tax – Current year	–	(111)
Total	(12 451)	(8 680)
Deferred tax		
Deferred tax expense recognised in the current year	3 844	3 568
Total	3 844	3 568
Total income tax charge recognised in the current year	(8 606)	(5 112)
Income tax recognised in profit or loss: reconciliation of tax expense amount		
Profit for the year	38 709	24 956
Income tax expense calculated at 25.75%	(9 967)	(6 426)
Effect of income that is exempt from taxation*	3 124	3 797
Effect of expenses that are not deductible in determining taxable profit**	(1 763)	(2 483)
Income tax expense recognised in profit or loss	(8 606)	(5 112)
Statutory tax rate	25.75%	25.75%
Effective income tax rate	22.23%	20.48%
Income tax recognised in profit or loss: reconciliation of tax expense amount		
Profit for the year		
Income tax expense calculated at 25.75%	25.75%	25.75%
Effect of income that is exempt from taxation*	(8.07%)	(15.21%)
Effect of expenses that are not deductible in determining taxable profit**	4.55%	9.95%
Increase in opening defferred tax as a result of change in tax rate	0.00%	0.00%
Effect of 50% tax at annual average exchange rate	0.00%	0.00%
Income tax expense recognised in profit or loss	22.23%	20.48%
Income tax recognised in other comprehensive income		
Deferred tax		
Property revaluations	(91)	883
Fair value remeasurement of FVTOCI financial assets	(541)	(305)
Total income tax through other comprehensive income	(632)	578

* Exempt income include:- fair value adjustments on investment property, dividend income and interest on treasury bills and bonds.

** Non-deductible costs include:- entertainment costs, IMTT taxes and disallowable donations.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
12 Earnings per share		
12.1 Basic earnings per share – Group		
12.1.1 Basic earnings per share		
Earnings attributable to ordinary equity holders	30 091	19 837
	2025 Number of shares	2024 Number of shares
Issued shares at the beginning of the year	2 161 295 929	2 160 865 929
Weighted shares issued during the year	193 333	225 833
Weighted average number of ordinary shares	2 161 489 262	2 161 091 762
	cents	cents
Basic earnings per share (cents)	1.39	0.92
	2025 USD000	2024 USD000
12.2 Diluted earnings per share		
Earnings attributable to ordinary equity holders	30 091	19 837
	2025 Number of shares	2024 Number of shares
Weighted average number of ordinary shares	2 161 489 262	2 161 091 762
Adjustment for share options issued at no value	515 424	627 570
Diluted average number of ordinary shares	2 162 004 686	2 161 719 332
	cents	cents
Diluted earnings per share (cents)	1.39	0.92
	2025 USD000	2024 USD000
13 Cash and bank balances		
Balances with central bank	27 488	8 869
Statutory reserve balance with central bank	52 918	52 692
Cash on hand – foreign currency	19 650	25 768
Cash on hand – local currency	263	96
Balances due from group companies	142	371
Balances with banks abroad	7 556	9 248
Cash and bank balances	108 017	97 044
Expected credit losses	(202)	(86)
Net Cash and bank balances*	107 815	96 958

* Cash and bank balances include restricted amounts relating to :

a) Reserve Bank of Zimbabwe:

- Card transaction cash security USD1.7 million (2024: USD1.3 million) – Local switch required cash security kept by the regulator.
- Statutory reserve for customer deposits USD52.9 million (2024: USD52.6 million) – 30% for customer's demand deposits and 15% for savings and fixed deposits in both local and foreign currency kept by the regulator.

b) Foreign banks:

- Security deposits against borrowings – Afreximbank Limited USD0.004 million (2024: USD0.005 million).

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
14 Investment securities		
Treasury bills and bonds	19 361	7 294
Gold-backed digital tokens	2 187	1 356
Equity securities	6 104	4 314
Balance at the end of the year	27 652	12 964

14.1 Treasury bills and bonds		
Balance at beginning of year	7 294	5 606
Additions	18 475	6 957
Accrued interest	583	1 164
Loss on derecognition of financial assets	(2 132)	–
Impairment	(578)	–
Maturities	(4 334)	(6 614)
Changes in fair value	53	(107)
Translation adjustment (ZWG TBs)	–	288
Balance at the end of the year	19 361	7 294

As at 31 December 2025 nil (2024: USD 1.87 million) of the Treasury bills and bonds were used as security against borrowings from third parties. All the Treasury bills and bonds are held to collect contractual cash flows and sell if the need arises and are measured at fair value through other comprehensive income.

	2025 USD000	2024 USD000
14.2 Gold-backed digital tokens		
Balance at beginning of year	1 356	3 329
Additions	–	2 616
Disposal	(53)	(5 994)
Fair value gain/(loss)	884	1 405
Balance at 31 December	2 187	1 356

Gold – backed digital tokens are held as a financial asset measured at fair value through profit or loss.

	2025 USD000	2024 USD000
14.3 Equity securities		
Balance at beginning of year	4 314	4 233
Disposals	(236)	–
Changes in fair value	2 026	81
Balance at 31 December	6 104	4 314
Equity securities designated as fair value through other comprehensive income are measured at fair value		
Total balance at end of the year	27 652	12 964

15 Loans and receivables from Banks		
Clearing balances with other banks	165	60
Interbank placements	2 636	10 959
Total carrying amount of Loans and receivables from Banks	2 801	11 019

Clearing balances with other banks include Zimswitch transactions net settlement receivables.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	Retail Banking USD000	Business Banking USD000	Corporate and Investment Banking USD000	Total USD000
16 Loans and advances to customers				
2025				
Term loans	72 387	4 314	45 501	122 202
Mortgage loans	241	–	–	241
Overdrafts	67	1 297	8 184	9 548
Gross loans and advances to customers	72 695	5 611	53 685	131 991
Less allowance for expected credit losses:				
Stage 1	(930)	(3)	(83)	(1 016)
Stage 2	(399)	–	–	(399)
Stage 3	(1 105)	(127)	(672)	(1 905)
Allowance for expected credit losses	(2 436)	(129)	(755)	(3 320)
Net loans and advances to customers	70 259	5 482	52 930	128 671
2024				
Term loans	50 318	5 605	49 062	104 985
Mortgage loans	219	–	–	219
Overdrafts	1 843	2 284	5 740	9 867
Gross loans and advances to customers	52 380	7 889	54 802	115 071
Less allowance for expected credit losses:				
Stage 1	(418)	(4)	(73)	(495)
Stage 2	(403)	(39)	(110)	(552)
Stage 3	(836)	(72)	(2)	(910)
Allowance for expected credit losses	(1 657)	(115)	(185)	(1 957)
Net loans and advances to customers	50 723	7 774	54 617	113 114

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
17 Other assets		
Other assets – Group and Bank		
Prepayments and stationery	4 586	2 241
Card security deposit and settlement balances	2 911	2 621
Visa Card security – Malawi	1 500	1 500
Other receivables	1 988	4 423
Unamortized balance of staff loans benefit	–	329
Total before expected credit losses	10 985	11 114
Less expected credit loss:	(625)	(4)
Total other assets	10 360	11 110
Current	8 860	8 279
Non-current	1 500	2 831
Total	10 360	11 110

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	Land and buildings USD000	Computers USD000	Equipment USD000	Furniture and fittings USD000	Motor vehicles USD000	Asset under construction USD000	Total USD000
18 Property and equipment							
18.1 Property and equipment – Group							
2025							
Balance at beginning of year	15 663	2 785	3 422	1 224	1 982	5 693	30 769
Capitalisation of Asset under construction	9 867	–	–	–	–	(9 867)	–
Additions	–	493	379	1 448	1	4 174	6 495
Revaluation	2 485	(502)	(1 655)	(439)	14	–	(97)
Disposals	–	(30)	(17)	(22)	(1 071)	–	(1 140)
Transfers to Investment property	80	–	–	–	–	–	80
Depreciation charge on disposals	–	12	–	3	470	–	485
Depreciation	(348)	(702)	(486)	(203)	(513)	–	(2 252)
Carrying amount at end of the year	27 747	2 056	1 643	2 011	883	–	34 340
Cost or valuation	27 747	2 758	2 129	2 214	1 396	–	36 244
Accumulated depreciation	–	(702)	(486)	(203)	(513)	–	(1 904)
Carrying amount at end of the year	27 747	2 056	1 643	2 011	883	–	34 340
2024							
Balance at beginning of year	15 773	2 834	2 742	590	2 997	–	24 936
Additions	–	621	1 218	781	162	5 693	8 475
Revaluation	728	–	–	–	(296)	–	432
Disposals	–	–	(160)	(12)	(174)	–	(346)
Transfers to Investment property	(499)	–	–	–	–	–	(499)
Depreciation	(339)	(670)	(378)	(135)	(707)	–	(2 229)
Carrying amount at end of the year	15 663	2 785	3 422	1 224	1 982	5 693	30 769
Cost or valuation	15 663	3 455	3 800	1 359	2 689	5 693	32 659
Accumulated depreciation	–	(670)	(378)	(135)	(707)	–	(1 890)
Carrying amount at end of the year	15 663	2 785	3 422	1 224	1 982	5 693	30 769

In view of the economic volatility on the market, property and equipment are carried at valuation amounts. In terms of accounting policy, Property and equipment are shown at fair value based on periodic valuation done at least every three years by external independent valuers, less subsequent accumulated depreciation and impairment. Where there are significant changes in fair value, revaluation is done annually. The properties were valued by a qualified, independent valuer, Integrated Properties (Private) as at 31 December 2025. All property was subjected to assessment of impairment indicators internally and the directors are of the view that there are no indicators of impairment thus no cause for raising further testing for impairment and subsequent charges beyond what has been applied. Management performed a desktop valuation of movable properties for the year 2025.

If property and equipment were stated on the historical cost basis, the carrying amount would be USD33 million (2024: USD28 million).

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	Land and buildings USD000	Computers USD000	Equipment USD000	Furniture and fittings USD000	Motor vehicles USD000	Total USD000
18 Property and equipment (continued)						
18.2 Property and equipment – Bank 2025						
Balance at beginning of year	12 863	2 785	3 422	1 224	1 982	22 276
Additions	–	493	379	1 447	1	2 320
Revaluation	353	(502)	(1 655)	(438)	14	(2 228)
Disposals	–	(30)	(17)	(22)	(1 071)	(1 140)
Transfers to Investment property	80	–	–	–	–	80
Depreciation charge on disposals	–	13	–	3	392	408
Depreciation	(348)	(702)	(486)	(203)	(513)	(2 252)
Carrying amount at end of the year	12 948	2 057	1 643	2 011	805	19 464
Cost or valuation	12 948	2 759	2 129	2 214	1 395	21 445
Accumulated depreciation	–	(702)	(486)	(203)	(513)	(1 904)
Carrying amount at end of the year	12 948	2 057	1 643	2 011	882	19 541
2024						
Balance at beginning of year	12 973	2 834	2 742	590	2 997	22 136
Additions	–	621	1 218	781	162	2 782
Revaluation	728	–	–	–	(296)	432
Disposals	–	–	(160)	(12)	(174)	(346)
Transfers to investment property	(499)	–	–	–	–	(499)
Depreciation charge on disposals	–	–	–	–	–	–
Depreciation charge	–	–	–	–	–	–
Carrying amount at end of the year	(339)	(670)	(378)	(135)	(707)	(2 229)
Cost or valuation	12 863	3 455	3 800	1 359	2 689	24 166
Accumulated depreciation	–	(670)	(378)	(135)	(707)	(1 890)
Carrying amount at end of the year	12 863	2 785	3 422	1 224	1 982	22 276

In view of the economic volatility on the market, property and equipment are carried at valuation amounts. In terms of accounting policy, Property and equipment are shown at fair value based on periodic valuation done at least every three years by external independent valuers, less subsequent accumulated depreciation and impairment. Where there are significant changes in fair value, revaluation is done annually. The properties were valued by a qualified, independent valuer, Integrated Properties (Private) Limited. All property was subjected to assessment of impairment indicators internally and the directors are of the view that there are no indicators of impairment thus no cause for raising further testing for impairment and subsequent charges beyond what has been applied. Management performed a desktop valuation of movable properties for the year 2025.

If property and equipment were stated on the historical cost basis, the carrying amount would be USD19.9 million (2024: USD20 million).

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
19 Proceeds on disposal of property, equipment and noncurrent asset held for sale		
Carrying amount of property and equipment disposed off	1 140	346
Profit/(loss) on disposal of property and equipment	60	(180)
Proceeds on disposal of property and equipment	1 200	166
Proceeds on disposal on non-current asset held for sale	–	2 550
Total proceeds on property and equipment and disposal of non-current asset held for sale	1 200	2 716
20 Investment properties		
Balance at beginning of year	2 174	1 494
Transfer (to)/from property and equipment	(80)	499
Change in fair value	(55)	181
Balance at end of the year	2 039	2 174
Rental income derived from investment properties	291	151
Maturity analysis- contractual undiscounted rentals receivable		
Less than one year	194	81
One to two years	152	30
Three to four years	47	30
Four to five years	–	–
More than five years	–	–
Total	393	141

The fair value of investment property was determined by external, independent property valuers, Integrated Properties (Pvt) Ltd (2024: Integrated Properties (Pvt) Ltd) having the appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. In terms of accounting policy, periodic valuation are done at least every three years by external independent valuers. Where there are significant changes in fair value, revaluation is done annually.

The fair value measurement of the investment property has been categorised as Level 3 in the fair value hierarchy (Note 34) based on the inputs to the valuation technique used.

Operating costs incurred on investment properties that generated rental income during the year were nil (2024: USD0.04 million). These operating costs recognised in the profit or loss consist of council rates for the properties. Investment property comprises commercial properties that are leased to third parties, currently all properties in the investment property portfolio are generating rental income. No contingent rents are charged.

	2025 USD000	2024 USD000
21 Intangible assets		
Balance at beginning of year	1 298	455
Additions	–	1 291
Amortisation	(282)	(448)
Balance at end of the year	1 016	1 298
Cost	3 401	3 401
Accumulated amortisation	(2 385)	(2 103)
Balance at end of the year	1 016	1 298

Intangible assets comprise of acquired core banking, switch and other software and licences, amortised over a period of 6.7 years.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
22 Investment in subsidiary – Bank		
Balance at beginning of year	14 800	11 800
Additional share purchase	–	3 000
Changes in fair value	2 131	–
Balance at 31 December	16 931	14 800

The Bank has 100% shareholding in Thulilie Investments (Private) Ltd which owns a property on a piece of land measuring 18786 square metres. The subsidiary completed construction of First Capital Bank Head Office on the land during the year. The Group consolidates this subsidiary presenting consolidated financial statements per IFRS 10 requirements. Equity of the subsidiary is eliminated when consolidating. The property is revalued at least once every three years or annually when there is significant change in value.

The value of the investment in subsidiary is determined using the net assets value (NAV). The primary asset of subsidiary is the land which is a fair valued asset whose inputs in the determination of the fair value are elaborated in note 34.

	2025 USD000	2024 USD000
23 Non – current assets held for sale		
Balance at the beginning of the year	–	2 217
Disposal	–	(2 217)
Transfer from the Investment in joint venture	13 968	–
Balance at 31 December	13 968	–

The non-current asset held for sale in the current year is the bank's investment in Makasa Sun (Pvt) Ltd, previously accounted for as a joint venture under note 24. The investment is being actively sold with the sale transaction expected to complete within the next twelve months

Non-current assets held for sale in prior year was of a commercial building, Dolphin house, located in Harare Central Business District. This property disposal was concluded during the 2024 financial year.

	2025 USD000	2024 USD000
24 Investment in joint venture		
Summarised financial information		
Revenue	–	50
Fair value gain/(loss) on property	3 743	(3 800)
Profit/(loss) for the year	2 989	(3 736)
Total comprehensive income/(loss)	2 989	(3 736)

The above profit/(loss) for the year include the income tax expense of USD0.0 million (2024: USD0.22 million income tax expense).

Non – current assets	–	26 200
Cash and cash equivalents	–	49
Current assets	–	105
Non – current liabilities	–	475
Long term borrowing	–	599
Current liabilities	–	335

Group's interest in investment

Group's interest at beginning of year		
Impact of change in functional currency	12 473	14 340
Current year share of total comprehensive (loss)/income in joint venture	1 495	(1 867)
Transfer to Non current held for sale	(13 968)	–
Carrying amount of investment at year end	–	12 473

The Group owns 50% investment in Makasa Sun (Pvt) Ltd. The other 50% is owned by First Capital Pension Fund. Makasa Sun (Pvt) Ltd owns a hotel building located in the tourist resort town of Victoria Falls, Zimbabwe.

The investment is being actively sold with the sale transaction expected to complete within the next twelve months. The investment has been assessed and qualifies as a non current asset held for sale.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
25 Leases		
25.1 Right of use asset		
Balance at beginning of year	3 931	3 702
Additions	1 071	2 206
Terminated	(582)	(3)
Depreciation for the year	(1 097)	(1 974)
Balance at 31 December	3 323	3 931
25.2 Lease liabilities		
Balance at beginning of year	2 873	2 822
Additions	579	190
Accretion of interest	493	401
Payments	(1 435)	(540)
Balance at 31 December	2 510	2 873
Maturity analysis – contractual undiscounted cash flows		
Less than one year	1 382	974
One to five years	2 655	2 125
More than five years	617	435
Total	4 654	3 534
Lease liabilities included in statement of financial position		
Current	544	774
Non – current	1 966	2 099
Balance at 31 December	2 510	2 873
Amounts recognised in profit/loss		
Interest on lease liabilities	(493)	(401)
Expenses – short term	(643)	(597)
Depreciation	(1 097)	(1 974)
Total	(2 233)	(2 972)
Statement of cash-flows – Leases		
Short term lease	(150)	(196)
Long term lease	(1 435)	(540)
Total cash outflows	(1 585)	(736)

* Lease liability includes finance cost of USD 460k (2024: USD 203k) and principal cost USD 975k (2024: USD 337k).

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000	
26 Balances due to banks			
Bank balances due to banks abroad	163	113	
Local interbank money market deposit	3 268	–	
Offshore lines of credit	10 909	12 052	
Clearance balances due to local banks	608	4 076	
Total Deposits from banks	14 948	16 241	
	Other balances	Offshore lines of credit	Total
2025			
As at beginning of the year	4 189	12 052	16 241
Net increase or decrease in long term borrowings	(150)	(1 143)	(1 293)
Additions	3 418	1 443	4 861
Principal repayment	(3 581)	(2 680)	(6 261)
Interest accrued	65	890	955
Interest paid	(52)	(796)	(848)
Balance at end of period	4 039	10 909	14 948
Principal amount	4 026	10 815	14 841
Interest accrued	13	94	107
Balance at end of period	4 039	10 909	14 948
2024			
As at beginning of the year	7 713	16 703	24 416
Net increase or decrease in long term borrowings	(3 524)	(4 651)	(8 175)
Principal additions	4 190	2 835	7 025
Principal repayment	(7 714)	(6 884)	(14 598)
Interest paid	–	(602)	(602)
Balance at 31 December	4 189	12 052	16 241
Principal amount	4 189	12 047	16 236
Interest accrued	–	5	5
Balance at 31 December	4 189	12 052	16 241

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
27 Deposits from customers		
27.1 Deposits from customers – Group		
Demand deposits		
Retail	44 308	34 624
Business banking	15 623	10 157
Corporate and investment banking	107 794	119 217
Total	167 725	163 998
Call deposits		
Retail	–	357
Corporate and investment banking	31 049	13 158
Total	31 049	13 515
Savings accounts		
Retail	968	246
Total	968	246
Other		
Corporate and investment banking	321	625
Total	321	625
Total deposits from customers	200 063	178 384

The bank has implemented strategies which has resulted in its deposit book increasing. The revision of call deposits terms has attracted both existing customers and new customers into taking up the product.

Included in the total deposits above are local currency deposits of USD25 million (2024: USD22 million). Also included in customer accounts are deposits of USD0.32 million (2024: USD0.63 million) held as collateral for loans advanced and letters of credit. Deposits from customers are financial instruments classified as liabilities at amortised cost. Fair value of deposits from customers approximates carrying amount because of their short term tenure.

	2025 USD000	2024 USD000
27.2 Deposits from customers – Bank		
Demand deposits		
Retail	44 308	34 624
Business Banking	15 623	10 157
Corporate and investment Banking	109 805	125 418
Total	169 736	170 199
Call deposits		
Retail	–	357
Corporate and investment Banking	31 049	13 158
Total	31 049	13 515
Savings accounts		
Retail	968	246
Total	968	246
Other		
Corporate and investment Banking	321	625
Total	321	625
Total deposits from customers	202 074	184 585

The bank has implemented strategies which has resulted in its deposit book increasing. The revision of call deposits terms has attracted both existing customers and new customers into taking up the product.

Included in the total deposits above are local currency deposits of USD25 million (2024: USD22 million). Also included in customer accounts are deposits of USD 0.32 million (2024: USD 0.63 million) held as collateral for loans advanced and letters of credit. Deposits from customers are financial instruments classified as liabilities at amortised cost. Fair value of deposits from customers approximates carrying amount because of their short term tenure.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	%	2024 USD000	%
27 Deposits from customers (continued)				
27.3 Deposits from customers – Group				
Concentration of customer deposits				
Trade and services	95 322	48	63 162	35
Energy and minerals	3 453	2	1 080	1
Agriculture	4 326	2	12 106	7
Construction and property	290	–	966	1
Light and heavy industry	21 358	11	39 236	22
Physical persons	45 276	22	34 394	19
Transport and distribution	9 041	5	8 463	5
Financial services	20 997	10	18 977	10
Total	200 063	100	178 384	100
27.4 Deposits from customers – Bank				
Concentration of customer deposits				
Trade and services	98 715	49	69 363	36
Energy and minerals	3 453	2	1 080	1
Agriculture	4 326	2	12 106	7
Construction and property	290	–	966	1
Light and heavy industry	21 358	11	39 236	21
Physical persons	43 894	22	34 394	19
Transport and distribution	9 041	4	8 463	5
Financial services	20 997	10	18 977	10
Total	202 074	100	184 585	100
			2025 USD000	2024 USD000
28 Employee benefit accruals				
Staff retention				
Balance at beginning of year			1 354	1 611
Accruals made during the year			2 324	1 701
Accruals used during the year			(1 387)	(1 958)
Balance at end of year			2 291	1 354
Outstanding employee leave				
Balance at beginning of year			176	228
Accruals made during the year			666	176
Accruals used during the year			(711)	(228)
Balance at end of year			131	176
Redundancy				
Balance at beginning of year			158	–
Accruals made during the year			–	5 544
Accruals used during the year			(133)	(5 386)
Balance at end of year			25	158

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
28 Employee benefit accruals (continued)		
Other provisions		
Balance at beginning of year	–	–
Accruals made during the year	1 895	–
Accruals used during the year	–	–
Balance at end of the year	1 895	–
Balance at end of the year	4 342	1 688

The staff retention incentive is an accrual for performance based staff incentive to be paid to staff and is included in staff costs. Employee entitlements to annual leave are recognised when they accrue to employees. The accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date and the charge is recognised in profit or loss within staff costs.

The bank implemented a cost rationalization exercise in 2024 and as part of that, it had to retrench some of its employees. The retrenchment package included staggered benefits which make up the redundancy balance. Other provisions include commercial paper potential defaults and card losses under investigations

	2025 USD000	2024 USD000
29 Other liabilities		
29.1 Other liabilities – Group		
Accrued expenses	1 188	864
Clearing accounts	4 265	4 101
Other foreign currency claims	–	1 339
Withholding taxes	4 038	4 436
Balance at 31 December	9 491	10 740
29.2 Other liabilities – Bank		
Accrued expenses	1 188	864
Clearing accounts	4 265	4 102
Other foreign currency claims	–	1 339
Withholding taxes	4 038	4 436
Balance at 31 December	9 491	10 741

30 Retirement benefit plans

First Capital Bank Pension Fund

The First Capital Bank Pension Fund (“The Fund”) manages retirement funds for the active members and pensioners. The Fund is run by appointed Trustees. The assets of the Funds are managed as one composite pool, with no separation for the active members and pensioners. The awarding of pension increases and increase in accumulated values to active members is done in consideration of the performance of the Fund and any requirement to increase risk reserves.

The plan assets comprise of property, bank balance, equity instruments and money market deposits at 31 December 2025.

	2025 USD000	2024 USD000
30.1 Composition of pension fund plan assets		
Cash and bank balances	866	507
Equity and unity trusts	7 629	2 792
Money market	649	4 962
Properties	27 441	27 113
Other	1 182	186
Total	37 767	35 560

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

30 Retirement benefit plans (continued)

30.2 Defined contribution plans

The defined contribution pension plan, to which the Group contributes 18% (2024: 18%), is provided for permanent employees. Over and above the Group's contribution, the employee contributes 6% (2024: 6%) of the basic salary. Under this scheme, retirement benefits are determined by reference to the employees' and the Group's contributions to date and the performance of the Fund. The value of contributions made to the defined contribution fund is USD1.32 million (2024: USD1.14 million).

All employees are also members of the National Social Security Authority Scheme, to which both the employer and the employees contribute. The Group contributes 4.5% of pensionable emoluments (maximum USD5 400) for eligible employees.

30.3 Defined benefit pension plans

The Fund provides for annuities for those pensioners who opted not to purchase the annuity from an external insurer at the point of retirement. All annuities are now purchased outside the Fund at the point of retirement.

The provision of pension annuities to pensioners is a significant defined benefit. As a result, a valuation was performed based on IAS 19; Employee Benefits for the whole Fund for both the assets and liabilities.

Summary of the valuation is shown below:

	2025 USD000	2024 USD000
30.4 Summary valuation of the pension obligation		
Present value of pensioner obligation (Defined Benefit)	7 054	6 439
Active members liability (Defined Contribution)	10 948	16 843
Deferred and preserved pensioners	7 834	6 723
Other liabilities – risk pools	723	696
Other sundry liabilities	8 814	31
Total liabilities	35 373	30 732
Total assets	37 767	35 560
Net surplus	2 394	4 828

This surplus is attributable to the Fund and the Trustees have discretion as to the application and appropriation of the surplus. The surplus could not be recognised as an asset by the Group because the Group will not receive any future benefits from the surplus in the form of contribution holidays or refunds. The Fund rules clearly state that the Group will not be paid any refund relating to the surplus. In addition the Group is currently not making any additional contributions for the pensioners, therefore, there will be no benefit to the Bank arising from reduced contributions or contribution holiday.

Movements in the present value of the defined benefit obligation in the current year were as follows:

	2025 USD000	2024 USD000
Movement in present value of obligation		
Opening present value	6 439	6 300
Interest cost	4	134
Surplus allocated to pensioners	1 658	5 717
Benefits paid	(1 047)	(691)
Impact of exchange rate movement	–	(5 021)
Present value at 31 December	7 054	6 439
Principal actuarial assumptions		
Discount rate	2%	2%
Average life expectancy in years of pensioner retiring at 60 – Male	15	16
Average life expectancy in years of pensioner retiring at 60 – Female	19	19

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30 Retirement benefit plans (continued)
30.4 Summary valuation of the pension obligation (continued)

	2025 USD000	2024 USD000
	Increase in Defined benefit obligation	
Sensitivity of key principal assumptions		
Decrease in discount rate (0.5%)	263	268
Increase in life expectancy (1 year)	199	187

Pre-2009 Compensation for Loss of Value

Statutory Instrument 162 of 2023, Pensions and Provident Funds (Compensation for Loss of Pre 2009 Value of Pension Benefits) Regulations, 2023 were promulgated in October 2023. The regulations require the Pension Fund to quantify the loss of value and offer compensation to current and former members over the investigative period. This exercise is ongoing and the Pension Fund is yet to make a determination with the constraints of data availability being a key challenge. The Bank has therefore taken account of the Actuarial valuation of the pensioner liability as at December 2025. A contingent liability has been disclosed in note 40.

	2025 USD000	2024 USD000
31 Deferred tax		
31.1 Deferred tax – Group		
Deferred tax balances		
The analysis of the deferred tax assets and deferred tax liabilities is as follows:		
Deferred tax		
Deferred tax assets	(3 462)	(1 894)
Deferred tax liabilities	7 077	8 619
Total deferred tax liability	3 615	6 725

	Balance at period start USD000	Recognised in P/L USD000	Recognised in OCI USD000	Recognised directly in equity USD000	Balance at period end USD000
Audited					
2025					
(Assets)/liabilities					
Property and equipment	3 344	43	640	–	4 027
Investment property	91	2	–	–	93
Investment securities	2 657	–	115	(17)	2 755
Impairments	(538)	(1 245)	–	–	(1 783)
Unrealised foreign exchange gain	1 686	(1 686)	–	–	–
Deferred revenue	(374)	(277)	–	–	(651)
Provisions	(443)	(585)	–	–	(1 028)
Other items	302	(100)	–	–	202
Total	6 725	(3 848)	755	(17)	3 615
2024					
(Assets)/liabilities					
Property and equipment	4 677	(450)	(883)	–	3 344
Investment property	186	(95)	–	–	91
Investment securities	2 352	–	305	–	2 657
Impairments	(1 162)	624	–	–	(538)
Unrealised foreign exchange gain	5 024	(3 338)	–	–	1 686
Deferred revenue	(97)	(277)	–	–	(374)
Provisions	(333)	(110)	–	–	(443)
Other items	226	76	–	–	302
Total	10 873	(3 570)	(578)	–	6 725

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	2025 USD000	2024 USD000
31 Deferred tax (continued)		
31.2 Deferred tax – Bank		
Deferred tax balances		
Deferred tax assets	(3 461)	(1 895)
Deferred tax liabilities	7 478	9 140
Total deferred tax liability	4 017	7 245

Audited	Balance at period start USD000	Recognised in P/L USD000	Recognised in OCI USD000	Recognised directly in equity USD000	Balance at period end USD000
2025					
(Assets)/liabilities					
Property and equipment	3 862	43	91	–	3 996
Investment property	91	2	–	–	93
Investment securities	2 657	–	541	(17)	3 181
Impairments	(537)	(1 245)	–	–	(1 782)
Unrealised foreign exchange gain	1 686	(1 686)	–	–	–
Deferred revenue	(374)	(277)	–	–	(651)
Provisions	(443)	(585)	–	–	(1 028)
Other items	304	(96)	–	–	208
Total	7 246	(3 844)	632	(17)	4 017
2024					
(Assets)/liabilities					
Property and equipment	5 195	(450)	(883)	–	3 862
Investment property	186	(95)	–	–	91
Investment securities	2 352	–	305	–	2 657
Impairments	(1 161)	624	–	–	(537)
Unrealised foreign exchange gain	5 024	(3 338)	–	–	1 686
Deferred revenue	(97)	(277)	–	–	(374)
Provisions	(333)	(110)	–	–	(443)
Other items	226	78	–	–	304
Total	11 392	(3 568)	(578)	–	7 246

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	2025 USD000	2024 USD000
32 Taxation		
32.1 Taxation payable – Group		
Tax (receivable)/payable at the beginning of the year	5 019	1 276
Current tax expense	12 451	8 569
Taxation paid	(13 588)	(5 843)
Impact of exchange rate movement/monetary adjustment	334	1 017
Tax payable/(receivable) at the end of the year	4 216	5 019
32.2 Taxation payable – Bank		
Tax (receivable)/payable at the beginning of the year	5 019	1 281
Current tax expense	12 451	8 679
Taxation paid	(13 588)	(5 843)
Impact of exchange rate movement/monetary adjustment	334	902
Tax payable/(receivable) at the end of the year	4 216	5 019
	2025 Number of shares	2024 Number of shares
33 Share capital and reserves		
Authorised shares		
Issued and fully paid	2 161 295 929	2 160 865 929
Shares under control of directors	2 838 704 071	2 839 134 071
Total authorised shares	5 000 000 000	5 000 000 000
Authorised share capital		
Ordinary shares (5 000 000 000 shares of ZWG0.01 cents per share)	500	500
33.1 Issued share capital		
Issued and fully paid shares		
Balance at beginning of year	2 161 295 929	2 160 865 929
Exercise of share options	580 000	430 000
Balance at end of year	2 161 875 929	2 161 295 929
	2025 USD000	2024 USD000
Ordinary shares	31	31
Total	31	31
The total authorised number of ordinary shares at year end was 5 billion (2024: 5 billion). The unissued share capital is under the control of the directors subject to the restrictions imposed by the Companies and Other Business Entities Act (Chapter 24:31), the Victoria Falls Stock Exchange listing requirements and the Articles and Memorandum of Association of the bank.		
	2025 USD000	2024 USD000
33.2 Share premium		
Premiums from the issue of shares are reported in the share premium.		
Balance at beginning of year	3 441	3 441
Balance at end of year	3 441	3 441

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33 Share capital and reserves (continued)

33.3 Non – distributable reserves – Group and bank

This relates to the balance of currency translation reserves arising from the fair valuation of assets and liabilities on 1 January 2009 when the bank adopted the United States dollar as the functional and presentation currency.

	2025 USD000	2024 USD000
Balance at beginning of year	1 123	1 123
Balance at end of year	1 123	1 123

33.4 Investments at fair value through other comprehensive income reserve

This relates to fair value movements on investment securities held at fair value through other comprehensive income which include equity and debt securities.

Investments at fair value through other comprehensive income reserve – Group

Balance at beginning of year	1 088	1 514
Currency translation adjustment	2 368	(426)
Balance at end of year	3 456	1 088

Fair value through other comprehensive income reserve - Bank

Balance at beginning of year	3 400	3 826
Current year movement	4 073	(426)
Balance at end of year	7 473	3 400

33.5 Property revaluation reserve

Revaluation movement on property and equipment is classified under revaluation reserve. Additional detail on revaluation of assets is contained in note 18

Property revaluation reserve - Group

Balance at beginning of year	16 832	15 517
Property revaluations	(737)	1 315
Balance at end of year	16 095	16 832

Property revaluation reserve- Bank

Balance at beginning of year	15 592	14 277
Property revaluations	(2 319)	1 315
Balance at end of year	13 273	15 592

33.6 General Reserve – Group and bank

The General Reserve is the excess of expected credit losses computed per RBZ model over the ECL Computed per IFRS 9 model.

Balance at beginning of year	435	991
Increase (decrease) in provision for regulatory impairment	(435)	(556)
Balance at end of year	–	435

33.7 Share based payment reserve – Group and bank

The fair value of share options granted to employees is classified under share based payment reserve. The reserve is reduced when the employees exercise their share options.

Balance at beginning of year	181	181
Movement in share based payment reserve	–	–
Balance at end of year	181	181

33.8 Local managerial share option scheme

This scheme benefits managerial employees. Managerial employees are granted shares in First Capital Bank. Share options issued have a vesting period of three years. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

The following assumptions were input into the valuation model:

- Volatility of 81.83%
- Nominal risk free rate of return of 80%
- Expected option exercise date is 2 years after vesting period.

In the valuation, volatility was calculated as the standard deviation of lognormal weekly returns for a full year. Volatility is a measure of the amount by which the price is expected to fluctuate between the grant date and the exercise date.

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	2025		2024	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
33 Share capital and reserves (continued)				
33.9 Movements during the period				
The following reconciles the share options outstanding at the beginning and end of the year:				
Outstanding at beginning of the year	1 900 000	0.05	4 920 000	0.05
Granted during the year	-	0.02	-	0.02
Forfeited during the year	-	-	(2 590 000)	-
Exercised during the year	(580 000)	-	(430 000)	-
Outstanding at 31 December	1 320 000	-	1 900 000	-
Exercisable at 31 December	610 000	-	1 140 000	-
Weighted average contractual life of options outstanding at end of period (years)	4.82		3.72	

	2025 USD000	2024 USD000
34 Financial instruments		
34.1 Financial instruments – Group		
Classification of assets and liabilities		
Financial assets		
Financial assets at fair value through profit and loss		
Gold backed digital gold tokens	2 187	1 356
Total	2 187	1 356
Financial assets at amortised cost		
Cash and bank balances	107 815	96 958
Treasury bills	-	2 709
Loans and advances to customers	128 671	113 114
Loans and receivables from banks	2 801	11 019
Other assets*	5 774	8 872
Total	245 061	232 672
* Excludes prepayments and stationery.		
Financial assets at fair value through other comprehensive income		
Treasury bills	19 361	4 585
Unquoted equity securities	6 104	4 314
Total	25 465	8 899
Total Financial assets	272 713	242 927
Financial liabilities at fair value through P/L		
Other foreign currency claims- cash swaps	810	1 339
Total	810	1 339
Financial liabilities at amortised cost		
Customer deposits	200 063	178 384
Balances due to banks	14 948	16 241
Other liabilities*	7 238	9 633
Lease liability	2 510	2 873
Balances due to group companies	1 350	1 002
Total	226 109	208 133
Total Financial liabilities	226 919	209 472
* Excludes deferred income		

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	2025 USD000	2024 USD000
34 Financial instruments (continued)		
34.2 Financial instruments – Bank		
Classification of assets and liabilities		
Financial assets		
Financial assets at fair value through profit and loss		
Gold-backed digital gold tokens	2 187	1 356
Total	2 187	1 356
Financial assets at amortised cost		
Cash and bank balances	107 815	96 958
Treasury bills	–	2 709
Loans and advances to customers	128 671	113 114
Loans and advances from other Banks	2 801	11 019
Other assets*	5 774	8 873
Total	245 061	232 673
<i>* Excludes prepayments and stationery.</i>		
Financial assets at fair value through other comprehensive income		
Treasury bills and bonds	19 361	4 585
Unquoted equity securities	6 104	4 314
Total	25 465	8 899
Total Financial assets	272 713	242 928
Financial liabilities		
Financial liabilities at amortised cost		
Customer deposits	202 074	184 585
Deposits due to banks	14 948	16 241
Other liabilities**	8 048	9 633
Lease liability	2 510	2 873
Balances due to group companies	1 350	1 002
Total Financial liabilities	228 930	214 334

** Excludes deferred income

Notes to the Consolidated and Separate Annual Financial Statements continued

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34 Financial instruments (continued)

34.3 Fair value hierarchy of assets and liabilities held at fair value – Group

Fair value hierarchy

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

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 USD000	Level 2 USD000	Level 3 USD000	Total USD000
2025				
Recurring fair value measurements				
Financial assets				
Gold-backed digital tokens	2 187	–	–	2 187
Treasury bills	–	–	19 361	19 361
Unquoted equity instruments	–	–	6 104	6 104
Balance at 31 December 2025	2 187	–	25 465	27 652
Non – financial assets				
Property and equipment	–	–	34 340	34 340
Investment property	–	–	2 039	2 039
Balance at 31 December 2025	–	–	36 379	36 379
Financial liabilities				
Other foreign currency claims- cash swaps	–	810	–	810
Balance at 31 December 2025	–	810	–	810
Non-recurring non – financial assets				
Non-Current Assets held for sale	–	–	13 968	13 968
Balance at 31 December 2025	–	–	13 968	13 968
2024				
Recurring fair value measurements				
Financial assets				
Gold-backed digital tokens	1 356	–	–	1 356
Treasury bills	–	–	4 585	4 585
Unquoted equity instruments	–	–	4 314	4 314
Balance at 31 December 2024	1 356	–	8 899	10 255
Non-financial liabilities				
Property and equipment	–	–	30 769	30 769
Investment property	–	–	2 174	2 174
Balance at 31 December 2024	–	–	32 943	32 943
Financial assets				
Other foreign currency claims – Cash swaps	–	1 339	–	1 339
Balance at 31 December 2024	–	1 339	–	1 339

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34 Financial instruments (continued)

34.3 Fair value hierarchy of assets and liabilities held at fair value – Bank

34.3.1 Fair value hierarchy of assets and liabilities held at fair value – Bank

Fair value hierarchy

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

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Audited

	Level 1 USD000	Level 2 USD000	Level 3 USD000	Total USD000
2025				
Recurring fair value measurements				
Financial assets				
Gold-backed digital tokens	2 187	–	–	2 187
Treasury bills	–	–	19 361	19 361
Unquoted equity instruments	–	–	6 104	6 104
Balance at 31 December 2025	2 187	–	25 465	27 652
Non – financial assets				
Property and equipment	–	–	19 541	19 541
Investment property	–	–	2 039	2 039
Investment in subsidiary	–	–	16 931	16 931
Balance at 31 December 2025	–	–	38 511	38 511
Financial liabilities				
Other foreign currency claims- cash swaps	–	810	–	810
Balance at 31 December 2025	–	810	–	810
Non-recurring non – financial assets				
Non-Current Assets held for sale	–	–	13 968	13 968
Balance at 31 December 2025	–	–	13 968	13 968
2024				
Recurring fair value measurements				
Financial assets				
Gold-backed digital tokens	1 356	–	–	1 356
Treasury bills	–	–	4 585	4 585
Unquoted equity instruments	–	–	4 314	4 314
Balance at 31 December 2024	1 356	–	8 899	10 255
Non – financial assets				
Property and equipment	–	–	22 276	22 276
Investment property	–	–	2 174	2 174
Investment in subsidiary	–	–	14 800	14 800
Balance at 31 December 2024	–	–	39 250	39 250
Financial liabilities				
Other foreign currency claims- cash swaps	–	1 339	–	1 339
Balance at 31 December 2024	–	1 339	–	1 339

34.4 Valuation techniques for the level 2 fair value measurement of assets and liabilities held at fair value

The table below sets out information about the valuation techniques applied at the end of the reporting period in measuring assets and liabilities whose fair value is categorised as Level 2 in the fair value hierarchy. A description of the nature of the techniques used to calculate valuations based on observable inputs and valuations is set out in the table below:

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34 Financial instruments (continued)

34.4 Valuation techniques for the level 2 fair value measurement of assets and liabilities held at fair value (continued)

Category of asset/liability	Valuation technique applied	Significant observable inputs
Foreign Exchange Contracts	Discounted cash flow	Interest and foreign currency exchange rates

The table below sets out information about the significant unobservable inputs used at the end of the reporting period in measuring assets and liabilities whose fair value is categorised as Level 3 in the fair value hierarchy.

Category of asset/liability	Valuation technique applied	Significant unobservable inputs	Range of estimates utilised for the unobservable inputs
	Discounted Free Cash Flow method (DCF) - the method uses the past financial information to predict the future cashflows which are then discounted using the weighted cost of capital. The discounted free cash flow ("DCF") method was considered applicable regardless of the practical difficulties with its application, including but not limited to: <ul style="list-style-type: none"> difficulties of predicting the correct inputs for the model. reliance on multiple assumptions, as well as subjectivity of some of the assumptions. 	Cashflows and discount rates	WACC (discount rate): 13.34% to 14.97% Terminal Growth (g): 3% to 3%
Unquoted equity financial instrument	Price Earnings Valuation (PER) - the valuation method was considered suitable for valuation of Zimswitch Technologies as it is among the most generally used valuation methods when valuing a company's business. The method is more applicable where there are listed peer companies with published Price Earnings Ratios (PER). The main advantage of the method is that it factors into the valuation a consideration of the market dynamics and conditions. The application of the PER method is compromised as it relies on the use of historical earnings ("trailing earnings"). While there is the option of using forward earnings, determination of such forward earnings is subjective. This is particularly problematic for the valuation of Zimswitch Technologies given that the macro-economic environment, until recently, under which the valuation is being undertaken is characterized by volatility and hyperinflationary conditions, meaning that the historical earnings might not be reflective of the future earnings of the company. Furthermore, reliance on peer-listed companies, sometimes in a different jurisdiction, brings in subjectivity as certain adjustments must be made to align the PER with the local conditions. Coming up with such discounts builds in further subjectivity into the assumptions. Despite the method's shortcomings, we found it applicable after making necessary adjustments to earnings to improve their relevance in the valuation.	Adjusted market price earnings multiple	11.78X to 14.19X
	The Enterprise Value/Earnings Before Interest, Taxes and Depreciation or Amortization (EV/EBITDA) method - the enterprise multiple considers a company's debt cash levels in addition to its stock prices and relates that value to the firm's cash profitability. It measures the total value of a company, including its debt and equity, relative to its profitability.	EBITDA multiple	8.23X to 9X
	Enterprise Value/Sales valuation method (EV/SALES) - the method calculates the enterprise value (EV) by dividing the company's market capitalization by its annual sales revenue.	Value/sales	2.98X to 3.17X
Residential properties (PPE)	Market approach - this approach adopts the principle that the value of one property may be derived by comparing it with prices achieved from market transactions in similar properties. It is widely used in the valuation of straightforward residential, rural, and commercial property assets. In determining the market value of the subject properties, we considered comparable market evidence.	Capitalisation rates and rental income per square metre	Cap rates: 9% to 15% Rental/m ² : \$3.17 to \$21.67
Commercial and industrial properties (PPE)	Income approach - The income approach is a widely accepted methodology for valuing income-generating properties. This approach encompasses two primary methods: the investment method and the profits method	Rental income per square metre	\$3.17 to \$21.67 per square metre
Investment properties	Market/income approach	Rental income per square metre	9% to 15%
Treasury bills	Discounted cash flow	Market Yield - not actively traded	0% to 4%

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34 Financial instruments (continued)

34.5 Valuation techniques for the level 3 fair value measurement of assets and liabilities held at fair value

34.5.1 Reconciliation of recurring level 3 fair value measurements – Group

	Property and equipment USD000	Investment securities USD000	Investment properties USD000	Investment in subsidiary USD000	Total ZWG000
2025					
Balance at 1 January 2025	30 769	12 964	2 174	–	45 907
Depreciation	(2 252)	–	–	–	(2 252)
Additions	6 495	18 475	(80)	–	24 890
Accrued interest	–	583	–	–	583
Maturities/Disposal	(655)	(4 623)	–	–	(5 278)
Transfer from investment property	–	–	–	–	–
Revaluation	(97)	–	–	–	(97)
Transfer from investment property	80	–	–	–	80
Transfer from Joint venture	–	–	–	13 968	–
Total losses recognised in profit or loss	–	(1 826)	(55)	–	(1 881)
Total gains and losses recognised in other comprehensive income	–	2 079	–	–	2 079
Balance at 31 December 2025	34 340	27 652	2 039	13 968	77 999
2024					
Balance at 1 January 2024	24 936	13 168	1 494	2 217	39 598
Depreciation	(2 229)	–	–	–	(2 229)
Translation adjustment	–	288	–	–	288
Additions	8 475	9 573	499	–	18 547
Accrued interest	–	1 164	–	–	1 164
Maturities/Disposal	(346)	(12 608)	–	–	(12 954)
Revaluation	432	–	–	–	432
Transfer from investment property	(499)	–	–	–	(499)
Total losses recognised in profit or loss	–	1 501	181	–	1 682
Disposal of non current assets held for sale	–	–	–	(2 217)	–
Total gains and losses recognised in other comprehensive income	–	(122)	–	–	(122)
Balance at 31 December 2024	30 769	12 964	2 174	–	45 907

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34 Financial instruments (continued)

34.5 Valuation techniques for the level 3 fair value measurement of assets and liabilities held at fair value (continued)

34.5.2 Reconciliation of recurring level 3 fair value measurements – Bank

	Property and equipment USD000	Investment securities USD000	Investment properties USD000	Investment in subsidiary USD000	Total USD000
2025					
Balance at 1 January 2025	22 276	12 964	2 174	14 800	52 214
Additions	2 320	18 475	–	–	20 795
Loss on derecognition of financial assets	–	–	–	–	–
Depreciation	(2 252)	–	–	–	(2 252)
Revaluation	(2 228)	–	–	–	(2 228)
Accrued interest	–	583	–	–	583
Maturities/Disposals	(732)	(4 623)	–	–	(5 355)
Transfer from investment property	80	–	(80)	–	–
Total gains and losses recognised in profit or loss	–	(1 826)	(55)	–	(1 881)
Total gains and losses recognised in other comprehensive income	–	2 079	–	2 131	4 210
Balance at 31 December 2025	19 464	27 652	2 039	16 931	66 086
2024					
Balance at 1 January 2024	22 136	13 168	1 494	11 800	48 598
Additions	2 782	9 573	–	3 000	15 355
Translation adjustment	–	288	–	–	288
Depreciation	(2 229)	–	–	–	(2 229)
Revaluation	432	–	–	–	432
Accrued interest	–	1 164	–	–	1 164
Maturities/Disposals	(346)	(12 608)	–	–	(12 954)
Transfer (to)/from property and equipment	(499)	–	499	–	–
Total gains and losses recognised in profit or loss	–	1 501	181	–	1 682
Total gains and losses recognised in other comprehensive income	–	(122)	–	–	(122)
Balance at 31 December 2024	22 276	12 964	2 174	14 800	52 214

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34 Financial instruments (continued)

34.6 Fair value of financial instruments not held at fair value – Group

The disclosed fair values of these financial assets and financial liabilities measured at amortised cost approximate their carrying value because of their short term nature.

	2025		2024	
	Carrying amount USD000	Fair value USD000	Carrying amount USD000	Fair value USD000
Financial Assets				
Cash and bank balances	107 815	107 815	96 958	96 958
Loans and receivables from Banks	2 801	2 801	11 019	11 019
Treasury bills	–	–	2 709	2 709
Loans and advances to customers	128 671	128 671	113 114	113 114
Other assets	5 774	5 774	8 872	8 872
Total	245 061	245 061	232 672	232 672
Financial Liabilities				
Deposits from customers	14 948	14 948	16 241	16 241
Balances due to banks	200 063	200 063	178 384	178 384
Lease liability	2 510	2 510	2 873	2 873
Other liabilities	8 048	8 048	9 633	9 633
Balances due to group companies	1 350	1 350	1 002	1 002
Total	226 919	226 919	208 133	208 133

Fair value of financial instruments not held at fair value - Bank

The disclosed fair values of these financial assets and financial liabilities measured at amortised cost approximate their carrying value because of their short term nature.

	2025		2024	
	Carrying amount USD000	Fair value USD000	Carrying amount USD000	Fair value USD000
Financial Assets				
Cash and bank balances	107 815	107 815	96 958	96 958
Loans and receivables from Banks	2 801	2 801	11 019	11 019
Treasury bills	–	–	2 709	2 709
Loans and advances to customers	128 671	128 671	113 114	113 114
Other assets	5 774	5 774	8 873	8 873
Total assets	245 061	245 061	232 673	232 673
Financial Liabilities				
Deposits from customers	14 948	14 948	16 241	16 241
Balances due to banks	202 074	202 074	184 585	184 585
Lease liability	2 510	2 510	2 873	2 873
Other liabilities	8 048	8 048	9 721	9 721
Balances due to group companies	1 350	1 350	1 002	1 002
Total	228 930	228 930	214 422	214 422

35 Risk management

Financial risk management objectives

The Group's business involves taking on risks in a targeted manner and managing them professionally. The core functions of the Group's risk management are to identify all key risks for the Group, measure these risks, manage the risk positions and determine capital allocations. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and best market practice.

The Group's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Group's financial performance.

The Group defines risk as the possibility of losses or profits foregone, which may be caused by internal or external factors. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk. Internal audit and Operational Risk and Control departments are responsible for the review of risk management and the control environment.

The risks arising from financial instruments to which the Group is exposed to include among other risks, credit risk, liquidity risk, market risk and operational risk.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.1 Capital risk management

Capital risk – is the risk that the Group is unable to maintain adequate levels of capital which could lead to an inability to support business activity or failure to meet regulatory requirements. Capital risk is mostly managed for the bank.

The bank'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 banking regulators;
- To safeguard the bank's ability to continue as a going concern so that it can continue to provide returns; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored daily by the bank's management and the Directors, employing techniques based on guidelines developed by the Basel Committee as implemented by the Reserve Bank of Zimbabwe for supervisory purposes. The bank's regulatory capital comprises of three tiers:

- **Tier 1 Capital:** comprises contributed capital, accumulated profits, share based payment reserve and currency translation reserve.
- **Tier 2 Capital:** comprises impairment allowance, revaluation reserve and part of currency translation reserve.
- **Tier 3 Capital:** comprises operational and market risk capital.

The Reserve Bank of Zimbabwe requires each bank to maintain a core capital adequacy ratio of 8% and total capital adequacy ratio of 12%. The table below summarises the composition of regulatory capital and the ratios of the bank.

	2025 USD000	2024 USD000
Share capital	31	31
Share premium	3 441	3 441
Retained earnings	65 647	48 519
Share based payment reserve	181	181
Investments at fair value through other comprehensive income reserve	7 473	3 400
Non-distributable reserve	1 123	1 123
Total core capital	77 896	56 695
Less market and operational risk capital	(10 371)	(4 843)
Less exposures to insiders	(1 272)	(644)
Tier 1 capital	66 253	51 208
Property revaluation reserve	13 273	15 592
General provisions (limited to 1.25% of weighted risk assets)	2 704	737
Tier 2 capital	15 977	16 329
Total tier 1 & 2 capital	82 230	67 537
Market risk	2 568	1 219
Operational risk	7 803	3 624
Tier 3 capital	10 371	4 843
Total tier 1, 2 & 3 capital base	92 601	72 380
Deductions from capital	(6 104)	(4 314)
Total capital base	86 497	68 066
Credit risk weighted assets	202 239	190 130
Operational risk equivalent assets	97 539	45 301
Market risk equivalent assets	32 101	15 241
Total risk weighted assets (RWAs)	331 879	250 672
Tier 1 capital ratio	20%	20%
Tier 1 and 2 capital ratio	25%	27%
Total capital adequacy ratio	26%	27%

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.1 Capital risk management (continued)

Credit risk capital – is subject to guidelines provided by the regulator which are based on Basel 1 principles. On this approach the Grouping book exposures are categorised into broad classes of assets with different underlying risk characteristics. Risk components are transformed into risk weighted assets using predetermined exposure and loss probability factors. Capital requirements for credit risk are derived from the risk weighted assets.

Market risk capital – is assessed using regulatory guidelines which consider the risk characteristics of the different trading book assets. Risk components are transformed into risk weighted assets and, therefore, capital requirements, based on predetermined exposure and loss probability factors.

Operational risk capital – is assessed using the standardised approach. This approach is tied to average gross income over three years per regulated business lines as indicator of scale of operations. Total capital charge for operational risk equals the sum of charges per business lines.

35.2 Credit risk

Credit risk is the risk of financial loss should the Group's customers, clients or market counter parties fail to fulfil their contractual obligations to the bank. The Group actively seeks to originate and manage credit risk in such a way as to achieve sustainable asset growth and risk adjusted returns in line with board-approved risk parameters. The credit risk that the Group faces arises mainly from corporate and retail loans advances and counter party credit risk arising from derivative contracts entered into with our clients. Other sources of credit risk arise from treasury bills, government bonds, settlement balances with counter parties and Group balances with Central Bank and other related banks. Credit risk management objectives are:

- Supporting the achievement of sustainable asset and revenue growth in line with our risk parameters;
- Operating sound credit granting processes and monitoring credit risk using appropriate models to assist decision making;
- Ensure credit risk taking is based on sound credit risk management principles and controls; and
- Continually improving collection and recovery.

(a) Risk limit and mitigation policies

The Group uses a range of policies and practices to mitigate credit risk. These include credit scoring, marking limits against counter parties, credit insurance, and monitoring cash flows and utilisation against limit and collateral. Principal collateral types used for loans and advances are:

- Mortgages over residential and commercial properties;
- Charges over business assets such as premises, inventory and accounts receivable, moveable assets and shares; and
- Cash cover.

The legal department is responsible for conducting sufficient legal review to confirm that the approved collateral is legally effective. The ratio of value of loan to value of security is assessed on grant date and continuously monitored.

(b) Credit risk grading

Corporate Exposures

The Group uses internal credit risk gradings that reflect its assessment of the probability of default of individual counter parties. The Group uses internal rating models tailored to the various categories of counter party. Borrower and loan specific information collected at the time of application (such as level of collateral; and turnover and industry type for wholesale exposures) is fed into this rating model. This is supplemented with external data such as credit bureau scoring information on individual borrowers. In addition, the models enable expert judgement to be fed into the final internal credit rating for each exposure. This allows for considerations which may not be captured as part of the other data inputs into the model.

The credit scores from this model are mapped to the regulatory scale with 10 grades which are in turn categorised into Risk Categories 1-3. Those in Category 1 display no or unusual business as usual risk and the risk of default is low. Category 2 implies there are some doubts that the borrower will meet its obligations but the risk of default is medium. Category 3 implies that there are strong doubts that the customer will meet its obligations and the risk of default is either high or has occurred.

Category 1 (sub categories 1a – 3c):	0 to 29 days past due, have no or temporary problems and the risk of default is low
Category 2 (sub categories 4a – 7c):	30 days to 89 days past due, implies there are doubts that the customer will pay but the risk of default is medium
Category 3 (sub categories 8 – 10):	90 days+ past due (Default), there are doubts that the customer will pay and the risk of default is high

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.2 Credit risk (continued)

Retail exposures

After the date of initial recognition, for retail business, the payment behaviour of the borrower is monitored on a periodic basis to develop a behavioural internal credit rating. Any other known information about the borrower which impacts their creditworthiness such as unemployment and previous delinquency history is also incorporated into the behavioural internal credit rating. These ratings are reflected on the following delinquency bucket; Performing loans (Bucket 0); 1 day to 30 days past due (Bucket 1); 31 days to 60 days past due (Bucket 2); 61 days to 89 days past due (Bucket 3) and 90 days+ past due (default, Bucket 4).

(c) Expected credit losses measurement (ECLs)

The expected credit loss (ECLs) – is measured on either a 12 – month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit impaired.

- ECLs are discounted at the effective interest rate of portfolio
- The maximum period considered when estimating ECLs is the maximum contractual period over which the Bank is exposed to credit risk
- The Group uses a portfolio approach to calculate ECLs. The portfolios are segmented into retail, corporate and treasury and further by product.
- Expected credit losses are the probability weighted discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

Probability of default (PD) – is the likelihood of a borrower defaulting on its financial obligation (as per Definition of default and credit-impaired” below), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. PDs are modelled using historic data into 12 month and Lifetime PDs. Where data is not available proxies which resemble the risk of default characteristics of the exposure are used. The PDs are determined at portfolio level and segmented into various products.

PDs modelled using historical data are then adjusted for forward looking factors. PDs are mapped into regulatory grades as follows:

Corporate exposures

Stage 1	12 Month PD	Central Bank Grades 1 to 3 (Internal Category 1)
Stage 2	Life Time PD	Central Bank Grades 4 to 7 o (Internal Category 2)
Stage 3	Default PD	Central Bank Grades 8 to 10 (Internal Category 3)

Retail exposures

Stage 1	12 Month PD	Central Bank Grades 1 to3 (Internal grades bucket 0 & bucket 1)
Stage 2	Life Time PD	Central Bank Grades 4 to 7 (Internal grades bucket 2 & bucket 3)
Stage 3	Default PD	Central Bank Grades 8 to 10 (internal grades bucket 4)

Treasury exposures

For debt securities in the treasury portfolio and interbank exposures, performance of the counter party is monitored for any indication of default. PDs for such exposures are determined based on benchmarked national ratings mapped to external credit rating agencies grade. For other bank balances where there are external credit ratings PDs are derived using those external credit ratings.

Exposure at default (EAD) – is the amount the Group expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For a revolving commitment, the EAD includes the current drawn balance plus any further amount that is expected to be drawn up by the time of default, should it occur. For term loans EAD is the term limit while for short term loans and retail loans EAD is the drawn balance. Debt securities and interbank balances EAD is the current balance sheet exposure.

Loss given default (LGD) – represents the Group’s expectation of the extent of loss on a defaulted exposure. LGD varies by type of counter party, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan. LGD is modelled based on historical data. LGD for sovereign exposure is based on observed recovery rates for similar economies.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.2 Credit risk (continued)

(c) Expected credit losses measurement (ECLs) (continued)

Default

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is more than 89 days past due.

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

i) 12 month ECLs; (Stage 1 – no increase in credit risk)

ECLs measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. The 12 month ECL is calculated for the following exposures:

- Corporate loans with regulatory grades from 1 – 3;
- Retail loans graded in bucket 0 and bucket 1;
- Debt securities, loans to banks and bank balances which are not past due; and
- These are a product of 12 months PD, 12 months LGD and EAD.

ii) Life time ECLs (Stage 2 – significant increase in credit risk refer to 37.3 (d))

ECLs are measured based on expected credit losses on a lifetime basis. It is measured for the following exposures:

- Corporate loans with regulatory grades from grade 4 to grade 7;
- Retail loans in bucket 2 to 3 (bucket 2 is 31 days to 60 days past due, bucket 3 is 61 days to 89 days past due);
- Debt securities, loans to banks and bank balances where the credit risk has significantly increased since initial recognition; and
- These are a product of lifetime PD, lifetime LGD and EAD.

iii) Life time ECLs (Stage 3 – default)

ECLs are measured based on expected credit losses on a lifetime basis. This is measured on the following exposures:

- All credit impaired/in default corporate and retail loans and advances to banks and other debt securities in default.
- These are corporates in regulatory grade 8 – 10 and retail loans in bucket 4;
- Exposures which are 90 days+ past due; and
- These are a product of default PD, lifetime LGD and EAD.

(d) Significant increase in credit risk (SICR)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the group's historical experience and informed credit assessment and including forward-looking information.

The assessment of significant increase in credit risk incorporates forward looking information and is performed on a monthly basis at a portfolio level for all retail loans. Corporate and treasury exposures are assessed individually and reviewed monthly and monitored by an independent team in Credit Risk department, together with quarterly reviews by the Impairment Committee and Board Loans Review Committee of exposures against performance criteria.

Significant increase in credit risk – Quantitative measures

- Corporate loans – if the loan is reclassified from regulatory grades 1 – 3 to grades 4 – 7
- Retail loans – if the loan is reclassified from buckets 0 and 1 to buckets 2 to 3
- Treasury exposures which are past due.

Significant increase in credit risk – Qualitative measures retail and corporate

There are various quantitative measures which include:

- Retail – Retrenchment, Dismissal, Salary diversion, employer facing difficulties
- Corporate – Adverse business changes, changes in economic conditions, quality challenges, among others.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.2 Credit risk (continued)

(e) Benchmarking Expected Credit Loss

Corporate and treasury

Corporate portfolio assessment is performed by way of a collective assessment semi-empirical IFRS 9 model (the ECL Model) developed in consultation with external consultants supported by available historic information to support the modelling of PD, LGD and EAD. Individual assessment is performed on all customer loans and advances after having defined a minimum exposure threshold. ECL for Treasury exposures is based on benchmarked PDs and LGDs due to lack of historical data. ECL for Retail exposures are based on model output with no benchmarking comparative since enough historical default data was available when designing the calculation model.

(f) Forward – looking information incorporated in the ECL models

The assessment of SICR and the calculation of ECLs both incorporate forward-looking information. The group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. These economic variables and their associated impact on the ECL vary by financial instrument. Expert judgment has also been applied in this process.

Main macroeconomic factors affecting Corporate ECL allowance

The Group conducts scenario sensitivity analysis to assess the potential impact of changes in economic conditions on the carrying value of material loans and advances. This analysis is a key component of the Group's risk management strategy and helps ensure the robustness of our financial position under varying economic scenarios

Sensitivity Analysis Methodology

The sensitivity analysis is performed using a range of macroeconomic scenarios that reflect plausible future economic profiles. These scenarios are developed in consultation with economic experts and include both baseline and stressed conditions. The key variables considered in these scenarios include the below tabulated factors:

Macro economic factors	Country	ECL Scenario	Assigned Weightings (averages) %	Actual	Forecast				Long term rate
				2025	2026	2027	2028	2029	
Corporate									
Gross domestic product (current prices Purchasing power parity; international dollars Billions (% change))	Zimbabwe	Base case	58.33%	0.0862	0.0923	0.0942	0.0935	0.0948	0.0948
		Good case	6.25%	0.0862	0.1178	0.1197	0.1191	0.1197	0.1197
		Better case	2.68%	0.0862	0.1319	0.1332	0.1332	0.1332	0.1332
		Bad case	22.92%	0.0862	(0.0055)	(0.0049)	(0.0049)	(0.0049)	(0.0049)
		Worse case	9.82%	0.0862	(0.0592)	(0.0586)	(0.0586)	(0.0586)	(0.0586)
[Current account balance]	Zimbabwe	Base case	58.33%	1.0200	2.4002	2.5426	2.4951	2.5901	2.5901
		Good case	6.25%	1.0200	4.2990	4.4414	4.3939	4.4414	4.4414
		Better case	2.68%	1.0200	5.3433	5.4383	5.4383	5.4383	5.4383
		Bad case	22.92%	1.0200	(4.8627)	(4.8152)	(4.8152)	(4.8152)	(4.8152)
		Worse case	9.82%	1.0200	(8.8501)	(8.8027)	(8.8027)	(8.8027)	(8.8027)
Retail									
CPI (transformed state, percentage difference method)	Zimbabwe	Down	20.00%	7.1688	7.8105	8.1081	8.2494	8.3700	9.5480
		Base	60.00%	7.1688	7.5140	7.9060	8.0863	8.2295	9.4600
		Up	20.00%	7.1688	7.2175	7.7039	7.9231	8.0889	9.3720
Unemployment Rate (transformed state, first difference method)	Zimbabwe	Down	20.00%	1.2814	7.4538	3.8880	3.4071	2.5666	2.7820
		Base	60.00%	1.2814	(1.9161)	(2.5000)	(1.7500)	(1.8750)	–
		Up	20.00%	1.2814	(11.2860)	(8.8880)	(6.9071)	(6.3166)	(2.7820)
GDP (transformed state, percentage difference method)	Zimbabwe	Down	20.00%	49.1540	53.3100	52.0345	54.7125	57.1013	96.9562
		Base	60.00%	49.1540	53.3100	55.4340	57.4570	59.4650	98.4367
		Up	20.00%	49.1540	53.3100	58.8335	60.2015	61.8287	99.9172

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35 Risk management (continued)

35.2 Credit risk (continued)

(f) Forward – looking information incorporated in the ECL models (continued)

Main macroeconomic factors affecting Corporate ECL allowances

The following table outlines the impact of multiple scenarios on the Group's corporate ECL allowance. This table shows the ECL of each probability weighted scenario of applying multiple economic scenarios compared to the ECL that would have resulted from applying a 100% weighting to the base case scenario as reported as at 31 December 2025.

	2025		2024	
	Total ECL Provision USD000	Total income statement charge USD000	Total ECL Provision USD000	Total income statement charge USD000
As reported	3 320	(2 327)	1 957	156
Scenarios				
Base case	4 093	5 741	1 875	(185)
Good case	4 058	5 600	1 750	(311)
Better case	3 952	5 469	1 668	(392)
Bad case	4 242	6 016	2 300	240
Worse case	4 413	6 311	2 748	688

(g) Write offs

The Group will write off retail accounts following charge off of the account if the equivalent of an instalment is not recovered cumulatively over a 12-month period post charge off. Corporate accounts are written off once security has been realised depending on the residual balance and further recovery prospects. The corporate write off policy is not rules based, or time bound.

(h) ECL model governance

The models used for PD, EAD and LGD calculations are governed on a day to day through the Impairments Committee. This committee comprises of senior managers in Risk, Finance and the business. Decisions and key judgements made by the Impairments Committee relating to the impairments and model overrides will be taken to Board Risk, Board Loans and Board Audit Committee.

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.2 Credit risk (continued)

(i) Maximum exposure to credit risk by credit quality grade before credit enhancements

The bank has an internal rating model which assigns clients a rating grade that maps to external rating agencies scale and allocates a PDs.

Performing loans

Loans and advances not past due and which are not part of renegotiated loans are considered to be performing assets, these are graded as per RBZ credit rating scale as grade 1 – 3.

Standard monitoring grade

These are loans and advances which are less than 90 days past due and in some cases not past due but the business has significant concern on the performance of that exposure, as per RBZ credit rating scale these are grade 4 – 7.

Non-performing grade

These are loans and overdrafts on which interest is no longer accrued or included in income unless the customer pays back. These non-performing (past due) assets include balances where the principal amount and/or interest is due and unpaid for 90 days or more, as per RBZ credit rating scale these are grade 8 – 10.

Loans and advances renegotiated

Bank balances with other banks are held with banks which have the following credit ratings:

Counterparty

Crown Agency

Latest ratings
2024/25

BB

Previous ratings
2023/24

BB

Other asset balances are held by counter parties with the following ratings;

Counterparty

VISA

Master card International

2024

AA-

A+

2023

AA-

A+

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

Maximum credit risk exposure

	Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
35.2 Credit risk (continued)				
35.2.1 Maximum credit risk exposure				
2025				
Loans and advances to customers				
Corporate	50 288	663	2 735	53 686
Business Banking	2 741	342	2 527	5 610
Retail	69 307	1 793	1 595	72 695
Total	122 336	2 798	6 857	131 991
Balances with central Bank				
Savings bonds and Treasury bills	19 939	–	–	19 939
Bank balances	80 406	–	–	80 406
Total	100 345	–	–	100 345
Balances with other Banks and settlement balances				
Settlement balances – local currency	165	–	–	165
Bank balances – Foreign currency	7 698	–	–	7 698
Interbank placements	2 636	–	–	2 636
Total	10 499	–	–	10 499
Other assets				
Other assets	6 398	–	–	6 398
Total	6 398	–	–	6 398
Total on balance sheet	239 578	2 798	6 857	249 233
Guarantees and letters of credit				
Guarantees	4 212	24	–	4 236
Other undrawn commitments to lend	2 219	–	–	2 219
Total	6 431	24	–	6 455

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ECL Reconciliation

Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
83	–	672	755
3	–	127	(129)
930	399	1 105	(2436)
1 016	399	1 905	3 320
1 145	–	–	1 145
202	–	–	202
1 347	–	–	1 347
–	–	–	–
2	–	–	2
–	–	–	–
2	–	–	2
623	–	–	623
623	–	–	623
2 988	399	1 904	5 291
24	–	–	24
4	–	–	4
28	–	–	28

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

Maximum credit risk exposure

	Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
35.2 Credit risk (continued)				
35.2.1 Maximum credit risk exposure (continued)				
2024				
Loans and advances to customers				
Corporate	51 209	3 588	5	54 802
Business Banking	4 786	3 029	74	7 889
Retail	50 197	977	1 206	52 380
Total	106 192	7 594	1 285	115 071
Balances with central Bank				
Savings bonds and treasury bills	7 294	–	–	7 294
Bank balances	61 561	–	–	61 561
Gold-backed digital tokens	1 356	–	–	1 356
Total	70 211	–	–	70 211
Balances with other Banks and settlement balances				
Settlement balances – local currency	60	–	–	60
Bank balances – Foreign currency	9 619	–	–	9 619
Interbank placements	10 959	–	–	10 959
Total	20 638	–	–	20 638
Other assets				
Other assets	8 544	–	–	8 544
Total	2 613	–	–	2 613
Total on balance sheet	199 654	7 594	1 285	208 533
Guarantees and letters of credit				
Guarantees	4 804	–	–	4 804
Other undrawn commitments to lend	–	–	–	–
Total	4 804	–	–	4 804

Notes to the Consolidated and Separate Annual Financial Statements continued

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ECL Reconciliation

Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
73	110	2	185
4	39	72	115
418	403	836	1 657
495	553	910	1 957
125	–	–	125
85	–	–	85
–	–	–	–
210	–	–	210
–	–	–	–
2	–	–	2
–	–	–	–
2	–	–	2
4	–	–	4
4	–	–	4
711	553	910	2 173
43	–	–	43
–	–	–	–
43	–	–	43

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for the year ended 31 December 2025

35 Risk management (continued)

Maximum credit risk exposure

	12 month Basel PD range	Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
35.2 Credit risk (continued)					
35.2.1a Maximum credit risk exposure					
2025					
Loans and advances to customers					
Performing					
High grade	0.00% – 0.50%	816	–	–	816
Standard grade	0.50% – 11.7%	120 273	1 005	202	121 480
Sub-standard grade	11.7% – 29.50%	1 247	903	5 058	7 208
Low grade	29.5% – 100%	–	890	1 597	2 487
Non-performing					
Individually impaired	100%	–	–	–	–
Total		122 336	2 798	6 857	131 991
Balances with central Bank					
Performing					
High grade	0.00% – 0.50%	–	–	–	–
Standard grade	0.50% – 11.7%	100 345	–	–	100 345
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade	29.5% – 100%	–	–	–	–
Non-performing					
Individually impaired	100%	–	–	–	–
Total		100 345	–	–	100 345
Balances with other Banks and settlement balances					
Performing					
High grade	0.00% – 0.50%	5 323	–	–	5 323
Standard grade	0.50% – 11.7%	5 176	–	–	5 176
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade	29.5% – 100%	–	–	–	–
Non-performing					
Individually impaired	100%	–	–	–	–
Total		10 499	–	–	10 499
Other assets					
Performing					
High grade	0.00% – 0.50%	518	–	–	518
Standard grade	0.50% – 11.7%	5 880	–	–	5 880
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade	29.5% – 100%	–	–	–	–
Non-performing					
Individually impaired	100%	–	–	–	–
Total		6 398	–	–	6 398
Total on balance sheet		239 578	2 798	6 857	249 233
Guarantees and letters of credit					
Performing					
High grade	0.00% – 0.50%	–	–	–	–
Standard grade	0.50% – 11.7%	6 212	24	–	6 236
Sub-standard grade	11.7% – 29.50%	219	–	–	219
Low grade	29.5% – 100%	–	–	–	–
Non-performing					
Individually impaired	100%	–	–	–	–
Total		6 431	24	–	6 455

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ECL Reconciliation

Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
-	-	-	-
1 011	1	122	1 134
5	125	633	763
-	273	1 150	1 423
-	-	-	-
-	-	-	-
1 016	399	1 905	3 320
-	-	-	-
1 347	-	-	1 347
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1 347	-	-	1 347
-	-	-	-
2	-	-	2
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
2	-	-	2
-	-	-	-
623	-	-	623
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
623	-	-	623
2 988	399	1 905	5 292
-	-	-	-
28	-	-	28
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
28	-	-	28

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

Maximum credit risk exposure

	12 month Basel PD range	Stage 1 ZWG000	Stage 2 ZWG000	Stage 3 ZWG000	Total ZWG000
35.2 Credit risk (continued)					
35.2.1a Maximum credit risk exposure:					
(continued)					
2024					
Loans and advances to customers					
Performing					
High grade	0.00% – 0.50%				–
Standard grade	0.50% – 11.7%	103 713	1 477	99	105 289
Sub-standard grade	11.7% – 29.50%	2 318	5 284	3	7 605
Low grade	29.5% – 100%	161	833	1 183	2 177
Non-performing					
Individually impaired	100%	–	–	–	–
Total		106 192	7 594	1 285	115 071
Balances with central Bank					
Performing					
High grade	0.00% – 0.50%	7 419	–	–	7 419
Standard grade	0.50% – 11.7%	62 917	–	–	62 917
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade	29.5% – 100%	–	–	–	–
Non-performing					
Individually impaired	100%	–	–	–	–
Total		70 336	–	–	70 336
Balances with other Banks and settlement balances					
Performing					
High grade	0.00% – 0.50%	20 578	–	–	20 578
Standard grade	0.50% – 11.7%	60	–	–	60
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade	29.5% – 100%	–	–	–	–
Non-performing					
Individually impaired	100%	–	–	–	–
Total		20 638	–	–	20 638
Other assets					
Performing					
High grade	0.00% – 0.50%	–	–	–	–
Standard grade	0.50% – 11.7%	2 626	–	–	2 626
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade	29.5% – 100%	–	–	–	–
Non-performing					
Individually impaired	100%	–	–	–	–
Total		2 626	–	–	2 626
Total on balance sheet		199 792	7 594	1 285	208 671
Guarantees and letters of credit					
Performing					
High grade	0.00% – 0.50%	–	–	–	–
Standard grade	0.50% – 11.7%	4 804	–	–	4 804
Sub-standard grade	11.7% – 29.50%	–	–	–	–
Low grade	29.5% – 100%	–	–	–	–
Non-performing					
Individually impaired	100%	–	–	–	–
Total		4 804	–	–	4 804

* Credit risk quality stages have been disaggregated to fulfil the requirements of IFRS 9.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

ECL Reconciliation

Stage 1 ZWG000	Stage 2 ZWG000	Stage 3 ZWG000	Total ZWG000
			–
448	4	82	534
37	263	2	302
10	285	826	1 121
–	–	–	–
495	552	910	1 957
125	–	–	125
85	–	–	85
–	–	–	–
–	–	–	–
–	–	–	–
210	–	–	210
–	–	–	–
2	–	–	2
–	–	–	–
–	–	–	–
–	–	–	–
–	–	–	–
4	–	–	4
711	552	910	2 173
–	–	–	–
43	–	–	43
–	–	–	–
–	–	–	–
–	–	–	–
43	–	–	43

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

Maximum credit risk exposure

	Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
35.2 Credit risk (continued)				
35.2.2 Reconciliation of movements in expected credit losses during the year 2025				
Loans and advances to customers				
Balance at beginning of the year	106 192	7 594	1 285	115 071
Movement with P&L impact				
New assets, assumptions, changes in models	16 467	1 354	(36)	17 785
Transfer to stage 1	754	(754)	-	-
Transfer to stage 3	(1 077)	(5 396)	6 473	-
Total	16 144	(4 796)	6 437	17 784
Movement with no P&L impact				
Write offs	-	-	(865)	(865)
Balance at 31 December 2025	122 336	2 798	6 857	131 991
Treasury bills and bonds				
Balance at beginning of the year	7 294	-	-	7 294
Movement with P&L impact	12 645	-	-	12 645
Movement with OCI impact	-	-	-	-
Total	19 939	-	-	12 645
Balance at 31 December 2025	19 939	-	-	19 939
Balances with Central Bank				
Balance at beginning of the year	62 917	-	-	62 917
Movement with P&L impact	17 489	-	-	17 489
Total	17 489	-	-	17 489
Balance at 31 December 2025	80 406	-	-	80 406
Balances with other banks and settlement balances				
Balance at beginning of the year	20 638	-	-	20 638
Movement with P&L impact	(10 139)	-	-	(10 139)
Total	(10 139)	-	-	(10 139)
Balance at 31 December 2025	10 499	-	-	10 499
Other Assets				
Balance at beginning of the year	8 544	-	-	8 544
Movement with P&L impact	(2 146)	-	-	(2 146)
Movement with OCI impact	-	-	-	-
Transfer to/(from) stage 3	-	-	-	-
Write offs	-	-	-	-
Total	(2 146)	-	-	(2 146)
Balance at 31 December 2025	6 398	-	-	6 398
Total on balance sheet				249 233
Guarantees, Letters of Credit and Undrawn Commitment				
Balance at beginning of the year	4 804	-	-	4 804
Movement with P&L impact	1 651	-	-	1 651
Total	1 651	-	-	1 651
Balance at 31 December 2025	6 455	-	-	6 455

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

ECL Reconciliation

Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
495	552	910	1 957
482	692	1 054	2 228
123	(123)	–	–
(84)	(722)	806	–
521	(153)	1 860	2 228
–	–	(865)	(865)
1 016	399	1 905	3 320
125	–	–	125
1 020	–	–	1 020
–	–	–	–
1 145	–	–	1 020
1 145	–	–	1 145
85	–	–	85
117	–	–	117
117	–	–	117
202	–	–	202
2	–	–	2
–	–	–	–
–	–	–	–
2	–	–	2
4	–	–	4
619	–	–	619
–	–	–	–
–	–	–	–
619	–	–	619
623	–	–	623
2 988	399	1 905	5 292
43	–	–	43
(15)	–	–	(15)
(15)	–	–	(15)
28	–	–	28

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.2.2 Reconciliation of movements in expected credit losses during the year

2024

Loans and advances to customers

	Stage 1 – 12 month ECL USD000	Stage 2 – Lifetime ECL not credit impaired USD000	Stage 3 – Lifetime ECL credit impaired USD000	Total USD000
Balance at beginning of the year	516	10	1 828	2 354
Movement with P&L impact	–	–	–	–
New assets, assumptions, changes in models	(373)	478	78	182
Transfer to/(from) stage 1	56	(56)	–	–
Transfer to/(from) stage 2	–	(168)	168	–
Transfer to/(from) stage 3	–	95	(95)	–
Impact of change in presentation currency	(169)	186	80	97
Total	(486)	535	230	279
Movement with no P&L impact				
Write offs	–	–	(1 828)	(1 828)
Impact of change in presentation currency	465	7	680	1 153
Balance at 31 December 2024	495	552	910	1 957
Treasury bills and bonds				
Balance at beginning of the year	221	–	–	221
Movement with P&L impact	–	–	–	–
Movement with OCI impact	(96)	–	–	(96)
Translation adjustment	–	–	–	–
Transfer to/(from) stage 3	–	–	–	–
Write offs	–	–	–	–
Total	(96)	–	–	(96)
Balance at 31 December 2024	125	–	–	125
Central Bank balances				
Balance at beginning of the year	3	–	–	3
Movement with P&L impact	82	–	–	82
Movement with OCI impact	–	–	–	–
Transfer to/(from) stage 3	–	–	–	–
Write offs	–	–	–	–
Total	82	–	–	82
Balance at 31 December 2024	85	–	–	85

2024

Balances with other banks and settlement balances

Balance at beginning of the year	3	–	–	3
Movement with P&L impact	(1)	–	–	(1)
Movement with OCI impact	–	–	–	–
Transfer to/(from) stage 3	–	–	–	–
Write offs	–	–	–	–
Total	(1)	–	–	(1)
Balance at 31 December 2024	2	–	–	2
Other Assets				
Balance at beginning of the year	36	–	–	36
Movement with P&L impact	(32)	–	–	(32)
Movement with OCI impact	–	–	–	–
Transfer to/(from) stage 3	–	–	–	–
Write offs	–	–	–	–
Total	(32)	–	–	(32)
Balance at 31 December 2024	4	–	–	4
Total on balance sheet	711	552	910	2 173

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	Stage 1 – 12 month ECL USD000	Stage 2 – Lifetime ECL not credit impaired USD000	Stage 3 – Lifetime ECL credit impaired USD000	Total USD000
--	--	--	--	-----------------

35 Risk management (continued)

35.2.2 Reconciliation of movements in expected credit losses during the year (continued)

Balance at beginning of the year	–	–	–	–
Movement with P&L impact	43	–	–	43
Movement with OCI impact	–	–	–	–
Transfer to/(from) stage 3	–	–	–	–
Write offs	–	–	–	–
Total	43	–	–	43
Balance at 31 December 2024	43	–	–	43

35.2.3 Credit risk concentration of loans and advances were as follows:

	2025 USD000	%	2024 USD000	%
Industry/Sector				
Trade and services	16 641	13	8 335	7
Agriculture	18 130	14	22 534	20
Light and heavy industry	16 543	13	16 900	15
Physical persons	72 695	55	52 380	46
Transport and distribution	5 602	4	11 151	10
Financial services	2 380	2	3 771	3
Total	131 991	100	115 071	100

	Total loans USD000	Non performing loans USD000	Write offs USD000	Recoveries USD000	Impairment allowance USD000
2025					
Industry/Sector					
Trade and services	16 641	2 466	210	622	551
Agriculture	18 130	–	–	–	1 298
Light and heavy industry	16 543	2 796	–	–	1 113
Physical persons	72 695	1 595	655	–	129
Transport and distribution	5 602	–	–	–	174
Financial services	2 380	–	–	–	55
Gross value at 31 December 2025	131 991	6 857	865	622	3 320

2024					
Industry/Sector					
Trade and services	8 335	2	1 010	83	52
Energy and minerals	–	–	–	–	–
Agriculture	22 534	–	818	–	122
Light and heavy industry	16 900	72	–	–	105
Physical persons	52 380	351	–	–	1 657
Transport and distribution	11 151	5	–	–	16
Financial services	3 771	–	–	–	5
Gross value at 31 December 2024	115 071	430	1 828	83	1 957

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.2.4 Collateral held for exposure

The tables below show the maximum exposure to credit risk by class of financial asset. They also show the total fair value of collateral, any surplus collateral (the extent to which the fair value of collateral held is greater than the exposure to which it relates), and the net exposure to credit risk. Management has applied a prudential haircut on the collateral held for corporate loans to reduce the stamped values of security offered for the loans so as to protect the bank in the event of a drop in the security's value. This prudential haircut is based on management experience on liquidation of security in the event of default. The collateral value following the hair cut is USD24.7 million (2024: USD26.4 million).

For retail customers, the bank requires credit guarantees instead of collateral security. The credit guarantees cover the bank under defined circumstances.

Fair value of collateral and credit enhancements held

	Maximum exposure to credit risk USD000	Cash USD000	Securities USD000	3rd party/gov guarantees USD000
Type of collateral or credit enhancement				
2025				
Loans and advances to customers				
Term loans	122 202	–	2 000	40 546
Mortgages	241	–	–	70
Overdraft	9 548	700	–	28 102
Total	131 991	700	2 000	68 718
Total on balance sheet	131 991	700	2 000	68 718
Guarantees and letters of credit				
Guarantees	4 212	152	–	2 551
Letters of credit	–	–	–	–
Undrawn commitments	2 243	–	–	–
Total	6 455	152	–	2 551
2024				
Loans and advances to customers				
Term loans	107 052	–	70	58 263
Mortgage loans	–	–	–	–
Overdraft	8 019	–	–	189
Total	115 072	–	70	58 453
Total on balance sheet	115 072	–	70	58 453
Guarantees and letters of credit				
Guarantees	4 804	–	–	42
Letters of credit	–	–	–	–
Undrawn commitments	10 337	–	–	–
Total	15 141	–	–	42

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Fair value of collateral and credit enhancements held

Property USD000	Other USD000	Total collateral USD000	Net exposure USD000	% of exposure subject to collateral requirements USD000	Associated ECL USD000
21 642	17 395	81 582	40 620	66.8%	3 289
293	–	–	–	–	–
3 800	1 393	33 995	(24 447)	356.0%	31
25 734	18 788	115 577	16 173	87.6%	3 320
25 734	18 788	115 577	16 173	87.6%	3 320
–	–	2 704	1 508	64.2%	24
–	–	–	–	0.0%	–
–	–	–	2 243	0.0%	4
–	–	2 704	3 751	64%	28
11 561	–	69 895	37 158	65.3%	1 851
–	–	–	–	–	–
22 836	–	23 026	(15 006)	287.1%	106
34 397	–	92 920	22 151	352%	1 957
34 397	–	92 920	22 151	352.4%	1 957
–	–	42	4 762	0.9%	43
–	–	–	–	0.0%	–
–	–	–	10 337	0.0%	–
–	–	42	15 099	1%	43

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.3 Market risk

The group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices.

The group separates exposures to market risk into either trading or banking book. Trading portfolios include those positions arising from market-making transactions where the group acts as principal with clients or with the market; this is mainly to support client trading activity. Non trading book primarily arises from the management of the bank's retail and commercial banking assets and liabilities.

Market risk measurement techniques

The objective of market risk measurement is to manage and control market risk exposures within acceptable limits while optimising the return on risk.

35.3.1 Foreign exchange risk

This is a risk that the value of a financial liability or asset denominated in foreign currency will fluctuate due to changes in the exchange rate. The bank takes on exposures to the effects of fluctuations in the prevailing foreign currency exchange rates in the financial position and cash flows. Mismatches on foreign exchange assets and liabilities are minimised through the daily monitoring of the net foreign exchange exposure by treasury. Currency swaps are also used to manage foreign exchange risk where necessary.

The table below summarises the bank's financial instruments at carrying amounts, categorised by currency.

	ZWG (USD Equiv) USD000	GBP (USD Equiv) USD000	ZAR (USD Equiv) USD000	*Other currency (USD Equiv) USD000	Total (USD Equiv) USD000
AT 31 DECEMBER 2025					
Assets					
Cash and bank balances	16 166	764	1 742	1 436	20 108
Investment securities	18	–	–	–	18
Loans and receivables from banks	603	–	–	–	603
Loans and advances to customers	10 875	–	5	–	10 880
Other assets	1 935	–	–	–	1 935
Total financial assets	29 597	764	1 747	1 436	33 544
Deposits from banks	1 475	–	109	54	1 638
Deposits from customers	26 414	710	1 139	1 237	29 501
Other liabilities	4 737	29	19	3	4 787
Total financial liabilities	32 625	739	1 267	1 294	35 926
Net currency positions	(3 028)	25	480	142	(2 382)
Exchange rate sensitivity to Profit for the year					
Exchange rate increase of 20%	606	(5)	(96)	(28)	476
Exchange rate decrease of 20%	(606)	5	96	28	(476)
Exchange rates applied in 2025					
USD closing rate	ZWG 25.9807	GBP 1.3458	Rand 16.6046	EUR 1.1737	CND 1.4354

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.3 Market risk (continued)

35.3.1 Foreign exchange risk (continued)

	ZWG (USD Equiv) USD000	GBP (USD Equiv) USD000	ZAR (USD Equiv) USD000	* Other currency (USD Equiv) USD000	Total (USD Equiv) USD000
AT 31 DECEMBER 2024					
Assets					
Cash and bank balances	11 032	612	3 123	8 542	23 309
Investment securities	6 835	–	–	–	6 835
Loans and receivables from banks	60	–	–	3 945	4 005
Loans and advances to customers	7 097	–	5	–	7 102
Other assets	19 951	–	–	–	19 951
Total financial assets	44 975	612	3 128	12 487	61 202
Liabilities					
Deposits from banks	4 109	–	–	76	4 185
Deposits from customers	21 528	319	647	10 918	33 412
Other liabilities	18 882	38	344	203	19 467
Total financial liabilities	44 519	357	991	11 197	57 064
Net currency positions	456	255	2 137	1 290	4 138
Exchange rate sensitivity to Profit for the year					
Exchange rate increase of 20%	(1 758)	51	427	258	(1 022)
Exchange rate decrease of 20%	1 758	(51)	(427)	(258)	1 022
Exchange rates applied in 2024					
USD closing rate	ZWG 25.80	GBP 1.25	Rand 18.79	EUR 1.04	CND 1.44

* Other currencies include BWP, EUR, AUD, CAD, CHF, CNY, INR, JPY, KES, MWK, SEK and ZMW.

Key techniques to measure exposure to FX risk is through monitoring of net open position as well as stress testing:

(i) Net Open Position (NOP) Management

Foreign exchange risk is managed through daily monitoring of the net foreign exchange exposure by Treasury. Currency swaps are also used to manage foreign exchange risk where necessary. This is achieved through limiting exposure per currency against total qualifying capital held. In compliance with regulatory provisions, exposure to a single currency is limited to 10% of total qualifying capital while total exposure is limited to 20% of the same.

(ii) Stress tests

Stress tests provide an indication of losses that could arise in extreme positions.

The stress measure for foreign currency risk is based on determining currency volatility for the past seven years and applying it to the average net open position for the past year assuming a 40 day holding period as per Basel guidelines.

	Average NOP USD000	Risk Position USD000
Summarised foreign currency position of the bank as at 31 December 2025		
Currency		
ZWG	(3 028)	(3 028)
GBP	25	25
Rand	480	480
*Other currencies	142	142
Total	(2 382)	(2 382)
Summarised foreign currency position of the bank as at 31 December 2024		
ZWG	456	456
GBP	255	255
Rand	2 137	2 137
*Other currencies	1 290	1 290
Total	4 138	4 138

* Other currencies include BWP, EUR, AUD, CAD, CHF, CNY, IN, JPY, KES, MWK, SEK and ZMW.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.3 Market risk (continued)

35.3.2 Interest rate risk

Interest rate risk is the risk that the group will be adversely affected by changes in the level or volatility of market interest rates. The group is exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The responsibility of managing interest rate risk lies with the Assets and Liabilities Committee (ALCO). On a day to day basis, risks are managed through a number of management committees. Through this process, the Group monitors compliance within the overall risk policy framework and ensures that the framework is kept up to date. Risk management information is provided on a regular basis to the Risk and Control Committee and the Board.

The table below summarises interest rate risk exposure – Group

	Up to 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 months to 1 year USD000
2025				
Assets				
Cash and bank balances	–	–	–	–
Loans and receivables from Banks	–	–	–	–
Loans and advances to customers	541	92 793	2 726	10 067
Investment securities	–	2 636	6 114	10 611
Total assets	541	95 429	8 840	20 678
Liabilities				
Deposits from customers	121 118	11 415	2 828	8 244
Balances due to banks	–	19	–	1 267
Lease liabilities	–	91	456	1 037
Total liabilities	121 118	11 525	3 284	10 548
Interest rate Re – pricing gap	(120 577)	83 904	5 556	10 130
Cumulative gap	(120 577)	(36 673)	(31 117)	(20 987)
2024				
Assets				
Cash and bank balances	1 122	–	–	–
Loans and receivables from Banks	11 019	–	–	–
Loans and advances to customers	35	99 298	813	5 485
Investment securities	194	1 002	–	775
Total assets	12 370	100 300	813	6 260
Liabilities				
Deposits from customers	103 612	2 731	2 707	14 572
Balances due to banks	16 241	–	–	–
Lease liabilities	66	132	198	396
Total liabilities	119 919	2 863	2 905	14 968
Interest rate Re – pricing gap	(107 549)	97 437	(2 092)	(8 708)
Cumulative gap	(107 549)	(10 112)	(12 204)	(20 912)

Notes to the Consolidated and Separate Annual Financial Statements continued

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1 to 5 years USD000	Over 5 years USD000	Non- interest bearing USD000	Total USD000
–	–	107 815	107 815
–	–	2 801	2 801
16 019	–	6 525	128 671
–	–	8 291	27 652
16 019	–	125 432	266 939
45 166	11 292	–	200 063
13 662	–	–	14 948
926	–	–	2 510
59 754	11 292	–	217 521
(43 735)	(11 292)	125 432	49 418
(64 722)	(76 014)	49 418	–
–	–	95 836	96 958
–	–	–	11 019
7 483	–	–	113 114
–	2 614	8 379	12 964
7 483	2 614	104 215	234 055
43 309	10 827	626	178 384
–	–	–	16 241
1 727	354	–	2 873
45 036	11 181	626	197 498
(37 553)	(8 567)	103 589	36 557
(58 465)	(67 032)	36 557	–

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.3 Market risk (continued)

35.3.2 Interest rate risk (continued)

The table below summarises interest rate risk exposure – Bank

	Up to 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 months to 1 year USD000
2025				
Assets				
Cash and bank balances	-	-	-	-
Loans and receivables from Banks	-	-	-	-
Loans and advances to customers	541	92 793	2 726	10 067
Investment securities	-	2 636	6 114	10 611
Total assets	541	95 429	8 840	20 678
Liabilities				
Deposits from customers	121 118	11 415	2 828	8 244
Balances due to banks	-	19	-	1 267
Lease liabilities	-	91	456	1 037
Other liabilities	-	-	-	-
Total liabilities	121 118	11 525	3 284	10 548
Interest rate Re – pricing gap	(120 577)	83 904	5 556	10 130
Cumulative gap	(120 577)	(36 673)	(31 117)	(20 987)
2024				
Assets				
Cash and bank balances	1 122	-	-	-
Investment securities	194	1 002	-	775
Loans and receivables from Banks	11 019	-	-	-
Loans and advances to customers	35	99 298	813	5 485
Other assets	-	-	-	-
Total assets	12 370	100 300	813	6 260
Liabilities				
Lease liabilities	66	132	198	396
Deposits from banks	16 241	-	-	-
Deposits from customers	104 238	2 731	2 707	14 572
Other liabilities	-	-	-	-
Total liabilities	120 545	2 863	2 905	14 968
Interest rate Re – pricing gap	(108 175)	97 437	(2 092)	(8 708)
Cumulative gap	(108 175)	(10 738)	(12 830)	(21 538)

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

1 to 5 years USD000	Over 5 years USD000	Non- interest bearing USD000	Total USD000
-	-	107 815	107 815
-	-	2 801	2 801
16 019	-	6 525	128 670
-	-	8 291	27 652
16 019	-	125 432	266 938
45 166	11 292	2 011	202 074
13 662	-	-	14 948
926	-	-	2 510
-	-	9 491	9 491
59 754	11 292	11 502	229 023
(43 735)	(11 292)	113 930	37 915
(64 722)	(76 014)	37 916	
-	-	-	1 122
-	2 614	-	4 585
-	-	-	11 019
7 483	-	-	113 114
-	-	7 712	7 712
7 483	2 614	7 712	137 552
1 727	354	-	2 873
-	-	-	16 241
43 309	10 827	-	178 384
-	-	9 075	9 075
45 036	11 181	9 075	206 573
(37 553)	(8 567)	(1 363)	(69 021)
(59 091)	(67 658)	(69 021)	

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.3 Market risk (continued)

35.3.2 Interest rate risk (continued)

Net interest income sensitivity ("NII")

NII measures the sensitivity of annual earnings to changes in interest rates. NII is calculated at a 15% and 5% change in local currency and foreign currency interest rates respectively.

The bank's interest income sensitivity is shown below:

	2025 Impact on earnings USD000	2024 Impact on earnings USD000
Net interest income sensitivity		
USD Currency		
1500bps increase in interest rates	7 408	8 004
1500bps decrease in interest rates	(7 408)	(8 004)
Benchmark	–	–

35.4 Liquidity risk

Liquidity risk is the risk that the group may fail to meet its payment obligations when they fall due and to replace funds when they are withdrawn, the consequences of which may be the failure to meet the obligations to repay deposits and fulfil commitments to lend. Liquidity risk is inherent in all banking operations and can be affected by a range of group specific and market wide events. The efficient management of liquidity is essential to the group in maintaining confidence in the financial markets and ensuring that the business is sustainable.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the bank's short, medium and long term funding and liquidity management requirements.

- Limits are set across the business to control liquidity risk;
- Early warning indicators are set to identify the emergence of increased liquidity risk;
- Sources of liquidity are regularly reviewed by ALCO to maintain a wide diversification of source of funding; and
- Managing concentration of deposits.

	2025 USD000	2024 USD000
Liquidity ratios		
Total liquid assets	142 045	111 211
Deposits and other short term liabilities	217 978	209 204
Liquidity ratio	65%	53%
Reserve Bank of Zimbabwe minimum	30%	30%

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.4 Liquidity risk(continued)

Liquidity coverage ratio (%)

Category	Sub-category	Total weighted value (average)	Total weighted value (average)
High-quality liquid assets	Level 1 Assets	121 306	95 349
	Total high-quality liquid assets	121 306	95 349
Cash outflows	Stable deposits	(787)	(699)
	Less stable deposits	(4 643)	(3 363)
	Operational deposits (all counterparties) and deposits in networks of cooperative banking institutions	(79)	(31)
	Non-operational deposits (all counterparties)	(46 054)	(51 908)
	Other contractual funding obligations	(18 799)	(12 205)
	Total cash outflows	(70 362)	(68 206)
Cash inflows	Other contractual cash inflows	13 151	18 580
	Total cash inflows	13 151	18 580
	Total high-quality liquid assets	121 306	95 349
	Total net cash outflows	(57 211)	(49 626)
	Liquidity coverage ratio (%)	212%	192%

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.4.a Liquidity risk (Continued)

Liquidity profiling as at 31 December 2025

The amounts disclosed in the table below are the contractual undiscounted cash flows. The assets which are used to manage liquidity risk, which is mainly Cash and bank balances and investment securities are also included on the table based on the contractual maturity profile.

	Less than 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 to 12 months USD000
On balance sheet items as at 31 December 2025				
2025				
Assets held for managing liquidity risk – Group (contractual maturity dates)				
Cash and bank balances	107 815	–	–	–
Loans and receivables from Banks	2 801	–	–	–
Loans and advances to customers	541	7 929	4 477	41 584
Investment securities	–	2 701	1 858	23 807
Other assets	6 399	–	–	–
Total assets	117 556	10 630	6 335	65 391
Liabilities				
Deposits from customers	16 743	11 415	30 489	85 228
Balances due to banks	–	19	309	1 532
Balances due to Group companies	1 350	–	–	–
Lease liabilities	121	241	352	669
Other liabilities	5 453	–	–	–
Total liabilities – (contractual maturity)	23 667	11 675	31 150	87 429
Liquidity gap	93 889	(1 045)	(24 815)	(22 038)
Cumulative liquidity gap	93 889	92 844	68 029	45 991

Contingent liabilities and commitments as at 31 December 2025

	Less than 1 month USD000
2025	
Assets	
Guarantees	8
Commitment to lend	67
Total assets	75
Liabilities	
Guarantees	8
Commitment to lend	67
Total liabilities	75
Liquidity gap	–
Cumulative liquidity gap	–

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	1 to 3 months USD000	3 to 5 months USD000	5+ years USD000	Total USD000	Carrying amount USD000
	-	-	-	107 815	107 815
	-	-	-	2 801	2 801
	78 061	-	-	132 592	128 671
	-	-	-	28 366	27 652
	-	-	-	6 399	10 360
	78 061	-	-	277 973	277 299
	45 235	11 292	-	200 402	200 063
	12 941	1 384	-	16 185	14 948
	-	-	-	1 350	1 350
	2 655	615	-	4 654	2 510
	-	-	-	5 453	9 491
	60 832	13 291	-	228 044	228 362
	17 229	(13 291)	-	49 929	48 937
	63 220	49 929	49 929		

	1 to 3 months USD000	3 to 6 months USD000	6 to 12 months USD000	1 to 5 years USD000	Total USD000
	407	50	3 747	-	4 212
	50	-	-	2 126	2 243
	457	50	3 747	2 126	6 455
	407	50	3 747	-	4 212
	50	-	-	2 126	2 243
	457	50	3 747	2 126	6 455
	-	-	-	-	-
	-	-	-	-	-

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

35 Risk management (continued)

35.4.a Liquidity risk (Continued)

Contingent liabilities and commitments as at 31 December 2024

	Less than 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 to 12 months USD000
2024				
Assets held for managing liquidity risk – Group (contractual maturity dates)				
Cash and bank balances	96 958	–	–	–
Loans and receivables from Banks	11 019	–	–	–
Loans and advances to customers	20 809	24 841	13 139	26 271
Investment securities	1 330	7 666	–	–
Other assets	9 476	–	1 634	–
Total assets	139 592	32 507	14 773	26 271
Liabilities				
Deposits from customers	17 271	25 562	34 083	58 554
Balances due to banks	8 406	–	–	–
Balances due to Group companies	1 002	–	–	–
Lease liabilities	81	162	244	487
Other liabilities	1 932	–	8 085	–
Current income tax liabilities	1 947	–	–	–
Total liabilities – (contractual maturity)	30 639	25 724	42 412	59 041
Liquidity gap	108 953	6 783	(27 639)	(32 770)
Cumulative liquidity gap	108 953	115 736	88 097	55 327

Contingent liabilities and commitments as at 31 December 2024

	Less than 1 month USD000
2024	
Assets	
Commitment to lend	4 705
Total assets	4 705
Liabilities	
Commitment to lend	4 705
Total liabilities	4 705
Liquidity gap	–
Cumulative liquidity gap	–

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

1 to 3 months USD000	3 to 5 months USD000	5+ years USD000	Total USD000	Carrying amount USD000
–	–	–	96 958	96 958
–	–	–	11 019	11 019
49 313	20 820	925	156 118	113 114
4 212	–	–	13 208	12 964
–	–	–	11 110	11 110
53 525	20 820	925	288 413	245 165
–	–	–	–	–
43 014	–	–	178 484	178 384
6 314	3 716	–	18 436	16 241
–	–	–	1 002	1 002
2 125	–	435	3 534	2 873
–	–	–	10 017	9 720
–	–	–	1 947	1 947
51 453	3 716	435	213 420	210 167
2 072	17 104	490	74 993	–
57 399	74 503	74 993	–	–
1 to 3 months USD000	3 to 6 months USD000	6 to 12 months USD000	1 to 5 years USD000	Total USD000
731	995	1 961	1 943	10 335
731	995	1 961	1 943	10 335
731	995	1 961	1 943	10 335
731	995	1 961	1 943	10 335
–	–	–	–	–
–	–	–	–	–

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.4.b Liquidity risk (Continued)

	Less than 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 to 12 months USD000
On balance sheet items as at 31 December 2025				
2025				
Assets held for managing liquidity risk – Group (contractual maturity dates)				
Cash and bank balances	107 815	–	–	–
Investment securities	–	2 701	1 858	23 807
Loans and receivables from Banks	2 801	–	–	–
Loans and advances to customers	541	7 929	4 477	41 584
Other assets	6 399	–	–	–
Total assets	117 556	10 630	6 335	65 391
Liabilities				
Deposits from customers	16 743	11 415	30 489	85 228
Balances due to Group companies	1 350	–	–	–
Balances due to banks	–	19	309	1 532
Lease liabilities	121	241	352	669
Other liabilities	9 491	–	–	–
Total liabilities – (contractual maturity)	27 705	11 675	31 150	87 429
Liquidity gap	89 851	(1 045)	(24 815)	(22 038)
Cumulative liquidity gap	89 851	88 806	63 991	41 953

Contingent liabilities and commitments as at 31 December 2025

	Less than 1 month USD000	1 to 3 months USD000
2025		
Assets		
Guarantees	8	407
Commitment to lend	67	50
Total assets	75	457
Liabilities		
Guarantees	8	407
Commitment to lend	67	50
Total liabilities	75	457
Liquidity gap	–	–
Cumulative liquidity gap	–	–

Notes to the Consolidated and Separate Annual Financial Statements continued

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1 to 3 months USD000	3 to 5 months USD000	5+ years USD000	Total USD000	Carrying amount USD000
-	-	-	107 815	107 815
-	-	-	28 366	27 652
-	-	-	2 801	2 801
78 061	-	-	132 592	128 671
-	-	-	6 399	10 360
78 061	-	-	277 973	277 299
45 235	11 292	2 011	202 413	202 074
-	-	-	1 350	1 350
12 941	1 384	-	16 185	14 948
2 655	615	-	4 654	2 510
-	-	-	9 491	9 491
60 832	13 291	2 011	234 092	230 373
17 229	(13 291)	(2 011)	43 881	-
59 182	45 891	43 881		-

3 to 6 months USD000	6 to 12 months USD000	1 to 5 years USD000	Total USD000	Carrying amount USD000
50	3 747	-	4 212	4 212
-	-	2 126	2 243	2 243
50	3 747	2 126	6 455	6 455
50	3 747	-	4 212	4 212
-	-	2 126	2 243	2 243
50	3 747	2 126	6 455	6 455
-	-	-	-	-
-	-	-	-	-

Notes to the Consolidated and Separate Annual Financial Statements continued

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35 Risk management (continued)

35.4.b Liquidity risk (Continued)

Contingent liabilities and commitments as at 31 December 2024

	Less than 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 to 12 months USD000
2024				
Assets held for managing liquidity risk – Group (contractual maturity dates)				
Cash and bank balances	96 958	–	–	–
Investment securities	1 330	7 666	–	–
Loans and receivables from Banks	11 019	–	–	–
Loans and advances to customers	20 809	24 841	13 139	26 271
Other assets	9 476	–	1 634	–
Total assets	139 592	32 507	14 773	26 271
Liabilities				
Deposits from customers	17 271	31 761	34 083	58 554
Balances due to Group companies	1 002	–	–	–
Balances due to banks	8 406	–	–	–
Provisions	–	–	–	–
Lease liabilities	81	162	244	487
Other liabilities	1 932	–	8 085	–
Total liabilities – (contractual maturity)	28 692	31 923	42 412	59 041
Liquidity gap	110 900	584	(27 639)	(32 770)
Cumulative liquidity gap	110 900	111 484	83 845	51 075

Contingent liabilities and commitments as at 31 December 2024

	Less than 1 month USD000	1 to 3 months USD000
2024		
Assets		
Commitment to lend	4 705	731
Total assets	4 705	731
Liabilities		
Commitment to lend	4 705	731
Total liabilities	4 705	731
Liquidity gap	–	–
Cumulative liquidity gap	–	–

Notes to the Consolidated and Separate Annual Financial Statements continued

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1 to 3 months USD000	3 to 5 months USD000	5+ years USD000	Total USD000	Carrying amount USD000
–	–	–	96 958	96 958
4 212	–	–	13 208	12 964
–	–	–	11 019	11 019
49 313	20 820	925	156 118	113 114
–	–	–	11 110	11 110
53 525	20 820	925	288 413	245 165
43 014	–	–	184 683	184 585
–	–	–	1 002	1 002
6 314	3 716	–	18 436	16 241
–	–	–	–	–
2 125	–	435	3 534	2 873
–	–	–	10 017	9 721
51 454	3 716	435	217 672	214 422
2 071	17 104	490	70 741	
53 147	70 251	70 741		
3 to 6 months USD000	6 to 12 months USD000	1 to 5 years USD000	Total USD000	Carrying amount USD000
995	1 961	1 943	10 335	10 335
995	1 961	1 943	10 335	10 335
995	1 961	1 943	10 335	10 335
995	1 961	1 943	10 335	10 335
–	–	–	–	
–	–	–	–	

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36 Other risks

Strategic risk

The roles of the Chairman and the Managing Director are not vested in the same person. The executive team formulates the strategy under the guidance of the Board which approves it. The executive directors bear the responsibility to execute the approved strategy. The Board reviews the performance and suitability of the strategy at least quarterly.

Legal and compliance risk

The Risk Management Committee ensures that the management and operations of the bank's business is done within the established governance and regulatory control framework of the Reserve Bank of Zimbabwe and other regulatory bodies. A dedicated legal and compliance unit is in place to monitor legal and compliance requirements and ensure that they are met on a daily basis.

Reputation risk

The group adheres to very strict reputation standards set based on its chosen set of values. The Human Resources Committee of the Board assists the Board in ensuring that staff complies with set policies and practices consistent with the reputation demands of both the group and the industry. The compliance unit and human resources function monitor compliance by both management and staff with the group's ethical codes and compliance standards in managing conduct risk.

Operational risk

This is the risk of losses arising from inadequate or failed internal processes, people and/or systems or from external events. A significant part of the group's operations are automated and processed in the core banking system. Key banking operations in corporate and investment banking, retail and business banking and treasury are heavily dependent on the group's core banking system. The core banking system also supports key accounting processes for financial assets, financial liabilities and revenue including customer interface on mobile, internet banking and related electronic platforms.

Practices to minimise operational risk are embedded across all transaction cycles. Risk workshops are held for the purpose of identifying major risks in the operating environment and methods of mitigating the risks. The group employs the standardised approach to determine capital required to cover operational risk. Each function carries out a risk and control assessment of their processes on a regular basis. The assessment results are reviewed by Operational Risk Management department. Internal Audit audits selected functions at given times.

Financial Crime Risk

This is the risk that the bank's products and services will be exploited for criminal activity. This includes fraud, bribery and corruption, tax evasion, sanctions and export control violations and evasion, money laundering, terrorist financing and proliferation financing. The bank is committed to maintaining the highest standards in combating money laundering, terrorist financing, and other financial crimes. In line with the Reserve Bank of Zimbabwe directives, relevant legislation, and international best practices, the bank has established a comprehensive AML/CFT framework designed to mitigate these risks effectively.

To manage and mitigate these risks, the bank has implemented a robust AML/CFT framework that includes the following key elements:

- Governance and Oversight – A clear governance structure with defined roles and responsibilities for AML/CFT compliance, overseen by senior management and the Risk and Compliance Sub-Committee of the Board.
- Policies and Procedures – Comprehensive AML/CFT policies and procedures that are regularly reviewed and updated to reflect changes in legislation, regulatory guidance, and evolving risks. These policies cover areas such as Know Your Customer, Customer Due Diligence, Enhanced Due Diligence for high-risk customers, transaction monitoring, record keeping, and reporting of suspicious activity.

Cyber Risk

Cybersecurity risk is the potential for loss or harm to the bank resulting from a cyberattack, data breach, or other security incident that compromises the confidentiality, integrity, or availability of its information systems and data. This risk can encompass a range of negative consequences, including financial loss, reputational damage, operational disruption, and legal liabilities. The bank recognizes the increasing threat of cybercrime and is committed to maintaining a strong cybersecurity posture. While no cyber incidents have occurred during the period, the bank is constantly monitoring and adapting its cybersecurity practices to address evolving threats.

The bank has implemented various measures to manage cyber risks, including:

- Information security policies – The bank has established information security policies to protect sensitive information.
- Network security – The bank has implemented network security measures, including firewalls and intrusion detection systems.
- Employee training – The bank provides regular training to employees on cyber security best practices.

Notes to the Consolidated and Separate Annual Financial Statements continued

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36 Other risks (continued)

Risks and Ratings

The Central Bank conducts regular examinations of bank and financial institutions it regulates. The last on-site examination of the bank was as at 30 June 2023 and it assessed the overall condition of the bank to be satisfactory. This is a score of "2" on the CAMELS rating scale. The CAMELS rating evaluates banks on capital adequacy, asset quality, management and corporate governance, liquidity and funds management and sensitivity to market risks.

The CAMELS and Risk Assessment System (RAS) ratings are summarised in the following tables:

CAMELS Components

CAMELS component	Current Examination	Prior Examination November 2016	Prior Examination July 2012
Capital	2 – Satisfactory	1 – Strong	2 – Satisfactory
Asset Quality	2 – Satisfactory	2 – Satisfactory	2 – Satisfactory
Management	2 – Satisfactory	2 – Satisfactory	3-Fair
Earnings	2 – Satisfactory	1 – Strong	3-Fair
Liquidity and Funds Management	2 – Satisfactory	2 – Satisfactory	2 – Satisfactory
Sensitivity to Market Risk	2 – Satisfactory	1 – Strong	1 – Strong
Overall Composite Rating	2 – Satisfactory	2 – Satisfactory	3-Fair

First Capital Bank Risk Matrix as at 30 June 2023

Type of risk	Level of inherent risk	Adequacy of risk management systems	Overall composite risk	Direction of overall composite risk
Credit	Moderate	Acceptable	Moderate	Stable
Liquidity	Low	Acceptable	Low	Stable
Interest rate risk	Low	Acceptable	Low	Stable
Foreign exchange	Moderate	Acceptable	Moderate	Stable
Operational & Cyber	High	Acceptable	High	Increasing
Legal	Low	Strong	Low	Stable
Reputational	Low	Strong	Low	Stable
Compliance	Moderate	Acceptable	Moderate	Stable
Strategic	Moderate	Acceptable	Moderate	Stable
Overall	Moderate	Acceptable	Moderate	Stable

Summary of RAS ratings

RAS component	Latest RAS Ratings – June 2023	Previous RAS Ratings – June 2016	Previous RAS Ratings – July 2012
Overall Inherent Risk	Moderate	Moderate	Moderate
Overall Risk Management Systems	Acceptable	Stable	Acceptable
Overall composite Risk	Moderate	Moderate	Moderate
Direction of Overall composite Risk	Stable	Stable	Stable

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36 Other risks (continued)

Interpretation of risk matrix

Level of inherent risk

Low – reflects lower than average probability of an adverse impact on a banking institution’s capital and earnings. Losses in a functional area with low inherent risk would have little negative impact on the banking institution’s overall financial condition.

Moderate – could reasonably be expected to result in a loss which could be absorbed by a banking institution in the normal course of business.

High – reflects a higher than average probability of potential loss. High inherent risk could reasonably be expected to result in a significant and harmful loss to the banking institution.

Adequacy of risk management systems

Weak – risk management systems are inadequate or inappropriate given the size, complexity and risk profile of the banking institution. Institution’s risk management systems are lacking in important ways and therefore a cause of more than normal supervisory attention. The internal control systems will be lacking in important aspects, particularly as indicated by continued exceptions or by the failure to adhere to written policies and procedures.

Acceptable – management of risk is largely effective but lacking to some modest degree. While the institution might be having some minor risk management weaknesses, these have been recognised and are being addressed. Management information systems are generally adequate.

Strong – management effectively identifies and controls all types of risk posed by the relevant functional areas or per inherent risk.

Decreasing – based on current information, risk is expected to decrease in the next 12 months.

Stable – based on current information, risk is expected to be stable in the next 12 months.

2025

Rating agent	International Credit Rating	Global Credit Rating	
	Latest credit ratings	Latest credit ratings	Previous credit ratings
Period	2025/26	2024/25	2023/24
Rate	AA	A+(ZW)	A+(ZW)

37 Segment reporting

Management has determined the operating segments based on the reports reviewed by the Country Management Committee (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses its performance. All operating segments used by the Group meet the definition of a reportable segment under IFRS 8 Operating Segments. The Country Management Committee assesses the performance of the operating segments monthly based on a measure of profit or loss. This measurement basis excludes the effects of non-recurring expenditure from the operating segments such as restructuring costs and legal expenses. The measure also excludes the effects of equity-settled share-based payments and unrealised gains or losses on financial instruments.

The group has three broad business segments:

- Retail Banking** – focuses on individual customers with product offering that incorporates direct debit facilities, current and savings accounts, investment savings products, safe custody, debit cards, consumer loans and mortgages.
- Treasury** – focuses on management of the overall Bank operating asset balances and balance sheet structure. Main products include financial instruments and foreign currency trading.
- Corporate Banking** – focuses on corporates, multi-nationals and non-governmental organisations. Product offering includes current accounts, overdrafts, loans and foreign currency products.

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37 Segment reporting (continued)

Segment results of operations – Bank

	Retail Banking USD000	Corporate Banking USD000	Treasury USD000	Total USD000
2025				
Interest income	31 828	9 630	1 638	43 096
Interest expense	(5)	(902)	(2 478)	(3 385)
Net interest income	31 823	8 728	(840)	39 711
Fee and commission income	25 217	10 800	1 428	37 445
Fee and commission expense	(2 101)	(1 052)	(1 128)	(4 281)
Trading and foreign exchange income	–	–	10 561	10 561
Net investment and other income	–	302	715	1 017
Fair value loss on investment property	–	–	(55)	(55)
Total Income	54 939	18 778	10 681	84 398
Impairment losses on loans and receivables	(1 420)	(166)	(1 760)	(3 346)
Net operating income	53 519	18 612	8 921	81 052
Loss on derecognition of financial assets	–	–	(2 132)	(2 132)
Staff costs	(9 708)	(4 165)	(1 908)	(15 781)
Infrastructure costs	(3 552)	(1 657)	(725)	(5 933)
Administration and general expenses	(8 738)	(5 736)	(1 885)	(16 359)
Depreciation and amortisation	(2 496)	(856)	(281)	(3 633)
Operating expenses	(24 494)	(12 413)	(6 931)	(43 838)
Segment contribution	29 025	6 198	1 990	37 214
Share of (loss) in joint ventures	–	–	1 495	1 495
Taxation	(6 674)	(1 425)	(508)	(8 607)
Profit for the year	22 351	4 773	2 977	30 102
Total assets	77 098	59 996	197 023	334 117
Total liabilities	49 632	114 851	78 466	242 948
2024				
Interest income	23 303	9 692	2 693	35 688
Interest expense	(26)	(2 031)	(516)	(2 573)
Net interest income	23 277	7 661	2 177	33 115
Fee and commission income	20 852	9 909	(155)	30 606
Fee and commission expense	(2 025)	(4)	–	(2 029)
Net trading and foreign exchange income	–	–	10 968	10 968
Net investment and other income	–	–	1 505	1 505
Fair value gain on investment property	–	–	181	181
Total Income	42 104	17 566	14 676	74 346
Impairment losses on financial assets	(1 289)	637	496	(156)
Net operating income	40 815	18 203	15 172	74 190
Staff costs	(11 745)	(5 967)	(2 618)	(20 330)
Infrastructure costs	(5 841)	(3 017)	3 064	(5 794)
General expenses	(9 681)	(5 378)	(1 532)	(16 591)
Depreciation and amortisation	–	–	(4 652)	(4 652)
Operating expenses	(27 267)	(14 362)	(5 738)	(47 367)
Segment contribution	13 548	3 841	9 434	26 823
Share of losses of joint venture	–	–	(1 867)	(1 867)
Taxation	(2 449)	(776)	(1 887)	(5 112)
Profit for the year	11 099	3 065	5 680	19 844
Total assets	52 355	63 358	186 403	302 116
Total liabilities	35 271	148 686	45 437	229 394

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

38 Related parties

The Group is controlled by FMBcapital Holdings PLC incorporated in Mauritius which owns 52% (2024: 52%) of the ordinary shares. 15% is held by an Employee Share Ownership Trust (ESOT) and the remaining 33% of the shares are widely held. There are other companies which are related to First Capital Bank through common shareholdings or common directorship.

38.1 Key management compensation

	2025 USD000	2024 USD000
Salaries and other short term benefits	2 675	1 861
Post-employment contribution plan	181	193
Total	2 856	2 054

Key management personnel are those persons having authority and responsibility for planning directing and controlling the activities of the Group directly or indirectly. These include the Chief Executive Officer Chief Finance Officer Head of Risk Commercial Director Chief Operating Officer Consumer Banking Director Chief Internal Auditor Head of Compliance Company Secretary and Head of Human Resources.

38.2 Loans to key management

	2025 USD000	2024 USD000
Loans outstanding at 1 January	78	475
Loans issued during the year	1 648	107
Loans repayments during the year	(501)	(504)
Loans outstanding at end of period	1 225	78

The above loans to directors and other key management personnel are insured and repayable monthly over 7 years at average interest rates of 15% (2024:15%). Interest received from loans to key management amounts to USD116k (2024 : USD 5k).The loans to directors were issued under conditions similar to other staff loans.

Expected credit loss of USD 15k (2024 :Nil) have been recognised for loans to key management.

38.3 Deposits from executive directors and key management

	2025 USD000	2024 USD000
Deposits at 1 January	48	332
Deposits received during the year	4 618	6 080
Deposits repaid during the year	(4 625)	(6 364)
Deposits at end of period	41	48

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

38 Related parties (continued)

38.4 Balances with related parties – related through common directorship and shareholding

	Deposits 2025 ZWG000	Loans and advances 2025 ZWG000	Deposits 2024 ZWG000	Loans and advances 2024 ZWG000
Boost Fellowship	1	–	8	–
Canelands Trust	97	–	121	–
Cimas Holdings	9	–	70	–
Dulys Holdings	688	–	87	–
Hippo Valley Estates	125	–	24	–
Lotus Stationary Manufacturers (Pvt) Ltd	3	–	60	–
Makasa Sun Private Limited	7	1 272	49	600
NCP Distillers Zimbabwe	6	–	2	–
Nicoz diamond insurance	–	–	54	–
St Georges College	98	770	89	–
Thulile Investments	92	–	–	–
Tobacco Industry and Marketing Board	4	–	93	–
Triangle Limited	2 435	–	127	–
United refineries	–	–	474	–
Zimbabwe Sugar Sales	932	–	–	–
Safe deposit box company	4	–	–	–
Tasimba Properties	205	–	–	–
Malilangwe Trust	2 351	–	–	–
Beitbridge Bulawayo Railway P/L	7 057	2 042	1 258	600
Total	7 057	2 042	1 258	600
Current	–	–	–	–
Non – current	7 057	2 042	1 258	600
Total	183 347	53 052	32 468	15 468

Repayments on the loans to the related parties were made on due dates and new loans were also granted. Impairment losses of USD583k (2024 USD0.8k) have been recognised for Balances with related parties through common directorship.

	2025 USD000	2024 USD000
38.5 Balances with group companies		
Bank balances due from group companies		
Other balances due to group companies	(1 350)	(1 002)
Total	(1 350)	(1 002)

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

	2025 USD000	2024 USD000
39 Capital commitments and contingencies		
Authorised and contracted for	1 474	–
Authorised but not yet contracted for	2 694	7 466
Total capital commitment	4 168	7 466
40 Contingent liabilities		
Loan commitments	2 243	10 337
Defined Benefit Pension	7 053	6 438
Guarantees and letters of credit	4 212	4 804
Total	13 509	21 579

41 Subsequent events

41.1 Geopolitical developments in the Middle East

Event and timing

Subsequent to 31 December 2025, geopolitical tensions in the Middle East escalated significantly following the commencement of an armed conflict in the region on 28 February 2026.

The conflict remains ongoing at the date of authorisation of these consolidated financial statements.

Market impact

The outbreak of hostilities resulted in heightened volatility in global financial and commodity markets, particularly in energy markets. Concerns over potential disruptions to global supply routes, including the strategic Strait of Hormuz, led to a sharp increase in international crude oil prices. Brent crude oil prices rose from approximately USD 72 per barrel prior to the outbreak of hostilities to levels exceeding USD 80 per barrel in early March 2026, an increase of roughly 10–15% within a short period following the escalation of the conflict. This has contributed to elevated inflation expectations, foreign exchange volatility and uncertainty in emerging and frontier markets.

Impact on the Group

The Group does not have direct operations, investments or credit exposures in the immediate conflict zone. However, as a regional banking group operating in Malawi, Zambia, Zimbabwe, Mozambique and Botswana, sustained increases in crude oil prices and broader geopolitical uncertainty could indirectly affect the Group through:

- increased inflationary pressures and operating costs in the Group's operating markets;
- foreign exchange volatility in import dependent economies;
- increased market volatility affecting the valuation of financial assets; and
- potential pressure on borrower affordability and credit quality, particularly for corporate and retail clients exposed to higher input and energy costs.

Non-adjusting event conclusion

Management has considered whether these developments represent indicators of impairment for financial assets measured under IFRS 9 Financial Instruments. Based on information available at the date of authorisation of these consolidated financial statements:

- no evidence has been identified indicating a material deterioration in credit quality as at 31 December 2025;
- forward looking information and macroeconomic assumptions used in the measurement of expected credit losses (ECLs) will continue to be monitored, and any necessary updates will be reflected in future reporting periods; and
- the Group remains vigilant to potential stress in borrower portfolios arising from inflation, foreign exchange volatility and higher energy costs.

Non-adjusting event conclusion

In accordance with IAS 10 – Events after the Reporting Period, these developments are classified as a non adjusting event, and no adjustments have been made to the amounts recognised in these consolidated financial statements.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

42 Going concern

The Directors have no reason to believe that the Group will not be a going concern in the period ahead. Going concern assessment was performed by review of the economic conditions under which the Group is expected to perform over the next 12 months, its ability to adapt its strategy, business and operating models to the projected macro environment, financial forecasts and business underwriting capacity. The Group has sufficient capital, human and physical resources as well as sources of sustainable deposits which are well diversified and is therefore able to address short term stress factors within reasonable parameters. The Group's financial statements as at 31 December 2025 have therefore been prepared on the going-concern assumption

43 New accounting pronouncements

Standards, amendments and interpretations that are relevant to the Group.

NEW AND AMENDMENTS TO IFRS THAT ARE MANDATORILY EFFECTIVE FOR THE CURRENT YEAR

The Group applied new and several amendments to IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2025

Amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates

The effects of changes in foreign exchange rates – Amendments to IAS 21. The amendments provide guidance on how to determine the exchange rate when a currency is not exchangeable and introduce new disclosure requirements.

On 15 August 2023, the IASB issued 'Lack of Exchangeability' which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments)

IAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

The amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not.

The amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency

The application of these amendments did not have a material impact on the Group's financial statements.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2026, and earlier application is permitted. The Bank has not early-adopted these new or amended standards in preparing these financial statements. Management will continue to assess the impact of the new standards effective from 1 January 2026.

Annual Improvements to IFRS Standards – Volume 11

In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards. The amendments to IFRS 9 address:

- A conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables
- How a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15.

They also clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

The amendments are effective for annual reporting periods starting on or after 1 January 2026. Earlier application is permitted.

The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

The Group will adopt the amendments from 1 January 2026.

The Group expects that the amendments, when initially applied will have no material impact on its financial statements.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

43 New accounting pronouncements (continued)

STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

Nature-dependent electricity contracts enable companies to source their electricity directly from wind and solar power generation because the volume of electricity produced under these contracts

can fluctuate due to weather conditions-factors beyond a company's control- current accounting standards may not fully reflect their impact on financial performance

To address this, the IASB has introduced targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments:

Disclosures to enhance how such contracts are reported in financial statements, the amendments include:

1. Clarifying how the 'own-use' exception should be applied
2. Allowing hedge accounting when these contracts are used as hedging instruments
3. Introducing new disclosure requirements to help investors understand how these contracts influence a company's financial performance and cash flows

These changes are effective for annual reporting periods beginning on or after 1 January 2026, with early adoption allowed.

The Group does not engage in electricity purchase contracts or derivatives linked to nature-dependent electricity.

Therefore, the amendments are not expected to affect the Group's recognition or measurement of financial instruments.

IFRS 18 (Presentation and Disclosure in Financial Statements)

IFRS 18, which replaces IAS 1 Presentation of Financial Statements, introduces updated requirements for presenting information in the statement of profit or loss, including prescribed totals and subtotals.

The standard also requires entities to disclose management-defined performance measures and sets out new principles for aggregating and disaggregating financial information, based on the defined

'roles' of the primary financial statements and the accompanying notes. Issued in April 2024, IFRS 18 becomes effective for annual reporting periods beginning on or after 1 January 2027.

The directors will continue to assess the implications of the new standard on future financial reporting.

The impact will affect the presentation and disclosures of the financial statements and the Group will adopt these amendments when they become effective

IFRS 19 (Subsidiaries without Public Accountability Disclosures)

IFRS 19 permits eligible subsidiaries to apply IFRS while using the reduced disclosure framework provided by the standard. A subsidiary may elect to apply IFRS 19 in its consolidated, separate,

or individual financial statements, provided that at the reporting date:

1. it does not have public accountability; and
2. its parent prepares consolidated financial statements in accordance with IFRS that are available for public use.

A subsidiary applying IFRS 19 must explicitly state, in its unreserved and explicit statement of compliance, that it has adopted the standard.

IFRS 19 is effective for annual reporting periods beginning on or after 1 January 2027.

The Group is not eligible to adopt the reduced disclosure requirements under IFRS 19 due to its status as a publicly accountable entity.

IAS 21 The Effects of Changes in Foreign Exchange Rates (Translation to a Hyperinflationary Presentation Currency)

The amendments set out the translation requirements for an entity whose presentation currency is that of a hyperinflationary economy in situations where:

1. Its functional currency is that of a non-hyperinflationary economy and it translates its financial results and position into a hyperinflationary presentation currency; or
2. It translates into a hyperinflationary currency the financial results and position of a foreign operation whose functional currency is non-hyperinflationary.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted.

Notes to the Consolidated and Separate Annual Financial Statements continued

for the year ended 31 December 2025

43 New accounting pronouncements (continued)

STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and liabilities
- On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:
 - Clarifications of the requirements for recognition and derecognition of financial assets and liabilities
 - A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment
 - Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
 - Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
 - The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through (OCI)

The Amendments are effective for annual periods starting on or after 1 January 2026.

With respect to the amendments on the derecognition of financial liabilities that are settled through an electronic payment system, the Bank has performed an assessment of all material electronic payment systems used in the various jurisdictions it operates.

The Bank has determined that it will not apply the accounting policy option to derecognise financial liabilities before the settlement date. Moreover, the Bank has also reviewed its other payment systems such as cheques, credit cards, debit cards) and concluded that the recognition and derecognition policies are already in line with the amendments.

In addition, the Bank has assessed the impact of the Amendments on its financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features, as well as on non-recourse financing and contractually linked instruments.

Based on the assessments performed, the amendments in these areas are not expected to have a material impact on the financial statements.

The Bank has not early-adopted these new or amended standards in preparing these financial statements. Management will continue to assess the impact of the new standards effective from 1 January 2026.

The Group has not opted for early adoption. Based on the directors' assessment, the amendments are not expected to have a material impact on the Group's financial statements.



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Notice of annual general meeting

Notice is hereby given that the Forty-Fifth Annual General Meeting of Shareholders of First Capital Bank Limited will be held virtually at <https://escrowagm.com/eagmZim/Login.aspx> on Friday the 29th of May 2026, at 12:00 hours for the purpose of transacting the following business:-

Ordinary business

Shareholders will be requested to consider and if deemed fit to pass the following ordinary resolutions, with or without amendment:

1. Financial Statements and Statutory Reports

To receive, consider and adopt the Financial Statements and Report of the Directors and Auditors for the financial year ended 31 December 2025.

2. Dividend

To confirm payment of an interim dividend of US0.31 cents per share in September 2025 and a final dividend of US0.59 cents per share in April 2026, giving a total dividend of US0.90 cents per share for the financial year ended 31 December 2025.

3. Directorate

3.1 To approve the re-election of a director. Mrs A. Chinamo retires as a director of the Company, in terms of Article 102 of the Articles of Association. Being eligible in terms of Article 104 of the Articles of Association, Mrs A. Chinamo offers herself for re-election.

3.2 To approve the re-election of a director. In accordance with Article 109 of the Company's Articles of Association, Directors appointed by the Board shall retire at the next Annual General Meeting. Consequently, Mrs N. Dube, who was appointed as an Independent Non-Executive Director by the Board of Directors on 20 April 2026, will be retiring. Being eligible in terms of Article 109 of the Articles of Association, Mrs N. Dube offers herself for re-election.

3.3 To note the retirement of a director. Mrs. Tembiwe Moyo retires from the Board at the conclusion of this AGM. Mrs. Tembiwe Moyo has served as a director for a period of 10 years, and in accordance with Section 19(3) of the Banking Act (Chapter 24:20), is not eligible for re-election.

3.4 To note the retirement of a director. Mrs. Sara Moyo retires from the Board at the conclusion of this AGM. Mrs. Sara Moyo has served as a director for a period of 10 years, and in accordance with Section 19(3) of the Banking Act (Chapter 24:20), is not eligible for re-election.

4. Directors' Remuneration

To approve directors' fees and remuneration for the year ended 31 December 2025.

5. Auditors' fees and Appointment of Auditors

5.1 To approve the remuneration of the External Auditor, Messrs Ernst & Young Chartered Accountants (Zimbabwe) for the year ended 31 December 2025.

5.2 To re-appoint Messrs Ernst & Young Chartered Accountants (Zimbabwe) as the External Auditor for the Company for the ensuing year until the conclusion of the next Annual General Meeting.

(Note – In terms of Section 41(4) of the Banking Act (Chapter 24:20) “a banking institution shall not appoint the same person or partnership as its auditor in Zimbabwe for a continuous period of more than five years in any eight-year period”. Ernst & Young has been the auditor of the Company for two years. This requirement is also in compliance with Section 191(11) of the Companies and Other Business Entities Act (Chapter 24:31) and Section 70(6) of the VFEX listing rules).

Special business

To consider, and if deemed appropriate, to pass with or without amendment, the following Special Resolution:

6. Amendment to Article 51 of the Articles of Association

That the article be repealed and substituted by the following:

“Pre-emptive rights to new issues

- (1) *Where the company issues shares which rank equally with or in priority to existing shares as to voting or distribution rights, those shares, whether newly issued or previously offered shares that remain unsubscribed, will be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.*
- (2) *An offer under sub-clause (1) shall remain open for a reasonable period which shall not be less than 14 (fourteen) days.*
- (3) *Notwithstanding sub-clauses (1) and (2), the shareholders may, by ordinary resolution, specifically authorize the directors to dispose of any unsubscribed shares as the directors in their discretion may think fit as long as such disposal occurs within a period of 12 (twelve) months from the date of such authorization”*

Notes

In terms of the Companies and Other Business Entities Act (Chapter 24:31), a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on a poll and speak in his stead. A proxy need not be a member of the Company. Proxy forms must be lodged at the registered office of the company or at the registered office of the Company's Transfer Secretaries, Corpserve 2nd Floor, ZB Centre, Kwame Nkrumah Ave, or emailed to corpserve@escrowgroup.org not less than 48 hours before the time appointed for the meeting.

Meeting details

Members are hereby advised to contact our Transfer Secretaries Corpserve on: +263 71 171 1615; +263 77 196 0238; +263 78 519 4703; +263 73 759 4405; +263 77 228 3898 and +263 77 567 8338 or corpserve@escrowgroup.org for assistance with any matter regarding the online eAGM processes.

Audited Financial Statements and Annual Report

The electronic copies of the Company's 2025 Annual Report, the financial statements and the Directors and Independent Auditors reports for the year ended 31 December 2025 are available on the Company's website www.firstcapitalbank.co.zw.

By Order of the Board

Sarudzai Binha

Company Secretary
First Capital House
13 Breach Road, Borrowdale
Harare
7 May 2026

Profile of Retiring Directors

Mrs. Aquilina Chinamo – Independent Non-Executive Director

Aquilina Chinamo is a qualified Chartered Accountant, who also holds a postgraduate diploma in applied accountancy from the University of Zimbabwe. She has more than 20 years of work experience and extensive exposure in leadership, people management and financial engineering. She has previously served as a non-executive director on the board of a commercial bank as well as retail, manufacturing and agricultural companies.

Mrs. Nomusa Dube – Independent Non-Executive Director

Nomusa Dube is a seasoned Chartered Accountant with over 20 years of working experience and has served as a Finance Executive in several companies, which has given her exposure to the manufacturing, distribution, and service sectors in the Southern African region. She serves as a non-executive director at a health insurance company and at a statutory regulatory authority.

Proxy Form

For use at the Annual General Meeting ("AGM") of First Capital Bank Limited to be held virtually on Friday the 29th of May 2026 at 12:00 hours.

I/We _____

of _____ (address)

Being member/members of First Capital Bank Limited ("The Company")

Being the registered holder(s) of _____ shares in the company

Hereby appoint: _____

of _____ (address)

or failing him or her _____

of _____ (address)

As my/our proxy to vote for me/us on my/our behalf at the AGM of the Company to be held on Friday, 29 May 2026, at 12:00 hours and at any adjournment thereof, for the purpose of considering and, if deemed fit passing, with or without modification, the resolutions to be proposed thereat in accordance with the following instructions:

Resolutions	For	Against	Abstain
Ordinary business			
1 To receive, consider and adopt the Financial Statements and Reports of the Directors and Auditors for the financial year ended 31 December 2025.			
2 To confirm the payment of an interim dividend of US0.31 cents per shares in September 2025 and a final dividend of US0.59 cents per share in April 2026, giving a total dividend of US0.90 cents per share for the financial year ended 31 December 2025.			
3 Retirement and Re-election of Directors:			
3.1 To note the retirement of Mrs. A. Chinamo in terms of Article 102 of the Articles of Association. Being eligible in terms of Article 104 of the Articles of Association, Mrs. A. Chinamo offers herself for re-election.			
3.2 To approve the re-election of a director. Mrs N. Dube, who was appointed as an Independent Non-Executive Director by the Board of Directors on 20 April 2026, will be retiring. Being eligible in terms of Article 109 of the Articles of Association, Mrs N. Dube offers herself for re-election.			
4 To approve directors' fees and remuneration for the year ended 31 December 2025.			
5 Auditors' fees and Appointment of Auditors			
5.1. To approve the remuneration of the External Auditor, Messrs Ernst & Young Chartered Accountants (Zimbabwe) for the year ended 31 December 2025.			
5.2. To re-appoint Messrs Ernst & Young Chartered Accountants (Zimbabwe) as the External Auditor for the Company for the ensuing year until the conclusion of the next Annual General Meeting.			
Special Business			
6 That the article be repealed and substituted by the following; <i>"Pre-emptive rights to new issues</i> (1) <i>Where the company issues shares which rank equally with or in priority to existing shares as to voting or distribution rights, those shares, whether newly issued or previously offered shares that remain unsubscribed, will be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.</i> (2) <i>An offer under sub-clause (1) shall remain open for a reasonable period which shall not be less than 14 (fourteen) days.</i> (3) <i>Notwithstanding sub-clauses (1) and (2), the shareholders may, by ordinary resolution, specifically authorize the directors to dispose of any unsubscribed shares as the directors in their discretion may think fit as long as such disposal occurs within a period of 12 (twelve) months from the date of such authorization"</i>			

Signed this _____ day of _____ 2026.

Signature(s) of member _____

Notes to proxy

Instructions for signing and lodging this form of proxy

It is important that this information is read before completing the Proxy Form.

- i. In terms of Section 171 of the Companies and Other Business Entities Act (Chapter 24:31), members are entitled to appoint one or more proxies to act in the alternative and to attend and vote and speak in their place. A proxy need not also be a member of the Company. A Director or Officer of the Company shall not be appointed as a proxy for a Shareholder.
- ii. Article 81 of the Company's Articles of Association provides that the instrument appointing a proxy shall be deposited at the registered office of the Company addressed to the Company Secretary or at the office of the Transfer Secretaries not less than 48 hours before the time appointed for the holding of the AGM.
- iii. Shareholders in the form of a corporate body must provide documentary evidence establishing the authority of a person signing the Form of Proxy in a representative capacity; this authority must take the form of a resolution of the corporate body.
- iv. The Chairman shall be entitled to decline the authority of a person signing the proxy form:
 - a) under a power of attorney
 - b) on behalf of a company
 - c) in a representative capacity which is completed and received other than in accordance with these notes.
- v. A Shareholder may insert the name of a proxy or the names of two alternative proxies of the Shareholder's choice in the space provided. The person whose name appears first on the form of proxy will, unless his/her name has been deleted, be entitled to act as a proxy to the exclusion of those whose names follow.
- vi. A Shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that Shareholder in the appropriate space/s provided as well as by means of a cross whether the Shareholder wishes to vote, for, against or abstain from the resolutions. Failure to comply with the above will be deemed to authorize the proxy to vote or abstain from voting at the AGM as he/she deems fit in respect of all the Shareholder's votes exercisable thereat. A Shareholder or his/her proxy is not obliged to use all the votes exercisable by the Shareholder or by his/her proxy or cast them in the same way.
- vii. Deletion of any printed matter and the completion of any blank spaces need not be signed or initialed. Any alteration or correction must be initialed by the signatory or signatories. The proxy form must be signed and dated for it to be valid.
- viii. When there are joint holders of shares, any one holder may sign the form of proxy. In the case of joint holders, the senior who tenders a vote will be accepted to the exclusion of other joint holders. Seniority will be determined by the order in which names stand in the register of members.
- ix. The completion and lodging of this form of proxy will not preclude the member who grants this proxy form from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof should such member wish to do so.
- x. Please ensure that name(s) of the member(s) on the form of proxy and the voting form are the same as those on the share register.

Transfer Secretaries

Corpserve Registrars (Private) Limited
 2nd Floor ZB Centre
 Cnr 1st and Kwame Nkrumah Avenue
 Harare
 +263 242 75 8193,75 0711/2

Registered Office

First Capital House
 13 Breach Road
 Borrowdale
 Harare
 +263 242 75 8280-9, +263 867 700 7335

Shareholder Statistics

Top 20 shareholders

Names	Shares	Percentage
FMBcapital Holdings Plc	1 134 268 206	52.47%
1912 Employee Share Ownership Trust	322 998 026	14.94%
Stanbic Nominees (Pvt) Ltd	94 707 771	4.38%
Old Mutual Life Ass Co Zim Ltd	87 729 687	4.06%
Barclays Zimbabwe Nominees P/L	51 884 670	2.40%
Amaval Investments (Pvt) Ltd	37 929 816	1.75%
Hitesh Anadkat	36 068 751	1.67%
Dinkrain Investments	31 776 940	1.47%
Public Service Commiss PF-Abc	22 487 106	1.04%
Nssa Staff Pension Fund – Abc	18 464 490	0.85%
Tirent Investments Pvt Ltd	17 303 308	0.80%
Mining Industry Pension Fund	14 141 174	0.65%
Hippo Valley Estates PF-Imara	12 334 339	0.57%
Fed Nominees (Pvt) Ltd	11 407 358	0.53%
Rumbidzai Dahwa	11 402 859	0.53%
Danchen Investments	10 932 348	0.51%
Avenell Investments (Pvt) Ltd	9 803 832	0.45%
Fed Nominees Non Taxable	7 707 873	0.36%
National Foods P F-Imara	6 656 783	0.31%
Amzim Pension Fund – Imara-003	6 588 184	0.30%
Selected Shares	1 946 593 521	90.04%
No –Selected Shares	215 282 408	9.96%
Issued Shares	2 161 875 929	100.00%

Analysis of shareholding for the year ended 31 December 2025

Analysis by volume	Shares	Shares %	Shareholders	Shareholders %
1-5 000	8 895 098	0.41	5 765	62.20
5 001-10 000	6 733 758	0.31	982	10.60
10 001-25 000	21 558 446	1.00	1 296	13.98
25 001-50 000	23 767 462	1.10	719	7.76
50 001-100 000	12 672 404	0.59	185	2.00
100 001-200 000	15 885 232	0.73	112	1.21
200 001-500 000	25 298 082	1.17	80	0.86
500 001-1 000 000	27 813 813	1.29	40	0.43
1 000 001 and Above	2 019 251 634	93.40	89	0.96
Totals	2 161 875 929	100.00	9 268	100.00

Analysis by industry

FIRST CAPITAL BANK LIMITED: ANALYSIS BY INDUSTRY AS AT: 31 December 2025

Industry	Shares	Shares %	Shareholders	Shareholders %
Financial services- majority shareholder	1 134 268 206	52.5%	1	0%
Employee share ownership trust	322 998 026	14.9%	1	0%
Pension Funds	175 586 843	8.1%	143	2%
Insurance companies	87 930 139	4.1%	11	0%
Individuals	130 545 749	6.0%	8 076	86%
Nominee companies	147 411 429	6.8%	159	2%
Financial organisations	741	0.0%	02	0%
Other	163 134 796	7.5%	1 034	
Totals	2 161 875 929	100%	9 427	89%



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Botswana • Malawi • Mozambique • Zambia • Zimbabwe
First Capital Bank is a Registered Commercial Bank & a member of the Deposit Protection Scheme

Belief comes first.

Other information

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Glossary

FMBCH or the Company	FMBcapital Holdings Plc
the Group	First Capital Bank Plc (Malawi), First Capital Bank Limited (Zambia), First Capital Bank Limited (Botswana), First Capital Bank (Mozambique), First Capital Shared Services Limited, Afcarne Zimbabwe Holdings (Private) Limited, First Capital Bank Limited (Zimbabwe)
FCB Botswana	First Capital Bank Limited (Botswana)
FCB Malawi	First Capital Bank Plc (Malawi)
FCB Mozambique	First Capital Bank S.A. (Mozambique)
FCB Zambia	First Capital Bank Limited (Zambia)
FCB Zimbabwe	Afcarne Zimbabwe Holdings (Private) Limited, First Capital Bank Limited (Zimbabwe)
FCSSL	First Capital Shared Services Ltd
FMBCH	FMBcapital Holdings Plc

ALCO	Assets and Liabilities Committee	LGD	Loss given default
AML/ CFT/CFP	Anti-money laundering, combatting financial terrorism, and combatting of financial proliferation	NGO	Non-profit organisation
ATM	Automated teller machines	NOP	Net Open Position
CAR	Capital Adequacy Ratio	PD	Probability of Default
CEO	Chief Executive Officer	POS	Point-of-sale
CFA	Chartered Financial Analyst	ROE	Return on Equity
CIB	Corporate and Investment Banking	RBZ	Reserve Bank of Zimbabwe
COO	Chief Operating Officer	RWA	Risk-Weighted Assets
CSR	Corporate Social Responsibility	RTGS	Real-Time Gross Settlement
EAD	Exposure at default	SICR	Significant Increase in Credit Risk
ECL	Expected Credit Losses	SME	Small- to medium-sized enterprises
ESG	Environmental, social and governance	TCFD	Taskforce on Climate-related Disclosures
FVPL	Fair Value through Profit or Loss	USA	United States of America
FVOCI	Fair Value through Other Comprehensive Income	USD/ US\$	United States Dollars
FX	Foreign Exchange	VFEX	Victoria Falls Stock Exchange
GDP	Gross domestic product	ZSE	Zimbabwe Stock Exchange
IAS	International Accounting Standards	ZWG	Zimbabwe Gold
IASB	International Accounting Standards Board		
IFRS	International Financial Reporting Standards		

Where to find us

Avondale Branch

- King George Rd, Box A199, Avondale
- +263 242 303708/303743
- +263 242 336302

Beitbridge Branch

- 348 Justia Rd, P O Box 27, Beitbridge
- +263 86 2262/2751
- +263 81 2622

Bindura Branch

- 25 Main Street, PO Box 52, Bindura
- +263 71 6255
- +263 71 6048

Borrowdale Branch

- TM Supermarket Complex Borrowdale Rd, Box BW140, Borrowdale
- +263 242 851131/882280/
- +263 242 882778

Bulawayo Affluent Centre

- P O BOX FM 625 Famaona, Bulawayo 97A Robert Mugabe Way, Bulawayo
- +263 9 883004

Chinhoyi Branch

- St No 5308, Magamba Way, PO Box 200, Chinhoyi
- +263 67 22701/24438
- +263 67 23242

Chiredzi Branch

- 57 Chilonga Drive, PO Box 29, Chiredzi
- +263 31 2347/2541
- +263 31 3112

Corporate Banking Centre

- Cnr Birmingham & Paisley Rd, Box ST 20, Southerton
- +263 242 754473/9
- +263 242 757071

Gokwe Branch

- Stand 972 Gokwe Gokwe growth Point, Gokwe
- +263 59 2330
- +263 59 2528

Gweru Branch

- Cnr Main St/R.Mugabe Way, Gweru
- +263 54 22134
- +263 54 25220

Highlands Branch

- Shop No.47, Highland Park, Cnr E.D. Mhangagwa Rd/ Arcturus Rd, Highlands, Harare
- +263 8677007335
- 746623

JMN Nkomo Street Branch

- 100 JMN Nkomo Street, PO Box 702, Bulawayo
- +263 9 881121/7
- +263 9 76928

Kadoma Branch

- Stand 156, Herbert Chitepo, Kadoma Kadoma
- +263 68 26822/26823

Kwekwe Branch

- 32 N. Mandela Way, PO Box 386
- +263 55 22897/8
- +263 55 68241

Marondera Branch

- Cnr Hotel St/The Green, PO Box 37, Marondera
- +263 79 23596/7
- +263 7924707

Msasa Branch

- 21 Felice Avenue, Msasa, Harare
- +263 242 447844-8
- +263 242 447 848

NGO Centre

- 2 Premium Close Mt Pleasant, PO Box CY 881, Harare
- +263 242 369570-80
- +263 242 369589

Premier Banking Centre

- First Mutual Office Park, PO Box BW 865, Borrowdale First Mutual Office Park, Borrowdale Rd, Harare
- +263 242 852720-9

Victoria Falls

- No. 254 Livingstone Way, PO Box 26, Victoria Falls
- +263 13 3375
- +263 13 3385

ATM LOCATIONS

Harare sites: First street | First street number 2 | Borrowdale | Avondale | Highfield | Msasa | Birmingham | Highlands | Cripps | Arundel RG Mugabe Airport

Bulawayo sites: Mainstreet | Belmont | Affluent | Vic falls

Country sites: Bindura | Chinhoyi | Kadoma | Kwekwe | Gweru | Beitbridge | Chiredzi | Marondera | Mutare | Gokwe | Masvingo | Zvishavane

Corporate information



First Capital Bank Limited

Registered Office

Cnr Jason Moyo Ave./First Street
PO Box 1279
Harare

Company Registration Number

148/81

Date of Incorporation

11 February 1981

Company Secretary

Sarudzai Binha

Auditors

Ernst & Young

Angwa City
Cnr Julius Nyerere Way
Kwame Nkrumah Avenue
Harare

Tel: +263 4 750905

Web address: www.ey.com

Transfer Secretaries

Corpserve (Private) Limited

2nd Floor, ZB Centre
Kwame Nkrumah Avenue
Harare

Email: corpserve@escrowgroup.org

Board of Directors

Patrick Devenish (Chairman)
Tapera Mushoriwa (Chief Executive Officer)
Nuno Simoes (Chief Finance Officer)
Hitesh Anadkat
Tembiwe Moyo
Rufaro Acquilina Chinamo
Kevin Terry
Kiritkumar Naik
Sara Nyaradzo Moyo
Mahendra Gursahani

Contact details

Tel: +263 8677 007335 or
+263 242 758280-9

Other general lines:

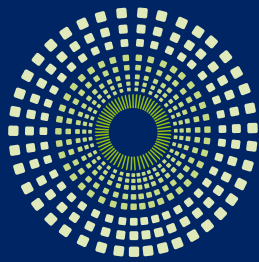
+263 8677 007336 | +263 242 250579
+263 772 192865 | +263 772 192868
+263 772 192869 | +263 772 192872
+263 772 192874

Email: customer-service@firstcapitalbank.co.zw

You may also reach us through our 24-hour call centre on any of the following numbers:

Econet toll free: 08080093-6

Web address: www.firstcapitalbank.co.zw



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