Abridged Unaudited Financials

For the half year ended 30 June 2026

Chairman's Statement

Building on Economic Stability

Zimbabwe's economy continued on a path of macroeconomic stabilisation during the first half of 2026, underpinned by sustained single-digit inflation and exchange rate stability. Growth in productive sectors, notably mining and agriculture, together with ongoing infrastructure investment, supported a more predictable economic environment.

Delivering Sustainable Value Through Disciplined Execution

I am pleased to report a strong financial performance for the six months ended 30 June 2026, with profit after tax increasing by 26% to US$16.7 million, reflecting the resilience of our business model and the disciplined execution of our strategy.

The bank maintained a strong capital position, with a Capital Adequacy Ratio of 27%, well above the regulatory minimum of 12%. This provides a solid foundation to support future growth while safeguarding the interests of our customers, depositors and shareholders.

Capital Returns and Dividend Declaration

In line with the bank's strong earnings performance, healthy capital position and commitment to delivering sustainable shareholder returns, the Board declared an interim dividend of 0.31 US cents per share.

Governance and Sustainability

During the period under review, Independent Directors Mrs Thembiwe Moyo and Mrs Sara Moyo retired from the Board upon completion of their maximum terms of office. On behalf of the Board and management, I extend our sincere gratitude for their dedicated service and valuable contribution to the bank's growth and governance.

To strengthen the Board's independence and governance framework, Mrs Nomusa Dube joined the Board as an Independent Non-Executive Director in May 2026. Subsequent to the reporting period, Mr Innocent Chagonda was appointed as an Independent Non-Executive Director with effect from August 2026. The Board looks forward to their contribution to the bank's continued success.

Sustainability remains central to our long-term growth strategy. During the period, the bank continued to advance financial inclusion, youth empowerment and community development through targeted outreach programmes, including participation in the Reserve Bank of Zimbabwe's financial literacy initiatives, support for education in underserved communities through donation programmes, and youth development through sports sponsorship initiatives.

Outlook

The Zimbabwean economic outlook for the remainder of 2026 remains positive despite global economic headwinds and climate-related risks. Economic activity is expected to continue to be supported by mining, agricultural value chains, tourism and infrastructure investment.

On behalf of the Board, I thank our shareholders for their continued confidence, our customers for their loyalty, our regulators for their guidance, and our employees and management team for their commitment, professionalism and dedication.

Patrick Devenish
Chairman
25 August 2026

Chief Executive Officer's Statement

Executing Our Growth Strategy and Delivering Quality Earnings

The first half of 2026 was characterised by a stable operating environment, underpinned by continued macroeconomic stabilisation. Against this backdrop, the bank delivered a strong financial performance for the six months ended 30 June 2026, reflecting the strength of our customer focused strategy and disciplined execution centred on sustainable growth. Profit after tax increased by 26% to US$16.7 million.

Total assets grew to US$390.1 million, supported by a 24% increase in customer deposits to US$249 million, demonstrating the continued trust and confidence our customers place in the bank. The loan book expanded to US$165 million as we continued to support key sectors of the economy, including mining, agriculture, manufacturing, services, tourism and households.

Growth across the balance sheet translated into a 15% increase in net interest income and a 3% rise in net fee and commission income, underpinned by growth in earning assets and increased transaction volumes against a reduction in bank charges. Our commitment to prudent risk management and responsible lending continued to support strong asset quality, with expected credit loss coverage improving to 2%.

Enhancing Customer Experience Through Digital Innovation

We continued to invest in digital capabilities, process optimisation and service delivery initiatives aimed at providing a seamless and convenient banking experience for our customers. These investments strengthened operational efficiency while enhancing accessibility across our banking platforms.

The bank's customer base continued to grow across the retail, SME and corporate segments, supported by our expanding ecosystem of financial solutions. By deepening customer relationships and responding to evolving client needs, we remain well positioned to capture new opportunities and drive sustainable revenue growth.

Outlook – Positioned for the Next Phase of Growth

Supported by a growing customer base, a strong balance sheet, a resilient capital position and a dedicated team, First Capital Bank is well positioned to build on the momentum achieved during the first half of the year. While the external environment remains subject to global headwinds, we remain confident in the bank's growth trajectory. Our focus will be continued on disciplined balance sheet growth, digital innovation, customer-focused service delivery and prudent risk management as we continue creating sustainable value for our customers, shareholders and other stakeholders.

Tapera Mushoriwa
Chief Executive Officer
25 August 2026

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/BSSFS: Corporate Governance, Banking (Victoria Falls International Financial Services Centre) (Victoria Falls Stock Exchange Membership, Listing and Trading) Rules, 2026 S.I 62 of 2026, and the Zimbabwe National Code on Corporate Governance.

The Board continuously reviews its governance standards and practices to ensure alignment with local and international corporate governance requirements. It promotes high standards of governance at First Capital Bank, supported by the right culture, values and behaviours from the top down. The bank remains committed to fairness, accountability, responsibility and transparency through clear accountability to shareholders and stakeholders, including employees, customers, suppliers, regulators and the community, supported by transparent and accurate disclosures.

Board Responsibilities

The Board sets the bank's strategic direction, approves policies and plans, oversees management's implementation of strategy and ensures accountability through appropriate reporting and disclosures. Guided by the Board Charter, it ensures that governance matters are effectively addressed. The roles of the Board Chairman and CEO are separate and clearly defined to maintain an appropriate balance of authority and prevent unfettered decision-making by any one individual.

Board oversight, independence and ethical governance

The Board is led by an independent, non-executive Chairman who provides leadership, manages the Board agenda, supports Board effectiveness and maintains constructive engagement with management and regulators. Non-executive directors provide independent challenge, counsel and oversight of strategy, controls and risk management. The Chairman and non-executive directors ensure appropriate checks and balances between the Board and executive management, with independent non-executive directors forming the majority of the Board.

The Board Appointments and Remunerations Committee sets remuneration policy and approves remuneration for executive directors, senior executives and non-executive directors, with executive remuneration comprising a basic salary and performance-based bonus.

The Board recognises the value of diversity and comprises directors with experience across banking, finance, legal, human resources and executive management.

The Board conducts annual independence assessments and receives annual declarations of interest, and is satisfied that the independent non-executive directors continue to exercise independent judgement. At each Board meeting, directors disclose their interests, declare any additional interests, and confirm or update their declarations of interest as appropriate.

Directors have unrestricted access to Bank records, management and independent professional advice to support effective oversight.

Directors, management and staff are prohibited from dealing in First Capital Bank shares during closed periods, cautionary announcement periods or while in possession of price-sensitive non-public information.

The bank engages stakeholders through the AGM, analyst briefings, town halls, market announcements, shareholder notices, annual reporting and regular engagement with key regulators.

Internal Audit independently assesses risk management, controls, processes and systems, reports findings to management and monitors remediation of control weaknesses.

The bank maintains a zero-tolerance approach to bribery and corruption and promotes ethical conduct through its Anti-Bribery and Corruption standard and anonymous whistle-blowing facility.

The Board conducts an externally facilitated annual evaluation of directors, the Chairman, Committees and overall Board effectiveness, with results reported to the Board and submitted to the Reserve Bank of Zimbabwe.

Board activities

The Board held three meetings during the half-year period ended 30 June 2026. Each Board Committee held at least two 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 half-year period ended 30 June 2026 is shown on page 2.

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 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.

The Board is supported in the discharge of its governance responsibilities by six committees, each operating within approved terms of reference. The Audit Committee provides oversight of financial reporting, accounting policies, internal and external audit, internal controls and regulatory compliance. The Board Credit Committee considers matters relating to credit governance, credit applications above management limits and the monitoring of credit risk. The Loans Review Committee reviews the quality of the loan portfolio and promotes compliance with applicable laws, regulations and internal lending policies. The Appointments and Remunerations Committee assists the Board with appointments, nominations, succession planning and remuneration matters. The Board Risk and Compliance Committee oversees the bank's enterprise risk management framework, including operational, financial and compliance risks. The Board IT Committee provides strategic oversight of information technology, data protection, cyber security and information management.

Executive management, led by the Chief Executive Officer, is responsible for implementing strategy, managing risk and controls, monitoring performance, preparing financial statements and keeping the Board informed of material business developments. In addition to the Board Committees, the bank's management governance structure is supported by the Executive Committee (EXCO), the Country Management Committee (CMC) and the Assets and Liabilities Committee (ALCO). EXCO, under authority delegated by the Board, supports the Chief Executive Officer in managing the bank, developing strategy, delivering the annual business plan and coordinating execution across business units and management committees. CMC serves as the operational management forum responsible for implementing operational plans, annual budgeting, periodic strategic reviews, oversight of key risks and assurance over the adequacy and effectiveness of internal controls. ALCO oversees the active management of the bank's balance sheet, funding, liquidity, cash flow, capital adequacy and exposure to interest rate, exchange rate, market and related financial risks, ensuring that strategies remain aligned to the bank's risk appetite and approved financial risk parameters.

Board and Board Committee meeting attendance

During the half year period ended 30 June 2026, the Board and its six (6) Committees met at least two (2) times.

Name	Main Board	Audit Committee	Risk and Compliance Committee	Credit Committee	Loans Review Committee	Appointments and Remunerations Committee	Information Technology Committee
Number of meetings held	**3**	**2**	**2**	**2**	**2**	**2**	**2**
P. Devenish***	3	~	~	~	~	2	~
A. Chinamo***	3	1	2	1	~	~	~
K. Naik***	3	~	~	2	~	2	~
K. Terry***	1	2	~	~	~	~	2
T. Moyo***^	2	1	~	~	1	~	~
S. Moyo***^	2	1	1	~	1	~	~
N. Dube***#	1	1	~	~	1	~	~
M Gursahani**	2	~	2	~	2	~	2
H. Anadkat**	2	~	~	2	~	2	~
T. Mushoriwa*	3	~	~	~	~	~	1
N. Simões*	3	~	~	~	~	~	~

Key:
~ Not a member
\# N. Dube was appointed to the Board on 7 May 2026
^ S Moyo and T Moyo retired on 30 March 2026
* Executive director,
** Non-executive director
*** Independent non-executive director

Board Changes

Subsequent to the half-year ended 30 June 2026 and prior to the approval of these financial statements, the Board appointed Mr. Innocent Chagonda as an Independent Non-Executive Director, effective 4 August 2026, to fill a Board vacancy.

Directors' shareholding

The following is a schedule of the directors' shareholdings in the bank as at 30 June 2026

P. Devenish	Nil
H. Anadkat*	36 068 751 (direct interest)
K. Terry	Nil
A. Chinamo	Nil
K. Naik	4 791 701 (direct interest)
T. Mushoriwa	Nil
N. Dube	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.

Half year Financial Statements

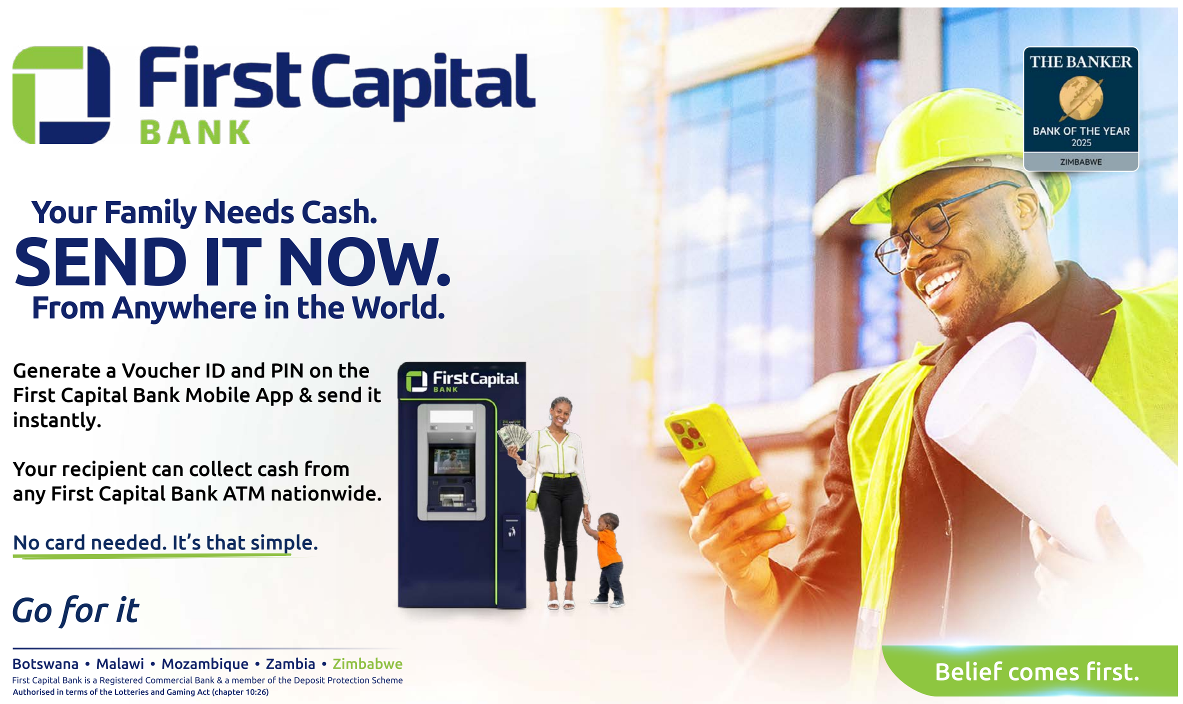
The Directors are responsible for the preparation and integrity of the financial results and related financial information contained in this report. The financial statements, which form the basis of these financial results, are prepared in accordance with International Financial Reporting Standards and 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 unaudited financial 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.

By order of the Board

Sarudzai Binha
Company Secretary
25 August 2026



Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the half year ended 30 June 2026

	Notes	30 June 2026 USD000	30 June 2025 USD000
Interest income calculated using the effective interest rate method	3	**22 921**	19 965
Other interest and related income	3	**591**	382
Interest income		**23 512**	20 347
Interest expense calculated using the effective interest method	4	**(1 743)**	(1 352)
Other interest and similar expense	4	**(63)**	(93)
Interest expense		**(1 806)**	(1 445)
Net interest income		**21 706**	18 902
Fee and commission income	5	**19 074**	17 212
Fee and commission expense	5	**(2 711)**	(1 347)
Net Fee and commission		**16 363**	15 865
Trading and foreign exchange income	6	**5 371**	5 449
Investment and other income	7	**244**	726
Net non interest income		**21 978**	22 040
Total net income		**43 684**	40 942
Impairment losses on financial assets	9	**(355)**	(2 902)
Net operating income		**43 329**	38 040
Staff costs	8.1.1	**(8 834)**	(7 749)
Infrastructure costs	8.1.2	**(4 567)**	(4 987)
General expenses	8.1.3	**(7 346)**	(7 098)
Operating expenses		**(20 747)**	(19 834)
Share of loss from joint venture	21	**–**	(44)
Profit before tax		**22 582**	18 162
Tax Expense	10	**(5 851)**	(4 888)
Profit for the year		**16 731**	13 274
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Loss on equity investments at fair value through other comprehensive income		**–**	(18)
Deferred tax credit		**–**	5
Items that will be reclassified subsequently to profit or loss:			
Loss on debt instruments at fair value through other comprehensive income		**(464)**	(242)
Net gain on other comprehensive income		**(464)**	(255)
Total comprehensive income		**16 267**	13 019
Earnings per share			
Basic (cents per share)		**0.77**	0.61
Diluted (cents per share)		**0.77**	0.61
Headline (cents per share)		**0.77**	0.61

Consolidated Statement of Financial Position
for the half year ended 30 June 2026

	Notes	30 June 2026 USD000	Audited 31 December 2025 USD000
ASSETS			
Cash and bank balances	11	**130 557**	107 815
Non-current assets held for sale	20	**–**	13 968
Loans and receivables from banks	13	**9 880**	2 801
Loans and advances to customers	14	**164 989**	128 671
Other assets	15	**16 517**	10 360
Investment securities	12	**27 931**	27 652
Investment properties	18	**2 039**	2 039
Intangible assets	19	**919**	1 016
Right of use assets	22.1	**2 911**	3 323
Property and equipment	16	**34 358**	34 340
Total assets		**390 101**	331 985
LIABILITIES			
Deposits from customers	24	**248 763**	200 063
Provisions and employee benefit accruals	25	**3 377**	4 342
Other liabilities	26	**15 944**	9 491
Balances due to group companies	34.5	**2 757**	1 350
Current tax liabilities		**2 493**	4 216
Lease liabilities	22.2	**2 057**	2 510
Balances due to banks	23	**15 724**	14 948
Deferred tax liabilities	28	**3 944**	3 615
Total liabilities		**295 059**	240 535
EQUITY			
Capital and reserves			
Share capital	29.1	**31**	31
Share premium	29.2	**3 441**	3 441
Non-distributable reserve	29.3	**1 123**	1 123
Investments at fair value through other comprehensive income reserve	29.4	**2 992**	3 456
Property revaluation reserve	29.5	**16 095**	16 095
General reserve	29.6	**869**	–
Share-based payment reserve	29.7	**181**	181
Retained earnings		**70 310**	67 123
Total equity		**95 042**	91 450
Total equity and liabilities		**390 101**	331 985

Consolidated Statement of Changes in Equity
for the half year ended 30 June 2026

	Share capital USD000	Share premium USD000	Non-distributable reserve USD000	Fair value through other comprehensive income reserve USD000	Property revaluation reserve USD000	General reserve USD000	Share-based payment reserve USD000	Retained earnings USD000	Total equity USD000
Balance at 1 January 2026	**31**	**3 441**	**1 123**	**3 456**	**16 095**	**–**	**181**	**67 123**	**91 450**
Profit for the year	–	–	–	–	–	–	–	16 731	16 731
Other comprehensive income for the year	–	–	–	(464)	–	–	–		(464)
Total comprehensive income for the year	–	–	–	(464)	–		–	16 731	16 267
Regulatory impairment allowances	–	–	–	–	–	869	–	(869)	–
Dividends paid	–	–	–	–	–	–	–	(12 675)	(12 675)
Balance at 30 June 2026	**31**	**3 441**	**1 123**	**2 992**	**16 095**	**869**	**181**	**70 310**	**95 042**

	Share capital USD000	Share premium USD000	Non-distributable reserve USD000	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
Balance at 1 January 2025	31	3 441	1 123	1 088	16 832	435	181	54 098	77 229
Profit for the year	–	–	–	–	–	–	–	13 274	13 274
Other comprehensive income for the year	–	–	–	(255)	–	–	–	–	(255)
Total comprehensive income for the year	–	–	–	(255)	–	–	–	13 274	13 019
Regulatory impairment allowances	–	–	–	–	–	36	–	(36)	–
Dividends paid	–	–	–	–	–	–	–	(6 808)	(6 808)
Balance at 30 June 2025	31	3 441	1 123	833	16 832	471	181	60 528	83 440

Consolidated Statement of Cash Flows

for the half year ended 30 June 2026

	Notes	30 June 2026 USD000	30 June 2025 USD000
Profit before tax		**22 582**	18 162
Adjustments:			
Depreciation of property, equipment and right of use asset	8.1.2	**1 388**	1 700
Software amortisation	8.1.2	**97**	163
Foreign exchange revaluation gain	6	**(347)**	(658)
Impairment loss on financial assets	9	**583**	3 243
Fair value (loss)/gain on gold-backed digital tokens	12.2	**172**	(335)
Share of loss from joint venture	21	**–**	44
Dividend income from equity securities	7	**(88)**	–
Loss on disposal of property and equipment	17	**13**	2
Interest income accrued on investments securities and bank balances	3	**(1 199)**	(1 033)
Amortisation of staff loan benefits		**–**	65
Interest expense accrued on customer deposits and balances due to banks	4	**1 647**	1 199
Interest accrued on lease liabilities	4	**159**	246
Interest income accrued on loans	3	**(22 313)**	(19 314)
Cash flows from operating activities		**2 694**	3 484
Increase in loans and advances to customers		**(36 662)**	(6 089)
Increase in other assets		**(6 156)**	(6 661)
Increase in deposits from customers		**48 600**	9 426
Increase/(decrease) in employee accruals, amounts due to group companies and other liabilities		**8 304**	(126)
Corporate income tax paid		**(8 525)**	(5 906)
Interest received on loans and bank balances		**23 062**	19 866
Interest paid on deposits		**(1 108)**	(1 080)
Increase in loans and receivables from banks		**(7 025)**	(512)
Net cash generated from operating activities		**23 184**	12 402
Cash flows from investing activities			
Purchase of property, equipment and intangible assets	16	**(1 007)**	(3 117)
Proceeds from sale of property, equipment and non-current asset held for sale	17	**13 970**	273
Dividend from equity securities		**88**	–
Interest received from investment securities		**734**	981
Proceeds from sale and maturities of TBs and Bonds	12.1	**6 187**	1 348
Purchase of Treasury Bills and Bonds	12.1	**(6 033)**	(560)
Proceeds from disposal of gold-backed digital tokens	12.2	**–**	53
Net cash generated from/(used in) investing activities		**13 939**	(1 022)
Cash flows from financing activities			
Interest paid on lease liabilities	22.2	**(599)**	(181)
Lease liabilities principal payments	22.2	**(1 336)**	(297)
Dividend paid		**(12 675)**	(6 808)
Balances due to banks – Principal repayments	23	**(5 813)**	(5 054)
Balances due to banks – Interest payments	23	**(804)**	(398)
Balances due to banks – borrowings	23	**6 565**	3 325
Net cash used in financing activities		**(14 662)**	(9 413)
Net increase in cash and cash equivalents		**22 461**	1 966
Cash and cash equivalents at the beginning of the year		**107 815**	96 958
Exchange gain/(loss) on foreign cash balances		**281**	(2 030)
Cash and cash equivalents at the end of the period		**130 557**	96 894

Notes to the Abridged Half Year Financial Statements

for the half year ended 30 June 2026

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 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 financial statements are consistent with the most recent financial statements for the year ended 31 December 2025.

2.1 Basis of preparation

The consolidated 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 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.

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

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the bank and Thulilie Investments (Private) Ltd. Both companies in the Group have a 31 December year end. Inter-group transactions, balances, income and expenses were eliminated on 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 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 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.

2.6 Material estimates and judgments

Estimates, judgements and assumptions made by management which would have significant effects on the consolidated 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.

	30 June 2026 USD000	30 June 2025 USD000
3 Interest income		
Interest income calculated using the effective interest method		
Loans and receivables from Banks and investment securities	**608**	651
Loans and advances to customers	**22 313**	19 314
	22 921	19 965
Other interest and similar income		
Bank balances	**591**	382
Total	**23 512**	20 347

	30 June 2026 USD000	30 June 2025 USD000
4 Interest expense calculated using the effective interest method		
Interest on lease liabilities	**(159)**	(246)
Balances due to banks	**(404)**	(488)
Total Interest expense calculated using the effective interest method	**(1 180)**	(618)
Total	**(1 743)**	(1 352)
Other interest and similar expense		
Other interest and similar expense	**(63)**	(93)
Total other interest and similar expense	**(63)**	(93)
Total expense	**(1 806)**	(1 445)
5 Net fee and commission income		
Account maintenance fees	**3 830**	2 898
Insurance commission received	**305**	283
Transfers and other transactional fees	**8 116**	7 608
Guarantees	**22**	35
Card based transaction fees	**3 451**	2 451
Cash withdrawal fees	**3 350**	3 937
Fee and commission income	**19 074**	17 212
Fee and commission expense		
Card expenses	**(2 711)**	(1 347)
Fee and commission expense	**(2 711)**	(1 347)
Net fee and commission income	**16 363**	15 865

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

75% (2025: 80%) of the fee and commission income was recognised at a point in time. The remaining 25% (2025: 20%) was recognised over time.

	30 June 2026 USD000	30 June 2025 USD000
6 Trading and foreign exchange income		
Foreign exchange revaluation gain	**347**	658
Foreign exchange trading income	**5 024**	4 791
Total	**5 371**	5 449
7 Net investment and other income		
Dividend income	**88**	–
Gain on gold-backed digital tokens	**–**	335
Rental income	**104**	170
Sundry income	**52**	221
Total	**244**	726
8 Operating expenses		
8.1 Operating expenses		
Staff costs	**(8 834)**	(7 749)
Infrastructure costs	**(4 567)**	(4 987)
General expenses	**(7 346)**	(7 098)
Total	**(20 747)**	(19 834)
8.1.1 Staff costs		
Salaries, allowances and Directors remuneration	**(7 634)**	(6 794)
Medical costs	**(355)**	(327)
Social security costs	**(88)**	(87)
Pension costs: defined contribution plans	**(757)**	(541)
Total	**(8 834)**	(7 749)
Average number of employees during the period:	**489**	451
8.1.2 Infrastructure costs		
Repairs and maintenance	**(261)**	(231)
Heating, lighting, cleaning and rates	**(666)**	(591)
Security costs	**(261)**	(241)
Depreciation of property, equipment and right of use asset	**(1 388)**	(1 700)
Software amortisation	**(97)**	(163)
Short term leases	**(45)**	(92)
Connectivity, software and licences	**(1 836)**	(1 967)
Loss on disposal of property and equipment	**(13)**	(2)
Total	**(4 567)**	(4 987)
8.1.3 General expenses		
Consultancy, legal & professional fees	**(253)**	(216)
Subscription, publications & stationery	**(443)**	(548)
Marketing, advertising & sponsorship	**(433)**	(391)
Travel & accommodation	**(139)**	(190)
Cash transportation	**(349)**	(322)
Insurance costs	**(519)**	(473)
Telex, telephones & communication	**(744)**	(758)
Group recharges	**(4 269)**	(2 965)
Other administrative & general expenses	**(197)**	(1 235)
Total	**(7 346)**	(7 098)
Included in the operating expenses are the following:		
Directors fees and remuneration:		
For services as part of management	**(650)**	(309)
For the oversight role as the director	**(56)**	(64)
Total	**(706)**	(373)
Auditors' remuneration for audit related services	**(181)**	(79)
9 Impairment losses on financial assets		
Stage 1		
Loans and advances to customers	**50**	(220)
Balances with banks – local & nostro	**(33)**	(88)
Investment securities – treasury bills & bonds	**459**	(1 284)
Other assets, guarantees and letters of credit	**4**	(40)
Total	**480**	(1 632)
Stage 2		
Loans and advances to customers	**(105)**	(137)
Total	**(105)**	(137)
Stage 3		
Loans and advances to customers	**(959)**	(1 474)
Total	**(959)**	(1 474)
Total impairment raised during the period	**(583)**	(3 242)
Recoveries of loans and advances previously written off	**228**	340
Impairment losses recognised in profit/loss	**(355)**	(2 902)
10 Taxation		
Income tax recognised in profit or loss		
Current tax		
Normal tax – current year	**(5 523)**	(5 627)
Total	**(5 523)**	(5 627)
Deferred tax		
Deferred tax expense recognised in the current year	**(328)**	739
Total	**(328)**	739
Total income tax charge recognised in the current year	**(5 851)**	(4 888)

11 Cash and bank balances

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Balances with central bank	33 834	27 488
Statutory reserve balance with central bank	68 555	52 918
Cash on hand – foreign currency	24 200	19 650
Cash on hand – local currency	453	263
Balances due from group companies	103	142
Balances with banks abroad	3 647	7 556
Cash and bank balances	130 792	108 017
Expected credit losses	(235)	(202)
Net cash and bank balances*	130 557	107 815

* Cash and bank balances include restricted amounts relating to:

a) Reserve Bank of Zimbabwe –

- Card transaction cash security USD2.5 million (2025: USD1.7 million) – Local switch required cash security kept by the regulator.
- Statutory reserve for customer deposits USD68.5 million (2025: USD52.9 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 USD0.25 million (2025: USD0.004 million).

12 Investment securities

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Treasury bills and bonds	19 812	19 361
Gold-backed digital tokens	2 015	2 187
Equity securities	6 104	6 104
Balance at the end of the period	27 931	27 652

12.1 Treasury bills and bonds

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Balance at beginning of year	19 361	7 294
Additions	6 033	18 475
Accrued interest	608	583
Loss on derecognition of financial assets	–	(2 132)
Impairment	–	(578)
Maturities	(6 187)	(4 334)
Changes in fair value	(3)	53
Balance at the end of the period	19 812	19 361

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.

12.2 Gold-backed digital tokens

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Balance at beginning of year	2 187	1 356
Additions	–	–
Disposal	–	(53)
Fair value (loss)/gain	(172)	884
Balance at the end of the period	2 015	2 187

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

12.3 Equity securities

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Balance at beginning of year	6 104	4 314
Disposals	–	(236)
Changes in fair value	–	2 026
Balance at the end of the period	6 104	6 104

Equity securities designated as fair value through other comprehensive income are measured at fair value.

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Total balance at end of the period	27 931	27 652

13 Loans and receivables from Banks

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Clearing balances with other banks	518	165
Interbank placements	9 362	2 636
Balance at the end of the period	9 880	2 801

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

14 Loans and advances to customers

	Retail Banking USD000	Business Banking USD000	Corporate and Investment Banking USD000	Total USD000
2026				
Term loans	79 733	2 673	52 129	134 535
Mortgage loans	294	–	–	294
Overdrafts	17 074	–	16 712	33 786
Gross loans and advances to customers	97 101	2 673	68 841	168 615
Less allowance for expected credit losses:				
Stage 1	(847)	(7)	(112)	(966)
Stage 2	(503)	–	(2)	(505)
Stage 3	(1 215)	(112)	(828)	(2 155)
Allowance for expected credit losses	(2 565)	(119)	(942)	(3 626)
Net loans and advances to customers	94 536	2 554	67 900	164 989
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)	(130)	(755)	(3 320)
Net loans and advances to customers	70 259	5 482	52 930	128 671

15 Other assets

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Prepayments and stationery	12 577	4 586
Card security deposit and settlement balances	1 881	2 911
Visa Card security – Malawi	1 500	1 500
Other receivables	585	1 988
Total before expected credit losses	16 543	10 985
Less expected credit loss	(26)	(625)
Total other assets	16 517	10 360
Current	15 017	8 860
Non-current	1 500	1 500
Total	16 517	10 360

16 Property and equipment

	Land and buildings USD000	Computers USD000	Equipment USD000	Furniture and fittings USD000	Motor vehicles USD000	Asset under construction USD000	Total USD000
2026							
Balance at beginning of year	27 747	2 056	1 643	2 011	883	–	34 340
Additions	313	490	204	–	–	–	1 007
Disposals	–	(56)	(1)	–	–	–	(57)
Depreciation charge on disposals	–	43	–	–	–	–	43
Depreciation	(299)	(337)	(92)	(68)	(179)	–	(975)
Carrying amount at end of the period	27 761	2 196	1 754	1 943	704	–	34 358
Cost or valuation	28 060	2 490	1 846	2 011	883	–	35 290
Accumulated depreciation	(299)	(294)	(92)	(68)	(179)	–	(932)
Carrying amount at end of the period	27 761	2 196	1 754	1 943	704	–	34 358
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)
Transfer from 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

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 last valued by a qualified, independent valuer, Integrated Properties (Private) Ltd as at 31 December 2025 and no other valuations have been done in 2026.

If property and equipment were stated on the historical cost basis, the carrying amount would be USD32 million (2025: USD33 million).

17 Proceeds on disposal of property, equipment and non-current asset held for sale

	30 June 2026 USD000	30 June 2025 USD000
Carrying amount of property and equipment disposed of	15	275
Loss on disposal of property and equipment	(13)	(2)
Proceeds on disposal of property and equipment	2	273
Proceeds on disposal of non current asset held for sale	13 968	–
Total proceeds on property and equipment and disposal of non-current asset held for sale	13 970	273

18 Investment properties

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Balance at beginning of year	2 039	2 174
Transfer (to)/ from property and equipment	–	(80)
Change in fair value	–	(55)
Balance at the end of the period	2 039	2 039
Rental income derived from investment properties	104	291
Maturity analysis – contractual undiscounted rentals receivable		
Less than one year	171	194
One to two years	45	152
Three to four years	6	47
Four to five years	–	–
More than five years	–	–
Total	222	393

The fair value of investment property was determined by external, independent property valuers, Integrated Properties (Pvt) Ltd (2025: 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 30.1) based on the inputs to the valuation technique used.

Operating costs incurred on investment properties that generated rental income during the year were nil (2025: nil). 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.

19 Intangible assets

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Balance at beginning of year	1 016	1 298
Additions	–	–
Amortisation	(97)	(282)
Balance at end of the period	919	1 016
Cost	3 401	3 401
Accumulated amortisation	(2 482)	(2 385)
Balance at end of the period	919	1 016

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

20 Non-current assets held for sale

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Balance at the beginning of the year	13 968	–
Disposal	(13 968)	–
Transfer from the investment in joint venture	–	13 968
Balance at end of the period	–	13 968

The non-current asset held for sale in the current year was the bank's investment in Makasa Sun (Pvt) Ltd. The investment sale was completed during the current year and the asset duly derecognized.

21 Investment in joint venture

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Summarised financial information		
Revenue	–	–
Fair value gain on property	–	3 743
Profit for the year	–	2 989
Total comprehensive income	–	2 989
The above profit/(loss) for the year include the income tax credit of USD0.0 million (2025: USD0.00 million income tax expense).		
Group's interest at beginning of year	–	12 473
Current year share of total comprehensive (loss)/income in joint venture	–	1 495
Transfer to non-current held for sale	–	(13 968)
Carrying amount of investment at end of the period	–	–

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

The investment was transferred to non-current assets held for sale, after meeting the IFRS 5 requirements.

22 Leases

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
22.1 Right of use asset		
Balance at beginning of year	**3 323**	3 931
Additions	**–**	1 071
Terminated	**–**	(582)
Depreciation	**(412)**	(1 097)
Balance at end of the period	**2 911**	3 323
22.2 Lease liabilities		
Balance at beginning of year	**2 510**	2 873
Additions	**1 323**	579
Accretion of interest	**159**	493
Payments	**(1 935)**	(1 435)
Balance at end of the period	**2 057**	2 510
Maturity analysis – contractual undiscounted cash flows		
Less than one year	**1 333**	1 382
One to five years	**2 151**	2 655
More than five years	**458**	617
Total	**3 942**	4 654
Lease liabilities included in statement of financial position		
Current	**490**	544
Non-current	**1 567**	1 966
Balance at end of the period	**2 057**	2 510
Amounts recognised in profit/loss		
Interest on lease liabilities	**(159)**	(493)
Expenses – short term	**(45)**	(643)
Depreciation	**(412)**	(1 097)
Total	**(616)**	(2 233)
Statement of cash-flows – Leases		
Short term lease	**(45)**	(150)
Long term lease	**(1 935)**	(1 435)
Total cash outflows	**(1 980)**	(1 585)

* Lease liability includes finance cost of USD 599k (2025: USD 460k) and principal cost USD1.336 million (2025:USD 975k).

23 Balances due to banks

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Bank balances due to banks abroad	**4 565**	163
Local interbank money market deposit	**2 003**	3 268
Offshore lines of credit	**8 090**	10 909
Clearance balances due to local banks	**1 066**	608
Total deposits from banks	**15 724**	14 948

	Other balances	Offshore lines of credit	Total
30 JUNE 2026			
As at beginning of the year	**4 039**	**10 909**	**14 948**
Net increase or decrease in long term borrowings	**3 595**	**(2 819)**	**776**
Additions	**6 565**	**–**	**6 565**
Principal repayment	**(2 973)**	**(2 840)**	**(5 813)**
Interest accrued	**55**	**773**	**828**
Interest paid	**(52)**	**(752)**	**(804)**
Balance at end of period	**7 634**	**8 090**	**15 724**
Principal amount	**7 631**	**8 069**	**15 700**
Interest accrued	**3**	**21**	**24**
Balance at end of period	**7 634**	**8 090**	**15 724**
31 DECEMBER 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)
Principal 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

24 Deposits from customers

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Demand deposits		
Retail	**49 474**	44 308
Business banking	**15 694**	15 623
Corporate and investment banking	**151 005**	107 794
Total	**216 173**	167 725
Call deposits		
Retail	**–**	–
Corporate and investment banking	**30 582**	31 049
Total	**30 582**	31 049
Savings accounts		
Retail	**1 658**	968
Total	**1 658**	968
Other		
Corporate and investment banking	**350**	321
Total	**350**	321
Total deposits from customers	**248 763**	200 063

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 USD35 million (2025: USD25 million). Also included in customer accounts are deposits of USD 0.35 million (2025: USD 0.32 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.

24.1 Concentration of customer deposits

	30 June 2026 USD000	%	Audited 31 Dec 2025 USD000	%
Trade and services	**115 392**	**46**	95 322	48
Energy and minerals	**17 745**	**8**	3 453	2
Agriculture	**1 894**	**1**	4 326	2
Construction and property	**1 838**	**1**	290	–
Light and heavy industry	**26 005**	**10**	21 358	11
Physical persons	**49 685**	**20**	45 276	22
Transport and distribution	**10 344**	**4**	9 041	5
Financial services	**25 860**	**10**	20 997	10
Total	**248 763**	**100**	200 063	100

25 Provisions and employee benefit accruals

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Staff retention		
Balance at beginning of year	**2 291**	1 354
Accruals made during the year	**953**	2 324
Accruals used during the year	**(1 640)**	(1 387)
Balance at end of the period	**1 604**	2 291
Outstanding employee leave		
Balance at beginning of year	**131**	176
Accruals made during the year	**1 019**	666
Accruals used during the year	**(928)**	(711)
Balance at end of the period	**222**	131
Redundancy		
Balance at beginning of year	**25**	158
Accruals made during the year	**–**	–
Accruals used during the year	**(7)**	(133)
Balance at end of the period	**18**	25
Other provisions		
Balance at beginning of year	**1 895**	–
Accruals made during the year	**–**	1 895
Accruals used during the year	**(362)**	–
Balance at end of the period	**1 533**	1 895
Balance at end of the period	**3 377**	4 342

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 retrenchement package included staggered benefits which make up the redundancy balance.

Other provisions include commercial paper potential defaults and card losses under investigations.

26 Other liabilities

	2026 USD000	2025 USD000
Accrued expenses	**2 148**	1 188
Clearing accounts	**10 126**	4 265
Withholding taxes	**3 670**	4 038
Balance at end of the period	**15 944**	9 491

27 Retirement benefit plans

27.1 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 as at 30 June 2026.

27.2 Defined contribution plans

The defined contribution pension plan, to which the Group contributes 18% (2025: 18%), is provided for permanent employees. Over and above the Group's contribution, the employee contributes 6% (2025: 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 USD757k (2025: USD541k).

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 USD5400) for eligible employees.

27.3 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.

28 Deferred tax

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Deferred tax balances		
The analysis of the deferred tax assets and deferred tax liabilities is as follows:		
Deferred tax assets	**(3 328)**	(3 462)
Deferred tax liabilities	**7 272**	7 077
Total deferred tax liability	**3 944**	3 615

29 Share capital and reserves

	30 June 2026 Number of shares	Audited 31 Dec 2025 Number of shares
Authorised shares		
Issued and fully paid	**2 162 285 929**	2 161 875 929
Shares under control of directors	**2 837 714 071**	2 838 124 071
Total authorised shares	**5 000 000 000**	5 000 000 000
Authorised share capital		
Ordinary shares (5 000 000 000 shares of ZWG 0.01 cents per share)	**500**	500
29.1 Issued share capital		
Issued and fully paid shares	**2 161 875 929**	2 161 295 929
Exercise of share options	**410 000**	580 000
Balance at end of period	**2 162 285 929**	2 161 875 929

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Ordinary shares	**31**	31
Total	**31**	31

The total authorised number of ordinary shares at period end was 5 billion (2025: 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.

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
29.2 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 the period	**3 441**	3 441
29.3 Non-distributable reserves		
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.		
Balance at beginning of year	**1 123**	1 123
Balance at end of the period	**1 123**	1 123
29.4 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.		
Fair value through other comprehensive income reserve		
Balance at beginning of year	**3 456**	1 088
Current year movement	**(464)**	2 368
Balance at end of period	**2 992**	3 456
29.5 Property revaluation reserve		
Revaluation movement on property and equipment is classified under revaluation reserve. Additional detail on revaluation of assets is contained in note 16.		
Balance at beginning of year	**16 095**	16 832
Property revaluations	**–**	(737)
Balance at the end of the period	**16 095**	16 095

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
29.6 General Reserve		
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
Increase/(decrease) in provision for regulatory impairment	**869**	(435)
Balance at end of period	**869**	–
29.7 Share-based payment reserve		
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

29.8 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.

29.9 Movements during the period

The following reconciles the share options outstanding at the beginning and end of the year:

	30 JUNE 2026		AUDITED 31 DEC 2025	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Outstanding at beginning of the year	**1 320 000**	**0.05**	1 900 000	0.05
Granted during the year	**–**	**0.02**	–	0.02
Forfeited during the year	**–**	**–**	–	–
Exercised during the year	**(410 000)**	**–**	(580 000)	–
Outstanding at period end	**910 000**	**–**	1 320 000	–
Exercisable at period end	**200 000**	**–**	610 000	
Weighted average contractual life of options outstanding at end of period (years)	**4.82**		4.82	

30 Financial instruments

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Classification of assets and liabilities		
Financial assets		
Financial assets at fair value through profit and loss		
Gold backed digital gold tokens	**2 015**	2 187
Total	**2 015**	2 187
Financial assets at amortised cost		
Cash and bank balances	**130 557**	107 815
Treasury bills	**–**	–
Loans and advances to customers	**164 989**	128 671
Loans and receivables from banks	**9 880**	2 801
Other assets*	**3 939**	5 774
Total	**309 365**	245 061
* Excludes prepayments and stationery.		
Financial assets at fair value through other comprehensive income		
Treasury bills	**19 812**	19 361
Unquoted equity securities	**6 104**	6 104
Total	**25 916**	25 465
Total financial assets	**337 296**	272 713
Financial Liabilities		
Financial liabilities at fair value through P/L		
Other foreign currency claims – cash swaps	**242**	810
Total	**242**	810
Financial liabilities at amortised cost		
Customer deposits	**248 763**	200 063
Balances due to banks	**15 724**	14 948
Other liabilities*	**15 556**	7 238
Lease liability	**2 057**	2 510
Balances due to group companies	**2 757**	1 350
Total	**284 857**	226 109
Total financial liabilities	**285 099**	226 919

* Excludes deferred income.

30.1 Fair value hierarchy of assets and liabilities held at fair value

Fair value hierarchy

The following table provides an analysis of assets and liabilities 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
30 JUNE 2026				
Recurring fair value measurements				
Financial assets				
Gold-backed digital tokens	**2 015**	**–**	**–**	**2 015**
Treasury bills	**–**	**–**	**19 812**	**19 812**
Unquoted equity instruments	**–**	**–**	**6 104**	**6 104**
Balance at 30 June 2026	**2 015**	**–**	**25 916**	**27 931**
Non-financial assets				
Property and equipment	**–**	**–**	**34 358**	**34 358**
Investment property	**–**	**–**	**2 039**	**2 039**
Balance at 30 June 2026	**–**	**–**	**36 397**	**36 397**
Financial liabilities				
Other foreign currency claims – cash swaps	**–**	**242**	**–**	**242**
Balance at 30 June 2026	**–**	**242**	**–**	**242**

	Level 1 USD000	Level 2 USD000	Level 3 USD000	Total USD000
31 DECEMBER 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

30.2 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:

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

30.3 Valuation techniques for the level 3 fair value measurement of assets and liabilities held at fair value

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: • 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 characterised 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 Amortisation (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 capitalisation 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 value per square metre	Cap rates: 9% to 15% Rental/m^2: USD3.17 to USD21.67
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	USD3.17 to USD21.67 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%

30.4 Reconciliation of recurring level 3 fair value measurements

	Property and equipment USD000	Investment securities USD000	Investment properties USD000	Non-current asset held for sale USD000	Total USD000
30 JUNE 2026					
Balance at 1 January 2026	**34 340**	**27 652**	**2 039**	**13 968**	**77 999**
Depreciation/revaluation	**(975)**	**–**	**–**	**–**	**(975)**
Translation adjustment	**–**	**–**	**–**	**–**	**–**
Additions	**1 007**	**6 033**	**–**	**–**	**7 040**
Accrued interest	**–**	**608**	**–**	**–**	**608**
Maturities/Disposal	**(14)**	**(6 187)**	**–**	**(13 968)**	**(20 169)**
Transfer (to)/from property and equipment		**–**	**–**	**–**	**–**
Revaluation	**–**	**–**	**–**	**–**	**–**
Transfer from investment property	**–**	**–**	**–**	**–**	**–**
Transfer from Joint venture	**–**	**–**	**–**	**–**	**–**
Total gains and (losses) recognised in profit or (loss)	**–**	**(172)**	**–**	**–**	**(172)**
Total gains and losses recognised in other comprehensive income	**–**	**(3)**	**–**	**–**	**(3)**
Balance at 30 June 2026	**34 358**	**27 931**	**2 039**	**–**	**64 328**

	Property and equipment USD000	Investment securities USD000	Investment properties USD000	Non-current asset held for sale USD000	Total USD000
31 DECEMBER 2025					
Balance at 1 January 2025	30 769	12 964	2 174	–	45 907
Depreciation/revaluation	(2 252)	–	–	–	(2 252)
Translation adjustment	–	–	–	–	–
Additions	6 495	18 475	(80)	–	24 890
Accrued interest	–	583	–	–	583
Maturities/Disposal	(655)	(4 623)	–	–	(5 278)
Transfer (to)/from property and equipment	–	–	–	–	–
Revaluation	(97)	–	–	–	(97)
Transfer from investment property	80	–	–	–	80
Transfer from Joint venture	–	–	–	13 968	–
Total gains and losses recognised in profit or (loss)	–	(1 826)	(55)	–	(1 881)
Disposal of non-current assets held for sale	–	–	–	–	
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

30.5 Fair value of financial instruments not held at fair value

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.

	30 JUNE 2026		AUDITED 31 DEC 2025	
	Carrying amount USD000	Fair value USD000	Carrying amount USD000	Fair value USD000
Financial Assets				
Cash and bank balances	**130 557**	**130 557**	107 815	107 815
Loans and receivables from Banks	**9 880**	**9 880**	2 801	2 801
Loans and advances to customers	**164 989**	**164 989**	128 671	128 671
Other assets	**3 939**	**3 939**	5 774	5 774
Total	**309 365**	**309 365**	245 061	245 061
Financial Liabilities				
Balances due to banks	**15 724**	**15 724**	14 948	14 948
Deposits from customers	**248 763**	**248 763**	200 063	200 063
Lease liability	**2 057**	**2 057**	2 510	2 510
Other liabilities	**15 556**	**15 556**	8 048	8 048
Balances due to group companies	**2 757**	**2 757**	1 350	1 350
Total	**284 857**	**284 857**	226 919	226 919

31 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.

31.1 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 capital requirements set by banking regulators;
- To safeguard the bank's ability to continue as a going concern so that it can continue to provide sustainable 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:** Includes contributed capital, accumulated profits, share-based payment reserves, and currency translation reserves.
- **Tier 2 Capital:** Comprises qualifying impairment allowances, revaluation reserves, and a portion of currency translation reserves.
- **Tier 3 Capital:** Covers capital held against operational and market risks.

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.

	30 June 2026 USD000	Audited 31 Dec 2025 USD000
Share capital	**31**	31
Share premium	**3 441**	3 441
Retained earnings	**68 954**	65 647
Share based payment reserve	**181**	181
Investments at fair value through other comprehensive income reserve	**7 009**	7 473
Non-distributable reserve	**1 123**	1 123
Total core capital	**80 739**	77 896
Less market and operational risk capital	**(7 771)**	(10 371)
Less exposures to insiders	**–**	(1 272)
Tier 1 capital	**72 968**	66 253
Property revaluation reserve	**13 273**	13 273
General provisions (limited to 1.25% of weighted risk assets)	**1 872**	2 704
Tier 2 capital	**15 145**	15 977
Total tier 1 & 2 capital	**88 113**	82 230
Market risk	**744**	2 568
Operational risk	**7 027**	7 803
Tier 3 capital	**7 771**	10 371
Total tier 1, 2 & 3 capital base	**95 884**	92 601
Deductions from capital	**(6 104)**	(6 104)
Total capital base	**89 780**	86 497
Credit risk weighted assets	**230 139**	202 239
Operational risk equivalent assets	**87 839**	97 539
Market risk equivalent assets	**9 294**	32 101
Total risk weighted assets (RWAs)	**327 272**	331 879
Tier 1 capital ratio	**22%**	20%
Tier 1 and 2 capital ratio	**27%**	25%
Total capital adequacy ratio	**27%**	26%

Credit Risk Capital

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

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

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.

31.2 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 Limits 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 meets 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

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 and bucket 1)
Stage 2	Life Time PD	Central Bank Grades 4 to 7 (Internal grades bucket 2 and 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.

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.

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 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:

Main macroeconomic factors affecting ECL allowances

Macro economic factors	Country	ECL Scenario	Assigned Weightings (averages) %	ACTUAL 2026/06/30	FORECAST 2026/12/30	2027/12/30	2028/12/30	2029/12/30	Long term rate
Corporate									
Gross domestic product (GDP), Current prices, Purchasing power parity (PPP) international dollar, ICP benchmarks 70 (% change)	Zimbabwe	Base case	58.33%	0.0753	0.0736	0.0755	0.0749	0.0761	0.0509
		Good case	5.18%	0.0753	0.0988	0.1001	0.0994	0.1001	0.0856
		Better case	2.22%	0.0753	0.1120	0.1133	0.1127	0.1133	0.1026
		Bad case	23.98%	0.0753	(0.0190)	(0.0184)	(0.0184)	(0.0184)	(0.0303)
		Worse case	10.28%	0.0753	(0.0700)	(0.0694)	(0.0694)	(0.0687)	(0.0801)
Current account balance (credit less debit), Percent of GDP(Lag)	Zimbabwe	Base case	58.33%	2.0715	2.8828	3.0255	2.9779	3.0731	1.1697
		Good case	5.18%	2.0715	4.7862	4.8814	4.8338	4.8814	3.7869
		Better case	2.22%	2.0715	5.7855	5.8807	5.8331	5.8807	5.0717
		Bad case	23.98%	2.0715	(4.1124)	(4.0648)	(4.0648)	(4.0648)	(4.9689)
		Worse case	10.28%	2.0715	(7.9668)	(7.9192)	(7.9192)	(7.8716)	(8.7282)
Consumer Lending									
Unemployment Rate (norminal state)	Zimbabwe	Down	20.00%	0.0248	0.0165	(0.0004)	0.0155	0.0021	0.0017
		Base	60.00%	0.0161	0.0119	(0.0038)	0.0126	(0.0005)	–
		Up	20.00%	0.0073	0.0074	(0.0073)	0.0097	(0.0030)	(0.0017)
GDP (norminal state)	Zimbabwe	Down	20.00%	1.0563	2.1712	2.4346	2.7135	2.8602	3.1789
		Base	60.00%	4.4454	3.9175	3.7624	3.8272	3.8383	3.8298
		Up	20.00%	7.8346	5.6637	5.0901	4.9408	4.8164	4.4808
Lending Rate (Transformed state - first difference method)	Zimbabwe	Down	20.00%	11.3080	4.8298	3.8233	2.7994	4.1053	2.7323
		Base	60.00%	(2.9178)	(2.5000)	(1.7500)	(1.8750)	–	–
		Up	20.00%	(17.1436)	(9.8298)	(7.3233)	(6.5494)	(4.1053)	(2.7323)
Scheme Lending				2026	2027	2028	2029	2030	Long term rate
FX USD (norminal state)	Zimbabwe	Down	20.00%	26.7500	371.8201	294.9667	258.3305	237.8595	154.9424
		Base	60.00%	26.7500	30.2500	35.2500	40.5000	46.5500	51.2000
		Up	20.00%	26.7500	(311.3201)	(224.4667)	(177.3305)	(144.7595)	(52.5424)
GDP (norminal state)	Zimbabwe	Down	20.00%	5.8408	2.2341	2.5687	2.6040	2.8857	3.2994
		Base	60.00%	5.8408	3.9803	3.8965	3.7176	3.8637	3.8298
		Up	20.00%	5.8408	5.7266	5.2243	4.8313	4.8418	4.3602
Lending Rate (transformed state - first difference method)	Zimbabwe	Down	20.00%	11.3080	4.8298	3.8233	2.7994	4.1053	2.2262
		Base	60.00%	(2.9178)	(2.5000)	(1.7500)	(1.8750)	0.0000	0.0000
		Up	20.00%	(17.1436)	(9.8298)	(7.3233)	(6.5494)	(4.1053)	(2.2262)

Sensitivity to ECL

The following table outlines the impact of multiple scenarios on the ECL allowance. This table shows the ECL computed under each economic scenario compared to the reported ECL that would have resulted from applying a probability based scenario weighting.

	30 JUNE 2026		AUDITED 31 DEC 2025	
	Total ECL Provision USD000	Total income statement charge USD000	Total ECL Provision USD000	Total income statement charge USD000
As reported	3 626	(355)	3 320	(2 327)
Scenarios				
Base case	3 424	(557)	4 093	5 741
Good case	3 189	(792)	4 058	5 600
Better case	2 962	(1 018)	3 952	5 469
Bad case	4 126	146	4 242	6 016
Worse case	4 853	873	4 413	6 311

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 Loans review committee. This committee comprises of senior managers in risk, finance and the business. Decisions and key judgements made by the Loans review 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 2025/26	Previous ratings 2024/25
Crown Agency	BB	BB

Other asset balances are held by counter parties with the following ratings:

Counterparty	2026	2025
VISA	AA-	AA-
Master card International	A+	A+

31.3 Maximum credit risk exposure

	MAXIMUM CREDIT RISK EXPOSURE				ECL RECONCILIATION			
	Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000	Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
30 JUNE 2026								
Loans and advances to customers								
Corporate	62 452	828	5 561	68 841	112	2	828	942
Business Banking	2 673	–	–	2 673	7	–	112	119
Retail	92 645	2 501	1 955	97 101	847	503	1 215	2 565
Total	157 770	3 329	7 516	168 615	966	505	2 155	3 626
Balances with central Bank								
Savings bonds and Treasury bills	20 498	–	–	20 498	686	–	–	686
Bank balances	102 624	–	–	102 624	234	–	–	234
Gold-backed digital tokens		–	–	–	–	–	–	–
Total	123 122	–	–	123 122	920	–	–	920
Settlement balances – local currency	518	–	–	518	–	–	–	–
Bank balances – Foreign currency	3 751	–	–	3 751	1	–	–	1
Interbank placements	9 362	–	–	9 362	–	–	–	–
Total	13 631	–	–	13 631	1	–	–	1
Other assets								
Other assets	3 992	–	–	3 992	26	–	–	26
Total	3 992	–	–	3 992	26	–	–	26
Total on balance sheet	298 515	3 329	7 516	309 360	1 913	505	2 155	4 573
Guarantees and letters of credit								
Guarantees	6 386	–	–	6 386	26	–	–	26
Other undrawn commitments to lend	1 753	24	–	1 777	4	–	–	4
Total	8 139	24	–	8 163	30	–	–	30

	MAXIMUM CREDIT RISK EXPOSURE				ECL RECONCILIATION			
	Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000	Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
31 DECEMBER 2025								
Loans and advances to customers								
Corporate	50 288	663	2 735	53 686	83	–	672	755
Business Banking	2 741	342	2 527	5 610	3	–	127	129
Retail	69 307	1 793	1 595	72 695	930	399	1 105	2 436
Total	122 336	2 798	6 857	131 991	1 016	399	1 905	3 320
Balances with central Bank								
Savings bonds and Treasury bills	19 939	–	–	19 939	1 145	–	–	1 145
Bank balances	80 406	–	–	80 406	202	–	–	202
Total	100 345	–	–	100 345	1 347	–	–	1 347
Balances with other Banks and settlement balances								
Settlement balances – local currency	165	–	–	165	–	–	–	–
Bank balances – foreign currency	7 698	–	–	7 698	2	–	–	2
Interbank placements	2 636	–	–	2 636	–	–	–	–
Total	10 499	–	–	10 499	2	–	–	2
Other assets								
Other assets	6 398	–	–	6 398	623	–	–	623
Total	6 398	–	–	6 398	623	–	–	623
Total on balance sheet	239 578	2 798	6 857	249 233	2 988	399	1 905	5 292
Guarantees and letters of credit								
Guarantees	4 212	24	–	4 236	24	–	–	24
Letters of credit	2 219	–	–	2 219	4	–	–	4
Total	6 431	24	–	6 455	28	–	–	28

31.3.1 Maximum credit risk exposure

Internal rating grade	12 month Basel PD range	MAXIMUM CREDIT RISK EXPOSURE Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000	ECL RECONCILIATION Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
30 JUNE 2026									
Loans and advances to customers									
Performing									
High grade	0.00%–0.50%	33	–	–	33	–	–	–	–
Standard grade	0.50%–11.7%	157 737	827	–	158 564	966	2	–	968
Sub-standard grade	11.7%–29.50%	–	1 153	5 574	6 727	–	84	940	1 024
Low grade	29.5%–100%	–	1 349	1 942	3 291	–	419	1 215	1 634
Non-performing						–	–	–	
Individually impaired	100%	–	–	–	–	–	–	–	–
Total		157 770	3 329	7 516	168 615	966	505	2 155	3 626
Balances with central Bank									
Performing									
High grade	0.00%–0.50%	–	–	–	–	–	–	–	–
Standard grade	0.50%–11.7%	123 122	–	–	123 122	920	–	–	920
Sub-standard grade	11.7%–29.50%	–	–	–	–	–	–	–	–
Low grade	29.5%–100%	–	–	–	–	–	–	–	–
Non-performing		–	–	–	–	–	–	–	–
Individually impaired	100%	–	–	–	–	–	–	–	–
Total		123 122	–	–	123 122	920	–	–	920

Internal rating grade	12-month Basel PD range	MAXIMUM CREDIT RISK EXPOSURE Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000	ECL RECONCILIATION Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
Balances with other Banks and settlement balances									
Performing									
High grade	0.00%–0.50%	11 872	–	–	11 872	–	–	–	–
Standard grade	0.50%– 11.7%	1 759	–	–	1 759	1	–	–	1
Sub-standard grade	11.7%–29.50%	–	–	–	–	–	–	–	–
Low grade	29.5%–100%	–	–	–		–	–	–	
Non-performing		–	–	–		–	–	–	
Individually impaired	100%	–	–	–	–	–	–	–	–
Total		13 631	–	–	13 631	1	–	–	1
Other assets									
Performing									
High grade	0.00%–0.50%	1 537	–	–	1 537	–	–	–	–
Standard grade	0.50%–11.7%	2 455	–	–	2 455	26	–	–	26
Sub-standard grade	11.7%–29.50%	–	–	–	–	–	–	–	–
Low grade	29.5%–100%	–	–	–	–	–	–	–	–
Non-performing		–	–	–		–	–	–	
Individually impaired	100%	–	–	–	–	–	–	–	–
Total		3 992	–	–	3 992	26	–	–	26
Total on balance sheet		298 515	3 329	7 516	309 360	1 913	505	2 155	4 573
Guarantees and letters of credit									
Performing									
High grade	0.00%–0.50%	–	–	–	–	–	–	–	–
Standard grade	0.50%–11.7%	8 089	24	–	8 113	30	–	–	30
Sub-standard grade	11.7%–29.50%	50	–	–	50	–	–	–	–
Low grade	29.5%–100%	–	–	–	–	–	–	–	–
Non-performing		–	–	–		–	–	–	
Individually impaired	100%	–	–	–	–	–	–	–	–
Total		8 139	24	–	8 163	30	–	–	30

Internal rating grade	12-month Basel PD range	MAXIMUM CREDIT RISK EXPOSURE Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000	ECL RECONCILIATION Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
31 DECEMBER 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	1 011	1	122	1 134
Sub-standard grade	11.7%–29.50%	1 247	903	5 058	7 208	5	125	633	763
Low grade	29.5%–100%	–	890	1 597	2 487	–	273	1 150	1 423
Non-performing									
Individually impaired	100%	–	–	–	–	–	–	–	–
Total		122 336	2 798	6 857	131 991	1 016	399	1 905	3 320
Balances with central Bank									
Performing									
High grade	0.00%–0.50%	–	–	–	–	–	–	–	–
Standard grade	0.50%–11.7%	100 345	–	–	100 345	1 347	–	–	1 347
Sub-standard grade	11.7%–29.50%	–	–	–	–	–	–	–	–
Low grade	29.5%–100%	–	–	–	–	–	–	–	–
Non-performing		–	–	–	–	–	–	–	–
Individually impaired	100%	–	–	–	–	–	–	–	–
Total		100 345	–	–	100 345	1 347	–	–	1 347
Performing									
High grade	0.00%–0.50%	5 323	–	–	5 323	–	–	–	–
Standard grade	0.50%–11.7%	5 176	–	–	5 176	2	–	–	2
Sub-standard grade	11.7%–29.50%	–	–	–	–	–	–	–	–
Low grade	29.5%–100%	–	–	–	–	–	–	–	–
Non-performing		–	–	–		–	–	–	
Individually impaired	100%	–	–	–	–	–	–	–	–
Total		10 499	–	–	10 499	2	–	–	2
Other assets									
Performing									
High grade	0.00%–0.50%	518	–	–	518	–	–	–	–
Standard grade	0.50%–11.7%	5 880	–	–	5 880	623	–	–	623
Sub-standard grade	11.7%–29.50%	–	–	–	–	–	–	–	–
Low grade	29.5%–100%	–	–	–	–	–	–	–	–
Non-performing		–	–	–		–	–	–	
Individually impaired	100%	–	–	–	–	–	–	–	–
Total		6 398	–	–	6 398	623	–	–	623
Total on balance sheet		239 578	2 798	6 857	249 233	2 988	399	1 905	5 292
Guarantees and letters of credit									
Performing									
High grade	0.00%–0.50%	–	–	–	–	–	–	–	–
Standard grade	0.50%–11.7%	6 212	24	–	6 236	28	–	–	28
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	28	–	–	28

* Credit risk quality stages have been disaggregated to fulfil the requiremets of IFRS 9.

31.3.2 Reconciliation of movements in expected credit losses during the year

	MAXIMUM CREDIT RISK EXPOSURE Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000	ECL RECONCILIATION Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
30 JUNE 2026								
Loans and advances to customers								
Balance at beginning of the year	122 336	2 798	6 857	131 991	1 016	399	1 905	3 320
Movement with P&L impact				–				
New assets, assumptions, changes in models	37 562	658	(887)	37 333	(107)	406	716	1 015
Transfer to stage 1	1 506	(1 489)	(17)	–	167	(156)	(11)	–
Transfer to stage 2	(1 874)	1 874	–	–	(25)	25	–	–
Transfer to stage 3	(1 761)	(511)	2 272	–	(85)	(170)	255	–
Total	35 433	532	1 368	37 333	(50)	105	960	1 015
Movement with no P&L impact								
Write offs	–	–	(709)	(709)	–	–	(709)	(709)
Balance at 30 June 2026	157 769	3 330	7 516	168 615	966	505	2 155	3 626
Treasury bills and bonds								
Balance at beginning of the year	19 939	–	–	19 939	1 145	–	–	1 145
Movement with P&L impact	559	–	–	559	(459)	–	–	(459)
Movement with OCI impact	–	–	–	–	–	–	–	–
Transfer to stage 2	–	–	–	–	–	–	–	–
Total	20 498	–	–	20 498	686	–	–	686
Balance at 30 June 2026	20 498	–	–	20 498	686	–	–	686
Balances with Central Bank								
Balance at beginning of the year	80 406	–	–	80 406	202	–	–	202
Movement with P&L impact	22 218	–	–	22 218	32	–	–	32
Total	22 218	–	–	22 218	32	–	–	32
Balance at 30 June 2026	102 624	–	–	102 624	234	–	–	234
Balances with other banks and settlement balances								
Balance at beginning of the year	10 499	–	–	10 499	2	–	–	2
Movement with P&L impact	3 132	–	–	3 132	(1)	–	–	(1)
Total	3 132	–	–	3 132	(1)	–	–	(1)
Balance at 30 June 2026	13 631	–	–	13 631	1	–	–	1
Other Assets								
Balance at beginning of the year	6 398	–	–	6 398	623	–	–	623
Movement with P&L impact	(2 406)	–	–	(2 406)	(6)	–	–	(6)
Movement with OCI impact	–	–	–	–	–	–	–	–
Transfer to/(from) stage 3	–	–	–	–	–	–	–	–
Write offs	–	–	–	–	(591)	–	–	(591)
Total	(2 406)	–	–	(2 406)	(597)	–	–	(597)
Balance at 30 June 2026	3 992	–	–	3 992	26	–	–	26
Total on balance sheet	–	–	–	309 360	1 913	505	2 155	4 573
Guarantees, Letters of Credit and Undrawn Commitment								
Balance at beginning of the year	6 455	–	–	6 455	28	–	–	28
Movement with P&L impact	1 684	24	–	1 708	2	–	–	2
Total	1 684	24	–	1 708	2	–	–	2
Balance at 30 June 2026	8 139	24	–	8 163	30	–	–	30

	MAXIMUM CREDIT RISK EXPOSURE Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000	ECL RECONCILIATION Stage 1 USD000	Stage 2 USD000	Stage 3 USD000	Total USD000
31 DECEMBER 2025								
Loans and advances to customers								
Balance at beginning of the year	106 192	7 594	1 285	115 071	495	552	910	1 957
Movement with P&L impact	–	–	–	–	–	–	–	–
New assets, assumptions, changes in models	16 467	1 354	(36)	17 785	482	692	1 054	2 228
Transfer to/(from) stage 1	754	(754)	–	–	123	(123)	–	–
Transfer to/(from) stage 2	–	–	–	–	–	–	–	–
Transfer to/(from) stage 3	(1 077)	(5 396)	6 473	–	(84)	(722)	806	–
Impact of change in presentation currency	–	–	–	–	–	–	–	–
Total	16 144	(4 796)	6 437	17 784	521	(153)	1 860	2 228
Movement with no P&L impact	–	–	–	–	–	–	–	–
Write offs	–	–	(865)	(865)	–	–	(865)	(865)
Impact of change in presentation currency	–	–	–	–	–	–	–	–
Balance at 31 December 2025	122 336	2 798	6 857	131 991	1 016	399	1 905	3 320
Treasury bills and bonds								
Balance at beginning of the year	7 294	–	–	7 294	125	–	–	125
Movement with P&L impact	12 645	–	–	12 645	1 020	–	–	1 020
Movement with OCI impact	–	–	–	–	–	–	–	–
Translation adjustment	–	–	–	–	–	–	–	–
Transfer to/(from) stage 3	–	–	–	–	–	–	–	–
Write offs	–	–	–	–	–	–	–	–
Total	12 645	–	–	12 645	1 020	–	–	1 020
Balance at 31 December 2025	19 939	–	–	19 939	1 145	–	–	1 145
Central Bank balances								
Balance at beginning of the year	62 917	–	–	62 917	85	–	–	85
Movement with P&L impact	17 489	–	–	17 489	117	–	–	117
Movement with OCI impact	–	–	–	–	–	–	–	–
Transfer to/(from) stage 3	–	–	–	–	–	–	–	–
Write offs	–	–	–	–	–	–	–	–
Total	17 489	–	–	17 489	117	–	–	117
Balance at 31 December 2025	80 406	–	–	80 406	202	–	–	202
Balances with other banks and settlement balances								
Balance at beginning of the year	20 638	–	–	20 638	2	–	–	2
Movement with P&L impact	(10 139)	–	–	(10 139)	–	–	–	–
Movement with OCI impact	–			–	–	–	–	–
Transfer to/(from) stage 3	–	–	–	–	–	–	–	–
Write offs	–	–	–	–	–	–	–	–
Total	(10 139)	–	–	(10 139)	–	–	–	–
Balance at 31 December 2025	10 499	–	–	10 499	2	–	–	2
Other Assets								
Balance at beginning of the year	8 544	–	–	8 544	4	–	–	4
Movement with P&L impact	(2 146)	–	–	(2 146)	619	–	–	619
Movement with OCI impact	–	–	–	–	–	–	–	–
Transfer to/(from) stage 3	–	–	–	–	–	–	–	–
Write offs	–	–	–	–	–	–	–	–
Total	(2 146)	–	–	(2 146)	619	–	–	619
Balance at 31 December 2025	6 398	–	–	6 398	623	–	–	623
Total on balance sheet	–	–	–	249 233	2 988	399	1 905	5 292
Guarantees and Letters of Credit								
Balance at beginning of the year	4 804	–	–	4 804	43	–	–	43
Movement with P&L impact	1 651	–	–	1 651	(15)	–	–	(15)
Movement with OCI impact	–	–	–	–	–	–	–	–
Transfer to/(from) stage 3	–	–	–	–	–	–	–	–
Write offs	–	–	–	–	–	–	–	–
Total	1 651	–	–	1 651	(15)	–	–	(15)
Balance at 31 December 2025	6 455	–	–	6 455	28	–	–	28

31.3.3 Credit risk concentration of loans and advances were as follows:

	30 June 2026 USD000	%	31 December 2025 USD000	%
Industry/Sector				
Trade and services	40 165	24	16 641	13
Energy and minerals	907	1	–	–
Agriculture	19 112	11	18 130	14
Light and heavy industry	20 243	12	16 543	13
Physical persons	80 181	47	72 695	55
Transport and distribution	6 077	4	5 602	4
Financial services	1 930	1	2 380	2
Total	168 615	100	131 991	100

	Total loans USD000	Non-performing loans USD000	Write offs USD000	Recoveries USD000	Impairment allowance USD000
30 JUNE 2026					
Industry/Sector					
Trade and services	40 165	2 466	55	228	606
Energy and minerals	907	–	–	–	
Agriculture	19 112	–	–	–	1 427
Light and heavy industry	20 243	3 095	–	–	1 223
Physical persons	80 181	1 955	654	–	119
Transport and distribution	6 077	–	–	–	192
Financial services	1 930	–	–	–	60
Gross value at 30 June 2026	168 615	7 516	709	228	3 627

	Total loans USD000	Non-performing loans USD000	Write offs USD000	Recoveries USD000	Impairment allowance USD000
31 DECEMBER 2025					
Industry/Sector					
Trade and services	16 641	2 466	210	622	551
Energy and minerals	–	–	–	–	–
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

31.3.4 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 colletaral 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 prudencial haircut is based on management experience on liquidation of security in the event of default. The collateral value following the hair cut is USD 26 million (2025: USD 24.7 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

Type of collateral or credit enhancement	Maximum exposure to credit risk USD000	Cash USD000	Securities USD000	3rd party/ gov guarantees USD000	Property USD000	Other USD000	Total collateral USD000	Net exposure USD000	% of exposure subject to collateral requirements	Associated ECL USD000
2026										
Loans and advances to customers										
Term loans	134 535	48	–	45 901	22 806	13 456	82 211	72 293	53.2%	3 506
Mortgages	294	–	–	–	–	–	–	68	–	2
Overdraft	33 786	652	–	36 541	4 133	2 967	44 293	(27 219)	131.1%	118
Finance leases	–	–	–	–	–	–	–	–	–	–
Total	168 615	700	–	82 442	26 939	16 423	126 504	45 142	75.0%	3 626
Total on balance sheet	168 615	700	–	82 442	26 939	16 423	126 504	45 142	75.0%	3 626
Guarantees and letters of credit										
Guarantees	5 836	140	–	2 234	517	359	3 251	2 585	55.7%	24
Letters of credit	550	–	–	1 295	–	–	1 295	(745)	0.0%	2
Undrawn commitments	1 777	–	–	–	–	–	–	1 777	0.0%	4
Total	8 163	140	–	3 529	517	359	4 546	3 617	56%	30

	Maximum exposure to credit risk USD000	Cash USD000	Securities USD000	3rd party/ gov guarantees USD000	Property USD000	Other USD000	Total collateral USD000	Net exposure USD000	% of exposure subject to collateral requirements	Associated ECL USD000
2025										
Loans and advances to customers										
Term loans	122 202	–	2 000	40 546	21 642	17 395	81 583	40 620	66.8%	3 289
Mortgage loans	241	–	–	70	293	–	363	–	–	–
Overdraft	9 548	700	–	28 102	3 800	1 393	33 995	(24 447)	356.0%	31
Finance leases	–	–	–	–	–	–	–	–	–	–
Total	131 991	700	2 000	68 718	25 734	18 788	115 940	16 173	87.6%	3 320
Total on balance sheet	131 991	700	2 000	68 718	25 734	18 788	115 940	16 173	87.6%	3 320
Guarantees and letters of credit										
Guarantees	4 212	152	–	2 551	–	–	2 703	1 509	64.2%	24
Letters of credit	–	–	–	–	–	–	–	–	0.0%	–
Undrawn commitments	2 243	–	–	–	–	–	–	2 243	0.0%	4
Total	6 455	152	–	2 551	–	–	2 703	3 752	64%	28

31.4 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.

31.4.1 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 (USD Equiv) USD000	GBP (USD Equiv) USD000	Rand (USD Equiv) USD000	*Other currency (USD Equiv) USD000	Total USD000
AT 30 JUNE 2026					
ASSETS					
Cash and bank balances	24 396	709	1 882	693	27 680
Investment securities	14 158	–	–	–	14 158
Loans and receivables from banks	1 170	–	–	686	1 856
Loans and advances to customers	4 584	–	5	–	4 589
Other assets	2 249	–	–	–	2 249
Total financial assets	46 557	709	1 887	1 379	50 532
Deposits from banks	–	–	1 234	78	1 312
Deposits from customers	34 860	735	904	1 091	37 590
Other liabilities	1 891	22	18	17	1 946
Total financial liabilities	36 751	757	2 156	1 186	40 850
Net currency positions	9 806	(48)	(269)	193	9 682
Exchange rate sensitivity to Profit for the year					
Exchange rate increase of 20%	(1 961)	10	54	(39)	(1 936)
Exchange rate decrease of 20%	1 961	(10)	(54)	39	1 936
Exchange rates applied in 2026	**ZWG**	**GBP**	**Rand**	**EUR**	**CND**
USD closing rate	26.7698	1.3230	16.4619	1.1389	1.4240

* Other currencies include BWP, EUR, AUD, CAD, CHF, CNY, INR, JPY, KES, MWK, SEK and ZMW.

	ZWG (USD Equiv) USD000	GBP (USD Equiv) USD000	Rand (USD Equiv) USD000	*Other currency (USD Equiv) USD000	Total 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
LIABILITIES					
Deposits from banks	1 475	–	109	54	1 638
Deposits from customers	26 414	710	1 139	1 237	29 500
Other liabilities	4 737	29	19	3	4 788
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	**ZWG**	**GBP**	**Rand**	**EUR**	**CND**
USD closing rate	25.9807	1.3458	16.6046	1.1737	1.4354

* 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.

Summarised foreign currency position of the bank as at 30 June 2026

Currency	Average NOP USD000	Risk Position USD000
ZWG	9 806	9 806
GBP	(48)	(48)
Rand	(269)	(269)
*Other currencies	193	193
Total	9 682	9 682

Summarised foreign currency position of the bank as at 31 December 2025

Currency	Average NOP USD000	Risk Position USD000
ZWG	(3 028)	(3 028)
GBP	25	25
Rand	480	480
*Other currencies	142	142
Total	(2 382)	(2 382)

* Other currencies include BWP, EUR, AUD, CAD, CHF, CNY,INR, JPY, KES, MWK, SEK and ZMW.

31.4.2 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:

	Up to 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 months to 1 year USD000	1 to 5 years USD000	Over 5 years USD000	Non-interest bearing USD000	Total USD000
30 JUNE 2026								
ASSETS								
Cash and bank balances	–	–	–	–	–	–	130 557	130 557
Loans and receivables from Banks	9 362	–	–	–	–	–	518	9 880
Loans and advances to customers	878	142 803	2 954	9 271	9 083	–	–	164 989
Investment securities	4 195	1 988	5 750	9 300	397	197	6 104	27 931
Total assets	14 435	144 791	8 704	18 571	9 480	197	137 179	333 357
LIABILITIES								
Deposits from customers	164 356	5 920	7 139	7 375	58 657	5 316	–	248 763
Balances due to banks	5 631	–	–	–	10 093	–	–	15 724
Lease liabilities	–	91	456	1 037	473	–	–	2 057
Total liabilities	169 987	6 011	7 595	8 412	69 223	5 316	–	266 544
Interest rate Re-pricing gap	(155 552)	138 780	1 109	10 159	(59 743)	(5 119)	137 179	66 813
Cumulative gap	(155 552)	(16 772)	(15 663)	(5 504)	(65 247)	(70 366)	66 813	–

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	Up to 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 months to 1 year USD000	1 to 5 years USD000	Over 5 years USD000	Non-interest bearing USD000	Total USD000
31 DECEMBER 2025								
ASSETS								
Cash and bank balances	–	–	–	–	–	–	107 815	107 815
Loans and receivables from Banks	–	–	–	–	–	–	2 801	2 801
Loans and advances to customers	541	92 793	2 726	10 067	16 019	–	6 525	128 671
Investment securities	–	2 636	6 114	10 611	–	–	8 291	27 652
Total assets	541	95 429	8 840	20 678	16 019	–	125 432	266 939
LIABILITIES								
Deposits from customers	121 118	11 415	2 828	8 244	45 166	11 292	–	200 063
Balances due to banks	–	19	–	1 267	13 662	–	–	14 948
Lease liabilities	–	91	456	1 037	926	–	–	2 510
Total liabilities	121 118	11 525	3 284	10 548	59 754	11 292	–	217 521
Interest rate Re-pricing gap	(120 577)	83 904	5 556	10 130	(43 735)	(11 292)	125 432	49 418
Cumulative gap	(120 577)	(36 673)	(31 117)	(20 987)	(64 722)	(76 014)	49 418	

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:

	30 June 2026 Impact on earnings USD000	31 December 2025 Impact on earnings USD000
Net interest income sensitivity		
USD Currency		
1500bps increase in interest rates	10 024	7 408
1500bps decrease in interest rates	(10 024)	(7 408)
Benchmark	–	–

31.5 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.

	30 June 2026 USD000	31 December 2025 USD000
Liquidity ratios		
Total liquid assets	169 711	142 045
Deposits and other short term liabilities	276 815	217 978
Liquidity ratio	61%	65%
Reserve Bank of Zimbabwe minimum	30%	30%

Liquidity coverage ratio (%)

Category	Sub-category	30 June 2026 USD000 Total weighted value (average)	31 December 2025 USD000 Total weighted value (average)
High-quality liquid assets	**Level 1 assets**	150 723	121 306
	Total high-quality liquid assets	150 723	121 306
Cash outflows	Stable deposits	(855)	(787)
	Less stable deposits	(5 796)	(4 643)
	Operational deposits (all counterparties) and deposits in networks of cooperative banking institutions	(87)	(79)
	Non-operational deposits (all counterparties)	(64 232)	(46 054)
	Other contractual funding obligations	(25 860)	(18 799)
	Total cash outflows	(96 830)	(70 362)
Cash inflows	Other contractual cash inflows	13 465	13 151
	Total cash inflows	13 465	13 151
	Total high-quality liquid assets	150 723	121 306
	Total net cash outflows	(83 365)	(57 211)
	Liquidity coverage ratio (%)	181%	212%

Liquidity profiling as at 30 June 2026
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.

On balance sheet items as at 30 June 2026

	Less than 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 to 12 months USD000	1 to 3 years USD000	3 to 5 years USD000	5+ years USD000	Total USD000	Carrying amount USD000
30 JUNE 2026									
Assets held for managing liquidity risk – Group (contractual maturity dates)									
Cash and bank balances	130 557	–	–	–	–	–	–	130 557	130 557
Loans and receivables from Banks	9 880	–	–	–	–	–	–	9 880	9 880
Loans and advances to customers	961	143 067	3 203	9 768	12 071	–	–	169 070	164 989
Investment securities	19 598	1 988	5 750	197	262	–	136	27 931	27 931
Other assets	6 169	–	–	–	–	–	–	6 169	6 169
Total assets	167 165	145 055	8 953	9 965	12 333	–	136	343 607	339 526
Liabilities									
Deposits from customers	164 405	5 953	7 225	7 376	58 658	–	5 316	248 933	248 763
Balances due to banks	5 491	–	–	–	10 093	–	–	15 584	15 724
Balances due to Group companies	2 757	–	–	–	–	–	–	2 757	2 757
Lease liabilities	–	–	–	–	1 333	2 151	458	3 942	2 057
Other liabilities	13 023	–	–	–	–	–	–	13 023	13 023
Total liabilities - (contractual maturity)	185 676	5 953	7 225	7 376	70 084	2 151	5 774	284 239	282 324
Liquidity gap	(18 511)	139 102	1 728	2 589	(57 751)	(2 151)	(5 638)	59 368	57 202
Cumulative liquidity gap	(18 511)	120 591	122 319	124 908	67 157	65 006	59 368	–	–

Contingent liabilities and commitments as at 30 June 2026

	Less than 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 to 12 months USD000	1 to 5 years USD000	Total USD000
30 JUNE 2026						
ASSETS						
Guarantees	1 448	40	3 742	1 156	–	6 386
Commitment to lend	–	–	50	117	1 610	1 777
Total assets	1 448	40	3 792	1 273	1 610	8 163
LIABILITIES						
Guarantees	1 448	40	3 742	1 156	–	6 386
Commitment to lend	–	–	50	117	1 610	1 777
Total liabilities	1 448	40	3 792	1 273	1 610	8 163
Liquidity gap	–	–	–	–	–	–
Cumulative liquidity gap	–	–	–	–	–	–

	Less than 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 to 12 months USD000	1 to 3 years USD000	3 to 5 years USD000	5+ years USD000	Total USD000	Carrying amount USD000
31 DECEMBER 2025									
Assets held for managing liquidity risk (contractual maturity dates)									
Cash and bank balances	107 815	–	–	–	–	–	–	107 815	107 815
Loans and receivables from Banks	2 801	–	–	–	–	–	–	2 801	2 801
Loans and advances to customers	541	7 929	4 477	41 584	78 061	–	–	132 592	128 671
Investment securities	–	2 701	1 858	23 807	–	–	–	28 366	27 652
Other assets	6 399	–	–	–	–	–	–	6 399	10 360
Total assets	117 556	10 630	6 335	65 391	78 061	–	–	277 973	277 299
Liabilities									
Deposits from customers	16 743	11 415	30 489	85 228	45 235	11 292		200 402	200 063
Balances due to banks	–	19	309	1 532	12 941	1 384	–	16 185	14 948
Balances due to Group companies	1 350	–	–	–	–	–	–	1 350	1 350
Lease liabilities	121	241	352	669	2 655	615	–	4 654	2 510
Other liabilities	5 453	–	–	–	–	–	–	5 453	9 491
Total liabilities – (contractual maturity)	23 667	11 675	31 150	87 429	60 832	13 291	–	228 044	228 362
Liquidity gap	93 889	(1 045)	(24 815)	(22 038)	17 229	(13 291)	–	49 929	–
Cumulative liquidity gap	93 889	92 844	68 029	45 991	63 220	49 929	49 930	–	–

Contingent liabilities and commitments as at 31 December 2025

	Less than 1 month USD000	1 to 3 months USD000	3 to 6 months USD000	6 to 12 months USD000	1 to 5 years USD000	Total USD000
31 DECEMBER 2025						
ASSETS						
Guarantees	8	407	50	3 747	–	4 212
Commitment to lend	67	50	–	–	2 126	2 243
Total assets	75	457	50	3 747	2 126	6 455
LIABILITIES						
Guarantees	8	407	50	3 747	–	4 212
Commitment to lend	67	50	–	–	2 126	2 243
Total liabilities	75	457	50	3 747	2 126	6 455
Liquidity gap	–	–	–	–	–	–
Cumulative liquidity gap	–	–	–	–	–	–

32 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.

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	Current Examination June 2023	Prior Examination November 2016	Prior Examination July 2012
Capital Adequacy	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 – Satisfactory**

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	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

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.

	INTERNATIONAL CREDIT RATING	GLOBAL CREDIT RATING	
	Latest credit ratings	Latest credit ratings	Previous credit ratings
2025			
Period	**2025/26**	**2024/25**	**2023/24**
Global Credit Rating Co.	**AA**	**A+(ZW)**	**A+(ZW)**

33 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, multinationals and non-governmental organisations. Product offering includes current accounts, overdrafts, loans and foreign currency products.

Segment results of operations

	Retail Banking USD000	Corporate Banking USD000	Treasury USD000	Total USD000
30 JUNE 2026				
Interest income	17 131	5 182	1 199	23 512
Interest expense	(0)	(404)	(1 402)	(1 806)
Net interest income	17 131	4 778	(203)	21 706
Fee and commission income	12 500	5 283	1 291	19 074
Fee and commission expense	(1 116)	(457)	(1 138)	(2 711)
Trading and foreign exchange income	–	–	5 371	5 371
Net investment and other income	–	353	(109)	244
Fair value loss on investment property	–	–	–	–
Total Income	28 515	9 957	5 212	43 684
Impairment losses on financial assets	166	(71)	(450)	(355)
Net operating income	28 681	9 886	4 762	43 329
Loss on derecognition of financial assets	–	–	–	–
Staff costs	(5 235)	(2 651)	(948)	(8 834)
Infrastructure costs	(1 821)	(825)	(436)	(3 082)
General expenses	(3 804)	(5 736)	2 194	(7 346)
Depreciation and amortisation	(925)	(324)	(236)	(1 485)
Operating expenses	(11 785)	(9 536)	574	(20 747)
Segment contribution	16 896	350	5 336	22 582
Taxation	(4 378)	(91)	(1 383)	(5 851)
Profit for the year	12 518	260	3 953	16 731
Total assets	82 850	89 882	217 369	390 101
Total liabilities	57 080	162 449	75 530	295 059

	Retail Banking USD000	Corporate Banking USD000	Treasury USD000	Total USD000
30 JUNE 2025				
Interest income	14 266	5 041	1 040	20 347
Interest expense	(1)	(478)	(966)	(1 445)
Net interest income	14 265	4 563	74	18 902
Fee and commission income	11 679	5 386	147	17 212
Fee and commission expense	(922)	(425)	–	(1 347)
Net trading and foreign exchange income	–	–	5 449	5 449
Net investment and other income	–	–	726	726
Fair value gain on investment property	–	–	–	–
Total Income	25 022	9 524	6 396	40 942
Impairment losses on financial assets	(945)	(583)	(1 374)	(2 902)
Net operating income	24 077	8 941	5 022	38 040
Staff costs	(5 050)	(1 859)	(840)	(7 749)
Infrastructure costs	(1 819)	(886)	(419)	(3 124)
General expenses	(3 038)	(2 497)	(1 563)	(7 098)
Depreciation and amortisation	(1 242)	(452)	(169)	(1 863)
Operating expenses	(11 149)	(5 694)	(2 991)	(19 834)
Segment contribution	12 928	3 247	2 031	18 206
Share of losses of joint venture	–	–	(44)	(44)
Taxation	(3 471)	(872)	(545)	(4 888)
Profit for the year	9 457	2 375	1 442	13 274
Total assets	57 376	61 843	187 713	306 932
Total liabilities	42 058	148 781	32 653	223 492

34 Related parties

The Group is controlled by FMBcapital Holdings PLC incorporated in Mauritius which owns 52% (2025: 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.

	30 June 2026 USD000	30 June 2025 USD000
34.1 Key management compensation		
Salaries and other short term benefits	1 977	984
Post-employment contribution plan	102	90
Total	2 079	1 074

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.

	30 June 2026 USD000	Audited 31 December 2025 USD000
34.2 Loans to key management		
Balance at beginning of the year	1 225	78
Loans issued during the year	88	1 648
Loans repayments during the year	(505)	(501)
Loans outstanding at end of period	808	1 225

The above loans to directors and other key management personnel are insured and repayable monthly over 7 years at average interest rates of 15% (2025: 15%). Interest received from loans to key management amounts to USD68k (2025: USD116k).The loans to directors were issued under conditions similar to other staff loans.

Impairment losses of USD5k (2025: USD15k) have been recognised for loans to key management.

	30 June 2026 USD000	Audited 31 December 2025 USD000
34.3 Deposits from executive directors and key management		
Deposits at 1 January	41	48
Deposits received during the year	2 862	4 618
Deposits repaid during the year	(2 672)	(4 625)
Deposits at end of period	231	41

			Audited	
	Deposits 30 June 2026 USD000	Loans and advances 30 June 2026 USD000	Deposits 31 December 2025 USD000	Loans and advances 31 December 2025 USD000
34.4 Balances with related parties – related through common directorship and shareholding				
Boost Fellowship	46	–	1	–
Canelands Trust	36	–	97	–
Cimas Holdings	101	–	9	–
Dulys Holdings	63	–	688	–
Hippo Valley Estates	177	–	125	–
Lotus Stationary Manufacturers (Pvt) Ltd	1	–	3	–
Makasa Sun Private Limited	4	–	7	1 272
NCP Distillers Zimbabwe	–	–	6	–
Nicoz diamond insurance	4	–	–	–
St Georges College	304	2 114	98	770
Tobacco Industry and Marketing Board	92	–	92	–
Tobacco Sales Floors	438	–	4	–
Triangle Limited	609	–	2 435	–
United refinaries	24	–	–	–
Zimbabwe Sugar Sales	422	–	932	–
Safe deposit box company	–	–	4	–
Tasimba Properties	446	–	205	–
Malilangwe Trust	2 361	–	2 351	–
Total	5 128	2 114	7 057	2 042
Current	5 128	2 114	7 057	2 042
Non-current	–	–		
Total	5 128	2 114	7 057	2 042

Repayments on the loans to the related parties were made on due dates and new loans were also granted.

Impairment losses of USD6k (2025: USD583k) have been recognised for Balances with related parties through common directorship.

	30 June 2026 USD000	31 December 2025 USD000
34.5 Balances with group companies		
Bank balances due from group companies		
Other balances due to group companies	(2 757)	(1 350)
Total balances due to group companies	(2 757)	(1 350)
35 Contingent liabilities		
Loan commitments	1 777	2 243
Pension fund	6 845	7 053
Guarantees and letters of credit	6 386	4 212
Total	14 978	13 509

36 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 30 June 2026 have therefore been prepared on the going-concern assumption.