Audited Financial Statements
For the Year Ended 31 December 2025

Statement Of Financial Position
As at 31 December 2025

	Note	AUDITED December 2025 ZWG	AUDITED December 2024 ZWG
Assets			
Cash and cash equivalents	3	461 865	328 354
Other receivables	4	-	325 348
Loans and advances	5	403 044	977 030
Investment property	6	189 944 897	187 684 087
Intangible assets	7	1 068 723	1 246 246
Property and equipment	8	354 030	463 614
Total assets		**192 232 559**	**191 024 679**
Liabilities			
Related party payables	9.1	25 586 488	29 249 555
Related party loans	9.2	10 240 591	12 361 648
Deposits from related parties	9.3	796 371	1 092 626
Trade and other payables	10	12 242 853	8 689 562
Deferred tax liability	11	2 214 166	1 190 155
Total liabilities		**51 080 469**	**52 583 546**
Shareholder funds			
Equity			
Share capital	12.1	1 395 686	1 384 124
Share premium	12.2	121 996 718	65 871 467
Retained income	12.3	17 759 686	40 546 742
Total equity		**141 152 090**	**107 802 333**
Shareholders loans	9.4	**-**	**30 638 800**
Total shareholders funds		**141 152 090**	**138 441 133**
Total liabilities and shareholders funds		**192 232 559**	**191 024 679**

Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2025

	Note	AUDITED December 2025 ZWG	AUDITED December 2024 ZWG
Interest income	13	164 204	166 985
Interest and similar expense		(5 533 417)	(3 466 410)
Net interest expense		**(5 369 213)**	**(3 299 425)**
Other income	14	3 417 055	170 468 641
Expected Credit Loss	5.2	52 600	(52 508)
Net operating (loss)/ income		**(1 899 558)**	**167 116 708**
Operating expenses	15	(19 863 487)	(73 510 501)
Monetary position		-	(66 511 898)
(Loss)/income before tax		**(21 763 045)**	**27 094 309**
Deferred Tax	11	(1 024 011)	(1 118 319)
(Loss)/income for the year		**(22 787 056)**	**25 975 990**
Total comprehensive (loss)/ income for year		**(22 787 056)**	**25 975 990**

Statement Of Changes In Equity
For the Year Ended 31 December 2025

AUDITED

	Note	SHARE CAPITAL ZWG	SHARE PREMIUM ZWG	RETAINED EARNINGS ZWG	TOTAL ZWG
Balance at 1 January 2024		1 384 124	65 871 467	16 605 276	83 860 867
Loss for the year		-	-	25 975 990	25 975 990
Prior period adjustments		-	-	(2 034 524)	(2 034 524)
Balance at 31 December 2024		1 384 124	65 871 467	40 546 742	107 802 333
Balance at 1 January 2025		1 384 124	65 871 467	40 546 742	107 802 333
Profit for the year		-	-	(22 787 056)	(22 787 056)
Issue of shares		11 562	56 125 251	-	56 136 813
Balance at 31 December 2025		1 395 686	121 996 718	17 759 686	141 152 090

Statement Of Cashflows
For the Year Ended 31 December 2025

	Note	AUDITED December 2025 ZWG	AUDITED December 2024 ZWG
Cash flows from operating activities			
Comprehensive (loss)/ income for the year		(22 787 056)	25 975 990
Adjustment for:			
Depreciation	8	87 860	775 829
Amortisation	7	128 095	128 095
Unrealised exchange loss		355 645	61 694 408
Change in provisions		1 935 474	595 939
Net monetary position		-	66 511 898
Valuation gain on investment property	6	(2 260 810)	(169 995 784)
Prior period adjustments	16	-	2 034 524
Cash flows before working capital changes		**(22 540 791)**	**(12 279 101)**
Decrease/(increase) in receivables		325 348	(271 088)
Decrease in loans and advances to customers		573 986	1 691 280
Decrease in related party deposits		(296 255)	-
(Decrease)/increase in related party payables		(3 663 067)	24 013 808
(Decrease)/increase in related party loans		(2 121 057)	10 824 521
Increase in income tax payables		1 024 012	1 118 318
Increase in other payables		3 553 291	6 346 302
Cash (utilised)/ generated from operating activities		**(603 744)**	**43 723 141**
Net cash (utilised)/ generated from operating activities		**(23 144 535)**	**31 444 040**
Cashflows from investing activities			
Acquisition of property and equipment	8	-	(18 225)
Net cash utilised in investing activities		**-**	**(18 225)**
Cashflow from investing activities			
Issue of shares		56 136 813	-
Decrease in shareholder loans		(30 638 800)	-
Net cash generated from financing activities		**25 498 013**	**-**
Net increase in cash and cash equivalents		**2 353 478**	**31 425 815**
Cash and cash equivalents at the beginning of the year		328 354	2 817 459
Effects of exchange rates on cash and cash equivalents		(2 219 967)	(33 914 920)
Cash and cash equivalents at the end of the year		**461 865**	**328 354**
Cash and cash equivalents comprise:			
Cash on hand		140 396	6 638
Foreign bank balances		284 774	274 091
Local bank balances		36 695	47 625
Total cash and cash equivalents		**461 865**	**328 354**

NOTES

Notes to the Financial Statements
For the Year Ended 31 December 2025

Bank profile and principal activities

1.1 The Bank's principal activities include the provision of commercial banking services/products, treasury services and other financial services.

1.2 The financial statements herein are presented in Zimbabwe Gold (ZWG) which was adopted as the presentation currency of the bank with effect from the 5th of April 2024.

2. Summary of significant accounting policies

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

2.1 Basis of preparation and presentation

The Bank's financial statements have been prepared by management in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the Zimbabwe Companies Act, [Chapter 24:03], Banking Act [Chapter 24:20] and the relevant Statutory Instruments ("SI") SI 62/96 and SI 33/99. The financial statements have been prepared from statutory records that are maintained under the historical cost convention as modified by the fair valuation of available for sale financial assets, investment property and property and equipment.

2.2 Restatement of Prior Financial Periods

(a) The main guidelines for the restatement are as follows:

- Monetary assets and liabilities are not restated because they are already expressed in terms of the current monetary unit at the statement of financial position date.
  Monetary items are money held, assets and liabilities to be recovered or paid at the nominal value recorded at the original cost.
- Non-monetary assets carried at cost (excluding items of PPE and Investment Property), liabilities, and the components of shareholders' equity are restated by applying the relevant conversion factors reflecting the increase in the CPI from the date of change in functional currency from US$ to ZWL$ in 2018.
- All items in the statement of profit or loss and other comprehensive income are restated by applying the respective monthly factors.
- The effect of general inflation on the net monetary position is included in the statement of profit or loss and other comprehensive income as effects of inflation adjustments.
- Share capital and share premium were restated from the date of change in functional currency from US$ to ZWL$ in 2018.

(b) Conversion of Corresponding Figures for Prior Financial Periods
The bank converted the corresponding figures for prior financial periods from ZWL$ to ZWG using a swap rate of ZWG1:ZWL$2,498.72 determined by the closing interbank exchange rate and the price of gold as at 5 April 2024.

2.3 Foreign currency translation

(a) Functional and presentation currency

As a result of Statutory Instrument 30 of 2024, which introduced the Zimbabwe Gold (ZWG) currency, the Bank reassessed its functional currency in accordance with IAS 21 The Effects of Changes in Foreign Currency Rates. Following this assessment, the Bank concluded that its functional currency remains the United States Dollar (USD), as this continues to be the currency of the primary economic environment in which it operates. The financial statements are, however, presented in Zimbabwe Gold (ZWG), which is the Bank's presentation currency in line with RBZ requirements.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or cost'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within dealing profits and exchange income.

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

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

2.4 Cash and bank balances

Cash and bank balances comprise cash in hand, deposits held at call with other banks, other short-term highly liquid investments with original maturities of three months or less and cash balances with the Central Bank, including statutory reserves.

2.5 Financial instruments

2.5.1 Classification - Financial assets

The Bank classifies its financial assets in the following categories: assets measured at amortised cost, assets measured at fair value through other comprehensive income (FVOCI) and assets measured at fair value through profit and loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the bank may irrevocably elect to present subsequent changes in fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. In addition, on initial recognition, the bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is classified into one of these categories on initial recognition.

Business model assessment
The Bank will make an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way that the business is managed and information is provided to management. The information that will be considered includes:
- the stated policies and objectives for the portfolio and the operation of those policies in practice, including whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the bank's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

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

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank will consider the contractual terms of the instrument. This will include assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank will consider:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- terms that limit the Bank's claim to cash flows from specified assets - e.g. non-recourse asset arrangements; and
- features that modify consideration for the time value of money - e.g., periodic reset of interest rate

Interest rates on certain retail loans made by the bank are based on standard variable rates (SVR) that are set at the discretion of the bank. SVRs are generally based on a central bank rate in a particular jurisdiction and also include a discretionary spread. In these cases, the Bank will assess whether the discretionary feature is consistent with the SPPI criterion by considering a number of factors, including whether:

- the borrowers are able to repay the loans without significant penalties
- the market competition ensures that interest rates are consistent between banks; and
- any regulatory or customer protection framework is in place that requires banks to treat customers fairly.

All of the bank's retail loans and certain fixed-rate corporate loans contain prepayment features.
A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

In addition, a prepayment feature is treated as consistent with this criterion if a financial asset is acquired or originated at a premium or discount to its contractual paramount, the prepayment amount substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination), and the fair value of the prepayment feature is insignificant on initial recognition.

2.5.2 Financial guarantee contracts and loan commitments
Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:
- the amount of the loss allowance; and
- the premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

Loan commitments provided by the bank are measured as the amount of the loss allowance. The bank has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument. For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the bank cannot separately identify the expected credit losses on the undrawn commitment from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

2.5.3 Impairment - Financial assets, loan commitments and financial guarantee contracts
The impairment model applies to the following financial instruments that are not measured at FVTPL:
- financial assets that are debt instruments;
- lease receivables; and
- loan commitments and financial guarantee contracts issued.

No impairment loss is recognised under equity investments.
IFRS 9 requires a loss allowance to be recognised at an amount equal to either 12-month ECLs or lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date.

The bank will recognise loss allowances at an amount equal to lifetime ECLs, except in the following cases, for which the amount recognised will be 12-month ECLs:

- debt investment securities that are determined to have low credit risk at the reporting date. The Bank considers a debt security to have low credit risk when its credit risk is equivalent to the globally understood definition of 'investment-grade'; and
- other financial instruments (other than lease receivables) for which credit risk has not increased significantly since initial recognition.

Loss allowances for loss receivables will always be measured at an amount equal to lifetime ECLs.
The impairment requirements of IFRS 9 are complex and require management judgements, estimates and assumptions, particularly in the following areas:
- assessing whether the credit risk of an instrument has increased significantly since initial recognition; and
- incorporating forward-looking information into the measurement of ECLs.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses and will be measured as follows:

- *financial assets that are not credit-impaired at the reporting date:* the present value of all cash shortfalls i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive;
- *financial assets that are credit-impaired at the reporting date:* the difference between the gross carrying amount and the present value of estimated future cash flows;
- *undrawn loan commitments:* the present value of the difference between the contractual cash flows that are due to the bank if the commitment is drawn down and the cash flows that the bank expects to receive; and
- *financial guarantee contracts:* the present value of the expected payments to reimburse the holder less any amounts that the bank expects to recover.

Definition of default

The bank will consider a financial asset to be in default when:
- the borrower is unlikely to pay its credit obligations to the bank in full, without recourse by the bank to actions such as realising security (if any is held); or
- the borrower is more than 90 days past due on any material credit obligation to the bank. Overdrafts are considered past due once the customer has breached an advised limit or been advised of a limit that is smaller than the current amount outstanding.

In assessing whether a borrower is in default, the bank will consider indicators that are:

- qualitative: e.g., breaches of covenant;
- quantitative: e.g., overdue status and non-payment of another obligation of the same issuer to the Bank; and
- based on data developed internally and obtained from external sources.

Inputs into assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Significant increase in credit risk
Under IFRS 9, when determining whether the credit risk (i.e., risk of default) on a financial instrument has increased significantly since initial recognition, the Bank will consider reasonable and supportable information that is relevant and available without undue cost or effort, including both quantitative and qualitative information and analysis based on the Bank's historical experience, expert credit assessment and forward-looking information.

The bank will primarily identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated on initial recognition of the exposure.

Assessing whether credit risk has increased significantly since initial recognition of a financial instrument requires identifying the date of initial recognition of the instrument. For certain revolving facilities (e.g., credit cards and overdrafts), the date when the facility was first entered into could be a long time ago. Modifying the contractual terms of a financial instrument may also affect this assessment.

Credit risk grades
The bank will allocate each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. The Bank will use these grades in identifying significant increases in credit risk under IFRS 9. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default. These factors may vary depending on the nature of the exposure and the type of borrower.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates e.g., the difference in the risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3.
Each exposure will be allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures will be subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade.

2.5.4 Derecognition other than on a modification
Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either:

i. the Bank transfers substantially all the risks and rewards of ownership, or
ii. the Bank neither transfers nor retains substantially all the risks and rewards of ownership and the Bank has not retained control.

The Bank enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Bank:

i. has no obligation to make payments unless it collects equivalent amounts from the assets;
ii. is prohibited from selling or pledging the assets; and
iii. has an obligation to remit any cash it collects from the assets without material delay.

2.5.5 Classification - financial liabilities
Il financial liabilities are measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities include derivatives (other than derivatives that are financial guarantee contracts or are designated and effective hedging instruments), other liabilheld for trading, and liabilities that an entity designates to be measured at fair value through profit or loss.

Under IFRS 9 fair value changes will generally be presented as follows:
- the amount of change in the fair value that is attributable to changes in the credit risk of the liability will be presented in OCI; and
- After initial recognition, the bank cannot reclassify any financial liability.

2.5.6 Derecognition

Financial liabilities are derecognised when they are extinguished (i.e., when the obligation specified in the contract is discharged, cancelled or expires).
The exchange between the bank and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

In addition, other qualitative factors, such as the currency that the instrument is denominated, changes in the type of interest rate, new conversion features attached to the instrument and change in the covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

2.6 Other receivables

Other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.
Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

2.7 Investment property

Investment property is property held either to earn rentals or for capital appreciation or for both. Investment property is stated at its cost at the reporting date.

2.8 Property and equipment

Recognition and measurement
Items of property and equipment, except owned premises, are measured at cost less accumulated depreciation and impairment losses.
Costs include expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the cost of dismantling the asset and removing items and restoring site on which they are located.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Where parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Subsequent costs
The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The cost of the day-to-day servicing of property and equipment is recognised in profit or loss as incurred. Subsequent costs can also be recognised as separate assets.

Owned premises

Land is not depreciated. Owned premises are shown at revalued amounts, based on periodic but at least triennial valuation less accumulated depreciation.

Any revaluation increase arising on the revaluation of such land and buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of such land and buildings is charged to profit or loss to the extent that it excethe balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the revaluation reserve is transferred directly to retained earnings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Impairment of property and equipment
The carrying amounts of the Bank's items of property, equipment, furniture and fittings are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
Owner occupied properties, equipment and furniture are depreciated on a straight-line basis over the estimated useful lives of the assets. The estimated useful

lives of the assets presently are as follows:

Assessment of useful lives and residual values

Leasehold improvements	3 years
Computer equipment	5 years
Motor vehicles	5 years
Furniture and fittings	10 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Depreciation

In calculating the depreciation charge the entity reduces the depreciable amount of an asset by its residual value where it is deemed to be significant. The continuous reassessment of residual values typically leads to a reduction in depreciation charges and depreciation charges cease when the residual value is greater than or equal to the carrying value of the asset until its residual value subsequently decreases to an amount below the asset's carrying amount.

Leased assets: lessee

Leases in terms of which the Bank assumes substantially all risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to the asset.

Disposals

Gains and losses on disposals are determined by comparing the proceeds, with the carrying amount and are recognised in the statement of comprehensive income.

2.9 Intangible assets

Software acquired by the Bank is stated at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Amortisation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful life of the software, from the date that it is available for use. The estimated useful life is five to ten years. Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if necessary. There have been no changes in the estimated useful lives from those applied in the previous financial year.

2.10 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

2.11 Customer deposits

Customer deposits are recognised initially at fair value, net of transaction costs incurred. Deposits are subsequent shown at amortised costs using the effective yield method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income.

2.12 Provisions

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave.

2.13 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers or customers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

2.14 Current and deferred income tax

The income tax expense for the period comprises current and deferred income tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity.

The current income tax expense is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Bank and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Financial guarantees

Financial guarantees are contracts that require the Bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are initially recognised at their fair value, and the initial fair value is amortised over the life of the financial guarantee. The guaranteed liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment (when a payment under the guarantee has become probable). Financial guarantees are reported under customer liabilities for acceptances.

2.16 Related parties

Related party transactions and outstanding balances with key management personnel and other entities in the Bank are disclosed.

2.17 Revenue recognition

Revenue is derived substantially from the business of banking and related activities and comprises net interest income and non-interest revenue.

2.17.1 Net interest income

Interest income and expenses are recognised in the statement of comprehensive income for all interest-bearing instruments on an accrual basis using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial assets or liability to the carrying amount of the financial asset or liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently. Where financial assets have been impaired, interest income continues to be recognised on the impaired value, based on the original effective interest rate. Net interest income excludes fair value adjustments on interest-bearing financial instruments. Fair value adjustments on financial instruments are reported under other income.

The calculation of the effective interest rate includes all fees paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition issue or disposal of a financial asset or liability.

2.17.2 Non-interest income

Non-interest income includes dividends from investments, net revenue from foreign exchange and securities trading and net gains on the realisation or revaluation of investment banking assets. All such commissions and fees including service fees, investment management fees, placement and syndication fees are recognised as the related services are performed.

2.17.3 Dividend income

Dividend income is recognised when the right to receive income is established. Usually this is at the ex-dividend date for equity securities. Dividends are reflected as a component of non-interest income based on the underlying classification of the equity instruments.

2.18 Employee benefits

2.18.1 Defined contribution retirement plans

The company participates in a defined contribution retirement plan for some of its employees. The pension fund is funded by payments from the employees and by the relevant entity's contributions taking into account the recommendations of independent qualified actuaries. The entity's contributions are expensed as incurred. This fund is held and managed independently in terms of the Zimbabwean law. Sufficient information is not available to account for the plan as a defined benefit plan and hence the plan is accounted for as a defined contribution plan.

2.18.2 Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date or when an employee voluntarily accepts redundancy in exchange of these benefits. The company recognises termination benefit expenses when it is demonstrably committed to either terminate employment of current employees according to a detailed formal plan without possibility of withdrawal from such or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due for more than twelve months after end of reporting period are discounted to present value.

2.18.3 Bonuses

The company recognises a liability and an expense for bonuses based on a formula that takes into account basic salaries and bonus points that accrue at the rate of one point per month.

2.18.4 Annual and long service leave

Employee entitlements to annual and long service leave are recognised when they accrue to employees. An accrual is made for the liability for annual and long service leave as a result of services rendered by employees up to the end of each reporting period. The amounts accrued are recognised as an expense when incurred. The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgements for certain items are especially critical for the Bank's results and financial situation due to their materiality.

2.19 Impairment of loans and advances

The Bank reviews its loan portfolios to assess impairment at least monthly. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Bank makes judgements as to whether there is measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. Management uses estimates based on historical loss experience for assets with credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. For specific impairment the expected cash flows are discounted using the original effective interest rate when the loan was granted.

2.20 Impairment of available-for-sale financial assets

The Bank determines that available-for-sale financial assets are impaired when there has been a significant or prolonged decline in the fair value below its costs. This determination of what is significant or prolonged requires judgement. In making this judgement, the Bank evaluates among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows.

2.21 Income taxes

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

2.22 Financial risk management

Financial risk factors

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the Bank's business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Bank's financial performance.

The Bank's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up to date information systems. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice. Risk management is carried out by the Board Risk Management Committee under the policies approved by the Board. In addition, the Risk Management and Internal Audit departments are responsible for the independent review of risk management and the control environment. The most important types of risk are credit risk, liquidity risk, market risk and other operational risk. Market risk includes currency risk, interest rate and other price risk.

Credit risk

The Bank takes on exposure to credit risk, which is the risk that a counter-party will cause a financial loss for the Bank by failing to discharge an obligation. Credit risk is one of the most important risks for the Bank's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally in lending activities that lead to loans and advances, and investment activities that bring debt securities and other bills into the Bank's asset portfolio. (There is also credit risk in off-statement of financial position financial instruments, such as loan commitments.) The Bank's Credit Committee is responsible for credit risk management within the Bank and it reports to the Board.

Loans and advances

In measuring credit risk of loans and advances to customers and to banks at a counterparty level, the Bank reflects three components:

i. The 'probability of default' by the client or counterparty on its contractual obligations;
ii. Current exposures to the counterparty and its likely future development, from which the Bank derive the 'exposure at default'; and
iii. The likely recovery ratio on the defaulted obligations (the 'loss given default').

These credit risk measurements, which reflect expected loss (the 'expected loss model') and are required by the Basel Committee on Banking Regulations and the Supervisory Practices (the Basel Committee), are embedded in the bank's daily operational management. The operational measurements can be compared with impairment allowances required under IFRS 9 which are based on losses that have been incurred at the reporting date (the 'incurred loss model') rather than expected losses.

(i) The bank assesses the probability of default of individual counterparties using internal rating tools tailored to the various categories of counterparty. They have been developed internally and combine statistical analysis with credit officer's judgment and are validated, where appropriate, by comparison with externally available data. Clients of the bank are segmented into five rating classes. The bank's rating scale, which is shown below, reflects the range of default probabilities defined for each rating class. This means that, in principle, exposures migrate between classes as the assessment of their probability of default changes. The rating tools are kept under review and upgraded as necessary. The bank regularly validates the performance of the rating and their predictive power with regard to default

		AUDITED December 2025 ZWG	AUDITED December 2024 ZWG
3	**Cash & Cash Equivalents**		
	Cash on hand	140 396	6 638
	Cash at bank: Balances with foreign banks	284 774	274 091
	Balances with local banks	36 695	47 625
		461 865	328 354
4	**Other Receivables**		
	Prepaid expenses (refer to note 4.1)	-	325 348
		-	325 348
4.1	**Prepaid expenses**		
	Balance at the beginning of the year	325 348	48 566
	Prepaid Expenses	-	325 348
	Amount expensed in the current year	(325 348)	(48 566)
	Balance at the end of the year	-	325 348
5	**Loans and Advances**		
	Gross amount	977 030	2 668 310
	Loans (repaid)/ advanced in the current year	(1 059 482)	(2 992 855)
	Interest capitalised	161 016	164 857
	Effects of foreign exchange	326 964	1 191 802
	Allowance for expected credit loss	(2 484)	(55 084)
		403 044	977 030
	Loans and advances to customers are analysed as follows:		
	Individuals- Gross Amount	-	813 566
	Mortgage loans- Gross Amount	405 528	218 548
	Allowance for expected credit loss	(2 484)	(55 084)
		403 044	977 030
5.1	**Maturity Analysis**		
	Up to 6 months	**403 044**	**977 030**
5.2	**ECL Analysis Stage 1- ECL**		
	Net balance at the beginning of period	55 084	2 576
	Charge for the period	(52 600)	52 508
	Net balance at the end of period	**2 484**	**55 084**

For low-risk financial assets, loans and advances, the commitment is no greater than the outstanding balance/limit at anpnt in time. Thus, for loans and advances, it is assumed, for the sake of simplicity, that the EAD is the total outstanding balance as at the month of provisioning, plus any approved limits not used.

	AUDITED December 2025 ZWG	AUDITED December 2024 ZWG
6 Investment Property		
Balance at the beginning of the year	187 684 087	115 552 052
Fair value adjustments	2 260 810	169 995 784
Effects of foreign exchange	-	(97 863 749)
Balance at the end of the year	**189 944 897**	**187 684 087**

Investment property held as at 31 December comprises of:

a. A certain piece of land in District of Harare called Stand No 2021 of Lot 3 of Bannockburn, measuring 30,192 sqm. The investment property is valued at market price.

b. A certain piece of land in District of Harare called Stand No 2095 of Lot 3 of Bannockburn, measuring 34,774 sqm. The investment property is valued at market price.

c. An amount of ZWG2 260 810 being fair value adjustment to the property mentioned in item (a) and (b) above, has been included in the statement of profit or loss.

	AUDITED December 2025 ZWG	AUDITED December 2024 ZWG
7 Intangible Assets		
Tenemos T24 Core Banking System & Website		
Opening net book amount	1 246 246	1 401 801
Amortisation charge to profit and loss	(128 095)	(128 095)
Impairment charge to profit or loss	(49 428)	(27 460)
Closing net book amount	**1 068 723**	**1 246 246**
Cost/ valuation	1 555 714	1 555 714
Accumulated amortisation	(409 942)	(281 847)
Accumulated impairment	(77 049)	(27 621)
Net book amount	**1 068 723**	**1 246 246**

8 Property and equipment for the Year ended 31 December 2024	Computer equipment ZWG	Furniture and Equipment ZWG	Leasehold Improvements ZWG	Office Equipment ZWG	Total ZWG
Opening carrying amount	229 581	290 509	654 976	18 691	1 193 757
Additions	18 225	-	-	-	18 225
Depreciation	(57 431)	(31 411)	(654 976)	(4 551)	(748 368)
Closing carrying amount	**190 375**	**259 098**	-	**14 140**	**463 614**
At 31 December 2024					
Cost or valuation	288 673	314 111	1 966 894	22 754	2 592 432
Accumulated depreciation	(98 298)	(55 013)	(1 966 894)	(8 613)	(2 128 818)
Closing carrying amount	**190 375**	**259 098**	**-**	**14 141**	**463 614**
Year ended 31 December 2025					
Opening carrying amount	190 375	259 098	-	14 141	463 614
Asset Write off	(29 186)	-	-	-	(29 186)
Accumulated depreciation on assets disposed	7 462	-	-	-	7 462
Depreciation	(51 898)	(31 411)	-	(4 551)	(87 860)
Closing carrying amount	**116 753**	**227 687**		**9 590**	**354 030**
At 31 December 2025					
Cost or valuation	259 487	314 111	1 966 894	22 754	2 563 246
Accumulated depreciation	(142 734)	(86 424)	(1 966 894)	(13 164)	(2 209 216)
Closing carrying amount	**116 753**	**227 687**	-	**9 590**	**354 030**

			AUDITED December 2025 ZWG	AUDITED December 2024 ZWG
9 Related party payables				
9.1 Company	**Relationship**	**Nature of transaction**		
TBIC Investment P/L	Shareholder	Deposit	19 098 420	7 834 465
Equity Properties Loan	Fellow Subsidiary	Loan	6 488 068	21 415 090
			25 586 488	29 249 555
9.2 Related party loans				
Christa Capital (Pty) Limited	Shareholder	Loan	10 240 591	12 361 648
9.3 Related party deposits			39 325	367 026
Key shareholders/management deposits	Shareholder & Staff	Deposits	757 046	725 600
TBIC Investments P/L	Shareholder	Savings		
			796 371	1 092 626
9.4 Shareholder Loans				
TBIC Investments P/L	Shareholder	Loan	-	30 638 800
9.5 Transactions with Related Parties				
Opening Balances				
TBIC Investments- profit or loss			7 834 465	1 584 625
Equity Properties profit/loss			21 441 651	17 321 298
TBIC Investments- shareholders loan			30 638 800	-
Christa Capital (Pty) Ltd			12 361 648	4 229 412
TBIC Investments - deposit			725 600	-
Other related party deposits			367 026	39 328
			73 369 190	**23 174 663**
Disbursements and deposits				
TBIC Investments- profit or loss			11 722 746	8 132 436
TBIC Investments- shareholders loan			-	30 638 800
TBIC Investments - deposit			-	725 600
Other related party deposits			-	327 698
			11 722 746	**39 824 534**
Exchange difference				
Equity Properties- profit or loss			105 807	32 153 856
TBIC Investments - shareholders loan			168 077	-
Christa Capital (Pty) Ltd			142 179	9 473 496
			416 063	**41 627 352**
Interest paid				
Equity Properties- profit or loss			1 824 191	2 605 298
TBIC Investments- shareholders loan			2 726 726	-
TBIC Investments- deposit			31 446	-
			4 582 363	**2 605 298**
Repayments/transfers				
TBIC Investments- profit or loss			458 791	1 882 596
Equity Properties- profit or loss			16 883 580	30 638 800
TBIC Investments- shareholders loan			33 533 603	-
Christa Capital (Pty) Ltd			2 263 236	1 341 260
Other related party deposits			327 701	-
			53 466 911	**33 862 656**
Closing balances				
TBIC Investments- profit or loss			19 098 420	7 834 465
Equity Properties- profit or loss			6 488 068	21 441 651
TBIC Investments- shareholders loan			-	30 638 800
Christa Capital (Pty) Ltd			10 240 591	12 361 648
TBIC Investments - deposit			757 046	725 600
Other Related Party deposits			39 325	367 026
			36 623 450	**73 369 190**

	AUDITED 2025 ZWG	AUDITED 2024 ZWG
10 Trade & Other Payables		
Trade	8 271 450	6 648 848
Accrued Expenses	-	9 029
Audit fess provision	389 711	386 978
Banking licence provision	129 904	128 992
Other	3 451 788	1 515 715
	12 242 853	**8 689 562**
11 Deferred tax liability		
The gross movement on deferred income tax account is as follows:		
As at 1 January 2024		(71 836)
Amount charged to statement of profit or loss		(1 118 319)
As at 31 December 2024		**(1 190 155)**
As at 1 January 2025		(1 190 155)
Amount charged to statement of profit or loss		(1 024 011)
As at 31 December 2025		**(2 214 166)**

The bank recognised a tax liability of **ZWG1 024 011.**

	AUDITED 2025 ZWG	AUDITED 2024 ZWG
12 Equity and reserves		
Share capital		
a) Authorised- 40 000 000 ordinary shares at ZWG$ 0.041293 par value	1 651 700	1 651 700
b) 33 799 885 issued and fully paid ordinary shares	(1 395 686)	(1 384 124)
c) 6 200 115 unissued ordinary shares	**256 014**	**267 576**
12.1 Issued and fully paid ordinary shares		
Opening balance	1 384 124	1 384 124
Shares issued during the year	11 562	-
Closing balance	**1 395 686**	**1 384 124**
12.2 Share premium		
Opening balance		
Ordinary share issue at a premium during the year	65 871 467	65 871 467
	56 125 251	-
Closing balance		
	121 996 718	**65 871 467**
12.3 Retained income		
Opening balance	40 546 742	16 605 276
Prior period adjustments **(see note 16)**	-	(2 034 524)
Movement during the year	(22 787 056)	25 975 990
Closing balance	**17 759 686**	**40 546 742**

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), and the Articles and Memorandum of Association of the Company.

	AUDITED 2025 ZWG	AUDITED 2024 ZWG
12.4 Capital Adequacy		
Ordinary share capital	1 395 686	1 384 124
Share premium	121 996 718	65 871 467
Total reserves	17 759 686	40 546 742
Total Capital	**141 152 090**	**107 802 333**
Tier 1 Capital	141 152 090	107 802 333
Shareholder's loan	-	**30 638 800**
Tier 2 Capital	-	30 638 800
Total Capital Base	**141 152 090**	**138 441 133**
Credit risk weighted assets	302 283	732 773
Operational risk equivalent assets	191 367 650	189 719 294
Total risk weighted assets	**191 669 933**	**190 452 067**
Tier 1 capital ratio	73.64%	56.60%
Tier 2 capital ratio	0.00%	16.09%
Capital adequacy ratio	**73.64%**	**72.69%**

In line with the Settlement Agreement between RBZ and Time Bank of Zimbabwe on limited banking activities, currently, the capital of Time Bank of Zimbabwe is ZWG141 152 090 (US$5 432 959) with an option to increase the capital to US$30 Million as a Tier 1 Commercial Bank.

The current minimum capital requirements for Commercial Banks are set at Tier 1, USD 30 000 000 (ZWG 779 421 000); Tier 2, USD 20 000 000 (ZWG 519 614 000) and Tier 3, USD 5 000 000 (ZWG 129 903 500).

	AUDITED 2025 ZWG	AUDITED 2024 ZWG
13 Interest income		
Bank interest received	3 188	2 128
Loans and advances to customers	161 016	164 857
	164 204	**166 985**
14 Other income		
Dividends received	1 150 914	465 214
Fair value adjustments on investment property (refer to note 6)	2 260 810	169 995 784
Establishment fees	2 691	-
Safe custody fees	2 618	-
Other income	22	7 643
	3 417 055	**170 468 641**
15 Operating expenses		
Included in profit before tax are the following expenses:		
Administration costs	8 469 323	6 328 581
Provision - audit fees	391 517	386 978
Provision - banking licence fee	129 905	128 993
Foreign exchange loss	355 645	61 694 408
Depreciation and amortisation	215 955	876 464
Other staff costs	2 627 749	717 878
Directors' remuneration (refer note 15.1)	5 371 375	2 127 635
Staff costs (refer to note 15.2)	2 302 018	1 249 564
	19 863 487	**73 510 501**
15.1 Directors' emoluments		
The aggregate amount of emoluments paid or accrued to directors:		
AIDS levy	457 411	20 007
Directors' fees	647 002	596 834
Pay As You Earn (PAYE)	1 067 292	548 852
Salaries and wages	3 033 771	895 251
National Social Security Authority (NSSA)	165 899	66 691
	5 371 375	**2 127 635**
15.2 Staff costs		
AIDS levy	196 033	11 750
Pay As You Earn (PAYE)	457 411	322 342
Salaries and allowances	1 577 474	876 304
National Social Security Authority (NSSA)	71 100	39 168
	2 302 018	**1 249 564**

16 Prior period adjustment	2025 ZWG	2024 ZWG
Temenos recurring licence fees	-	1 066 379
National Social Security Authority (NSSA)	-	4 307
Leasehold improvements- depreciation	-	963 838
	-	**2 034 524**

a) Temenos T24 invoices for the years 2022 and 2023 incorrectly omitted from the financial statements.
b) NSSA amount for the year 2023, understatement error adjustment.
c) Change of useful life of leasehold improvements from 10 years to 3 years.

17 Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established the Board Asset and Liability Management Committee (ALCO) and the Board Risk Committee which are responsible for defining the Bank's risk regime, developing policies and monitoring implementation. The Bank is exposed to the following risks in its operations: Liquidity risk, market risk, credit risk, foreign currency exchange risk, interest risk and operational risk.

17.1 Fair values and risk management - accounting classification and fair values	Notes	CARRYING AMOUNT Designated as "FVTPL" ZWG	Classified as "AMCO" ZWG	Designated as "FVTOCI" ZWG	TOTAL ZWG	FAIR VALUE LEVEL 1 ZWG	LEVEL 2 ZWG	LEVEL 3 ZWG	TOTAL ZWG
Tuesday, December 31, 2024									
Financial assets not measured at fair value									
Cash and cash equivalents	3		328 354		328 354		-	-	-
Other receivables	4	-	325 348	-	325 348		-	-	-
Loans and advances	5	-	977 030	-	977 030	-	-	-	-
Total			**1 630 732**		**1 630 732**	-			
		-		-			-	-	-
Financial liabilities not measured at fair value						-			
Trade and other payables		-	8 689 562	-	8 689 562	-	-	-	-
Related party payables		-	29 249 555	-	29 249 555	-	-	-	-
Related party loans		-	12 361 648	-	12 361 648		-	-	-
Total		-	**50 300 765**	-	**50 300 765**	-	-	-	-
Wednesday, December 31, 2025									
Financial assets not measured at fair value									
Cash and cash equivalents	3	-	461 865	-	461 865	-	-	-	-
Other receivables	4	-	-	-	-	-	-	-	-
Loans and advances	5	-	403 044	-	403 044	-	-	-	-
Total		-	**864 909**	-	**864 909**	-	-	-	-
Financial liabilities not measured at fair value									
Trade and other payables		-	12 242 853	-	12 242 853	-	-	-	-
Related party payables		-	25 586 488	-	25 586 488	-	-	-	-
Related party loans		-	10 240 591	-	10 240 591	-	-	-	-
Total		-	**48 069 932**	-	**48 069 932**	-	-	-	-

17.2 Interest Rate Risk

It arises from the possibility that changes in interest rates will affect the current and future cash flows of the Bank's interest bearing instruments. The Bank employs several methods that enable it to identify, measure and monitor interest rate risk. Margin analysis, interest rate repricing gaps and sensitivity analysis are employed on a regular basis to assess the Bank's exposure to interest rate risk.

Interest rate repricing gap analysis	UP TO 1 MONTH ZWG	2 TO 6 MONTHS ZWG	7 TO 12 MONTHS ZWG	ABOVE 12 MONTHS ZWG	NON INTEREST BEARING ZWG	CARRYING AMOUNT ZWG
Tuesday, December 31, 2024						
Financial assets by type						
Cash	-	-	-	-	6 638	6 638
Local bank accounts	47 625	-	-	-	-	47 625
Foreign bank accounts	274 091	-	-	-	-	274 091
Other receivables	325 348	-	-	-	-	325 348
Loans and advances	-	977 030	-	-	-	977 030
Investment property	-	-	-	-	187 684 087	187 684 087
Intangible assets	-	-	-	-	1 246 246	1 246 246
Property and equipment	-	-	-	-	463 614	463 614
Total assets	**647 064**	**977 030**	-	-	**189 400 585**	**191 024 679**
Financial liabilities by type						
Deposits from related parties	1 092 626	-	-	-	-	1 092 626
Trade and other payables	5 029 905	1 260 254	1 528 593	870 809	-	8 689 561
Related party payables	789 452	2 745 968	3 469 692	9 904 157	12 340 286	29 249 555
Related party loans	-	-	-	-	12 361 648	12 361 648
Other liabilities	-	-	-	-	1 190 157	1 190 157
Equity and reserves	-	-	-	-	107 802 333	107 802 333
Total liabilities	**6 911 983**	**4 006 222**	**4 998 285**	**10 774 966**	**133 694 424**	**160 385 880**
Sensitivity gap	(6 264 919)	(3 029 192)	(4 998 285)	(10 774 966)	55 706 161	30 638 799
Cumulative gap	**(6 264 919)**	**(9 294 111)**	**(14 292 396)**	**(25 067 362)**	**30 638 799**	**-**
Wednesday, December 31, 2025						
Financial assets by type						
Cash	-	-	-	-	140 396	140 396
Local bank accounts	36 695	-	-	-	-	36 695
Foreign bank accounts	284 774	-	-	-	-	284 774
Loans and advances	-	403 044	-	-	-	403 044
Investment property	-	-	-	-	189 944 897	189 944 897
Intangible assets	-	-	-	-	1 068 722	1 068 722
Property and equipment	-	-	-	-	354 030	354 030
Total assets	**321 469**	**403 044**	-	-	**191 508 045**	**192 232 558**
Financial liabilities by type						
Deposits from related parties	796 371	-	-	-	-	796 371
Trade and other payables	4 789 258	1 569 874	1 573 963	579 854	3 729 905	12 242 854
Related party payables	1 685 715	1 306 359	228 963	878 415	21 487 036	25 586 488
Related party loans	-	-	-	-	10 240 591	10 240 591
Other liabilities	-	-	-	-	2 214 167	2 214 167
Equity and reserves	-	-	-	-	141 152 087	141 152 087
Total liabilities	**7 271 344**	**2 876 233**	**1 802 926**	**1 458 269**	**178 823 786**	**192 232 558**
Sensitivity gap	(6 949 875)	(2 473 189)	(1 802 926)	(1 458 269)	12 684 259	-
Cumulative gap	**(6 949 875)**	**(9 423 064)**	**(11 225 990)**	**(12 684 259)**	**-**	**-**

17.3 Liquidity risk

Liquidity risk is the risk that the Bank may fail to fund increases in assets and meet obligations as they fall due, without incurring unacceptable losses. The Bank is exposed to both funding liquidity risk and market liquidity risk. Funding liquidity risk is the risk that the Bank may not be able to meet its obligations as they fall due. Market liquidity risk is the risk that the Bank will not be able to sell its assets and settle positions, without incurring an unacceptable cost or loss.

The Bank focuses on ensuring that at any given time, there is sufficient liquidity to meet its obligations and sets aside sufficient resources to cater for unforeseen stress events that can arise in the normal course of business. The Bank's liquidity risk framework ensures that there are triggers in place to monitor the liquidity risk profile, thereby taking appropriate actions depending on the direction of indicators of liquidity risk. As part of its risk management, the Bank applies stress testing methodologies to its liquidity risk profile on a regular basis to unearth underlying liquidity vulnerabilities.

17.3.1 Liquidity gap analysis	UP TO 1 MONTH ZWG	2 TO 6 MONTHS ZWG	7 TO 12 MONTHS ZWG	ABOVE 12 MONTHS ZWG	ABOVE 5 YEARS ZWG	CARRYING AMOUNT ZWG
Tuesday, December 31, 2024						
Financial assets by type						
Cash and cash equivalents	328 354	-	-	-	-	328 354
Loans and advances	-	977 030	-	-	-	977 030
Other receivables	325 348	-	-	-	-	325 348
Investment property	-	-	-	-	187 684 087	187 684 087
Intangible assets	-	-	-	1 246 246	-	1 246 246
Property and equipment	-	-	-	463 614	-	463 614
	653 702	**977 030**	**-**	**1 709 860**	**187 684 087**	**191 024 679**
Financial liabilities by type						
Deposits from related parties	-	-	-	1 092 626	-	1 092 626
Related party borrowings	-	-	-	12 361 648	-	12 361 648
Trade and other payables	5 029 905	1 260 254	1 528 593	870 809	-	8 689 561
Related party payables	789 452	2 745 968	3 469 692	9 904 157	12 340 286	29 249 555
Other liabilities	-	-	1 190 157	-	-	1 190 157
	5 819 357	**4 006 222**	**6 188 442**	**24 229 240**	**12 340 286**	**52 583 547**
Gap in the period	(5 165 655)	(3 029 192)	(6 188 442)	(22 519 380)	175 343 801	138 441 132
Cumulative gap	**(5 165 655)**	**(8 194 847)**	**(14 383 289)**	**(36 902 669)**	**138 441 132**	**-**
Wednesday, December 31, 2025						
Financial assets by type						
Cash and cash equivalents	461 865	-	-	-	-	461 865
Loans and advances	-	403 044	-	-	-	403 044
Investment property	-	-	-	-	189 944 897	189 944 897
Intangible assets	-	-	-	1 068 723	-	1 068 723
Property and equipment	-	-	-	354 030	-	354 030
Total assets	**461 865**	**403 044**	**-**	**1 422 753**	**189 944 897**	**192 232 559**
Financial liabilities by type						
Deposits from related parties	-	-	-	796 371	-	796 371
Related party borrowings	-	-	-	10 240 591	-	10 240 591
Trade and other payables	4 789 258	1 569 874	1 573 963	579 854	3 729 905	12 242 854
Related party payables	1 685 715	1 306 359	228 963	878 415	21 487 036	25 586 488
Other liabilities	-	-	2 214 167	-	-	2 214 167
Total liabilities	**6 474 973**	**2 876 233**	**4 017 093**	**12 495 231**	**25 216 941**	**51 080 471**
Gap in the period	(6 013 108)	(2 473 189)	(4 017 093)	(11 072 478)	164 727 956	141 152 088
Cumulative gap	**(6 013 108)**	**(8 486 297)**	**(12 503 390)**	**(23 575 868)**	**141 152 088**	**-**

18 Credit risk

Credit risk is the risk that the Bank will incur a loss because its customers or counterparties fail to discharge their contractual obligations. This risk arises principally from the Bank's loans and advances to customers and placements with other banks. The Bank manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

	Notes	GRADE A HIGH GRADE STAGE1 ZWG	GRADE B STANDARD GRADE STAGE1 ZWG	Total ZWG
Tuesday, December 31, 2024				
Loans and advances to customers				
Individual loans- Gross Amount	5	-	813 566	813 566
Mortgage loans- Gross Amount	5	218 548	-	218 548
Total		**218 548**	**813 566**	**1 032 114**
Other receivables		325 348	-	325 348
Total		**543 896**	**813 566**	**1 357 462**
Wednesday, December 31, 2025	5			
Loans and advances to customers				
Mortgage loans- Gross Amount		405 528	-	405 528
Total		**405 528**	**-**	**405 528**

19 Legacy Asset and Debt- contingent

Time Bank informs users of these financial statements that there is a material amount that the bank has excluded from its financial statements for the year 31 December 2025, involving a sum of US$51.2 Million for which Time Bank's claim has not yet been confirmed.

The Government of Zimbabwe (GoZ) enacted the Finance Act 2021, under which GoZ undertook to give to companies including banks, financial relief called "Blocked Funds". In terms of such relief GoZ undertook to take over all the foreign currency liabilities of banks and companies amounting to a total of US$ 3.3 billion which existed before 22 February 2019, provided such banks and companies paid the Zimbabwean Dollar (ZWL$) equivalent of such foreign currency liabilities at an exchange rate of 1:1 between the US$ and ZWL$. Under the Blocked Funds the process of the takeover of the foreign currency liabilities of companies including banks resulted in a foreign currency liability which existed before 22 February 2019 also known as "Legacy Debt" and a matching asset called "Legacy Asset" being recorded in the books of companies. Such Legacy Asset is a financial claim on Government.

In this regard Time Bank has both a Legacy Debt of US$51.2 Million to the foreign shareholder which arose from dividends declared in 2018 but remained unpaid due to foreign currency shortages in Zimbabwe on one hand, and on the other hand a Legacy Asset of US$51.2 Million. Such Legacy Debt or Legacy Asset is supposed to be taken over by GoZ as Blocked Funds in terms of the Finance Act of 2021 provided Time Bank pays the ZWG amount equivalent to ZWL$51.2 Million as at 5 April 2024, as the equivalent of US$51.2 Million at an exchange rate of 1:1 between US$ and ZWL$.

Time Bank has appealed to the Public Debt Management Office (PDMO) in the Ministry of Finance, Economic Development & Investment Promotion for the Blocked Funds in terms of the Finance Act of 2021 and currently awaits the determination of such an appeal. Until such claim or legacy asset has been confirmed, Time Bank in its financial statements has excluded both the Legacy Debt of US$51.2 Million and the Legacy Asset of US$51.2 Million.

20 Going concern

The board undertakes regular assessments of whether the bank is a going concern taking into consideration the prevailing economic conditions and all necessary information about future risks and uncertainties. The board expects the Bank to continue as a going concern for the foreseeable future. Hence the going concern assumption has therefore been applied in the preparation of the financial statements.

The Bank made a loss of ZWG 21 763 045 before taxation for the year ended 31 December 2025. In terms of its business model Time Bank is currently conducting limited banking activities and is not taking deposits from the public.

However, the bank expects to carry out more profitable banking activities in the year 2026 and thereafter,the financial statements of the Bank have been prepared on a going concern basis and therefore we have not included any adjustments relating to the recoverability and reclassification of recorded assets, or to the amounts of the said assets, and also we have not included any reclassification of liabilities that may be necessary should the Bank be unable to continue as a going concern.

Directors would like to make users of these financial statements aware of the complexities and challenges of our historical experience and how it impacted on the Banks's capacity to resume banking operations fully in the last 21 years as stated below in Note 21.

21 Re-Opening of Time Bank in Phases

(a) Time Bank re-opened on 27 October 2022 for more business, after about 20 years of not operating fully since 2004 and cancellation of its banking licence by statutory authorities in 2006. Time Bank's licence was re-instated by the Court in 2009. However Time Bank could not operate fully immediately thereafter because of the inability of the Former Curator to handover back to the directors of Time Bank, the assets and records of Time Bank which were under the control of the statutory authorities during the period of Time Bank's cancellation of licence or closure. In 2015 Time Bank and Reserve Bank (RBZ), signed a settlement agreement under which they agreed:

(i) On an incomplete Handover/Takeover of the said outstanding assets and records.
(ii) That RBZ would refund Time Bank the amount of US$10 Million including interest which had been taken by RBZ before cancellation of Time Bank's licence.
(iii) That Time Bank can re-open fully in phases.

(b) In 2022 RBZ authorised Time Bank to re-open for more business in phases in line with the Settlement Agreement.

(c) As mentioned above Directors would like to make users of these financial statements aware of the complexities and challenges of our historical experience and how it impacted on the Banks's capacity to resume banking operations fully in the last 20 years.

22 Board and Board Committee Meetings attendance- (January to December 2025)

	Credit	Loans Review	Risk Management	Digital & IT	Audit	Total Committees	Main Board
Meetings held	4	4	4	4	4	20	4
T. Bhatasara	4	*	2	4	*	10	4
C. W. T. Tande	4	*	*	4	*	8	4
K. Kapaso	*	4	4	*	*	8	4
A. I. Lawson**	*	1	1	*	1	3	1
S. Mapfirakupa	*	4	4	*	4	12	4
E. Chalimba	4	2	*	4	4	14	4
P. T. Mangena***	*	2	2	*	2	6	2
P. Mukwenya	*	*	*	*	*	*	4

Key

* Not a member.
** Resigned on 26 May 2025.
*** Was appointed on 19 September 2025 and replaced Mr E. Chalimba in the Loans Review Committee and Mr T. Bhatasara in the Risk Committee.

23 Events after the Reporting Period

On 28 January 2026, subsequent to the reporting date of 31 December 2025, the Bank issued 500 000 ordinary shares at a price of US$80 per share, resulting in a total increase in equity of US$40 million. Of this amount, US$802.78 was recognized as share capital and US$39 999 197.22 as share premium.

The shares were issued in settlement of a liability arising from the acquisition of a patent. The patent was valued by management at the date of the transaction.

Following this transaction, the Bank's core capital is set to increase to US$45,3 million subject to independant valuation and an independant audit of the patent.

This transaction represents a non-adjusting event as it relates to conditions that arose after the reporting date. Accordingly, no adjustments have been made to the financial statements for the year ended 31 December 2025.

TIME BANK
TIME BANK OF ZIMBABWE LIMITED
(Registered Commercial Bank)