



First Transfer Secretaries (Private) Limited

Annual Financial Statements

31 December 2025

First Transfer Secretaries (Private) Limited

NATURE OF BUSINESS:

First Transfer Secretaries (Private) Limited is a private limited company incorporated and domiciled in Zimbabwe. The Company is owned by the following shareholders: Tanmel Investments (Private) Limited (66.59%), Cabletech Investments (Private) Limited (10%), Eastpeak Investments (Private) Limited (11.69%), Tanmel (Private) Limited (8.87%), and the Employee Share Ownership Trust (2.85%). The Company's primary objective is to provide securities transfer secretarial services.

DIRECTORS:

Ms. Nokuthula Moyo	(Board Chairperson)
Mr. Campbell V. Musiwa	(Non-Executive Director)
Mr. Joshua Chimhanda	(Non-Executive Director)
Mrs. Mildred Chiri	(Non-Executive Director)
Mr. Tanaka M. Musiwa	(Managing Director)

COMPANY SECRETARY:

Ms. Carol Mudaupandu

REGISTERED OFFICE:

1 Armagh Avenue
Eastlea
HARARE

AUDITORS:

Grant Thornton
Chartered Accountants (Zimbabwe)
Registered Public Auditors
Camelsa Business Park
135 E.D. Mnangagwa Road
Highlands
HARARE

First Transfer Secretaries (Private) Limited

MAIN BANKERS:

NMB Bank
Corner Jason Moyo Ave & Julius Nyerere Way
HARARE

LAWYERS:

Coghlan Welsh and Guest
2 Central Avenue
HARARE

Caleb Muccheche & Partners Law Chambers
6 Meredith Drive
Eastlea
HARARE

First Transfer Secretaries (Private) Limited

Contents

	Page
Responsibilities of Management and Those Charged with Governance for the financial statements	1
Independent Auditor's Report	2-7
Statement of profit and loss and other comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12-38

These financial statements are expressed in United States dollar (USD).

Responsibilities of Management and Those Charged with Governance for the Annual Financial Statements for the year ended 31 December 2025

It is the Directors' responsibility to ensure that the annual financial statements fairly present the state of affairs of the First Transfer Secretaries (Private) Limited. The external auditors are responsible for independently auditing and reporting on the annual financial statements.

The Directors have assessed the ability of First Transfer Secretaries (Private) Limited to continue as a going concern and believe that the preparation of these annual financial statements on a going concern basis is still appropriate. However, the Directors believe that under the current economic environment a continuous assessment of the ability of the Company to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these annual financial statements.

The annual financial statements are prepared in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), which includes standards and interpretations approved by the IASB and Standing Interpretations Committee (SIC) interpretations issued under previous constitutions.

The Company's accounting and internal control systems are designed to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of its assets. Such controls are based on established written policies and procedures, and all employees are required to maintain the highest ethical standards in ensuring that the Company's business practices are conducted in a manner which in all reasonable circumstances is above reproach. Issues that come to the attention of the Directors have been addressed and the Directors confirm that the system of accounting and internal control is operating in a satisfactory manner. In light of the current financial position, the Directors are satisfied that the Company is a going concern and have continued to adopt the going concern basis in preparing the financial statements.

The Company's annual financial statements which are set out on pages **8** to **38** were, in accordance with their responsibilities, approved by the Board of Directors on2026 and are signed on its behalf by:


.....
Tanaka M. Musiwa
Managing Director


.....
Nokuthula Moyo
Chairperson



INDEPENDENT AUDITOR'S REPORT

Grant Thornton

Camelsa Business Park
135 E.D. Mnangagwa Road
PO Box CY 2619
Causeway, Harare
Zimbabwe

T +263 (242) 442511-4 / +263 8677009063

F +263 (242) 442517 / 496985

E info@zw.gt.com

www.grantthornton.co.zw

To the members of First Transfer Secretaries (Private) Limited

Report on the Audit of the Annual Financial Statements

Opinion

We have audited the annual financial statements of First Transfer Secretaries (Private) Limited set out on pages **8** to **38**, which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements including material accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of First Transfer Secretaries (Private) Limited as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our responsibility in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Company's financial statements of the current year. These matters were addressed in the context of our audit of the Company's financial statements as a whole, and in forming the opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters noted below relate to the Company's financial statements:

Areas of focus	How our audit addressed the key audit matter
<p>Revenue recognition</p> <p>There is a presumed fraud risk with regards to revenue recognition as guided by International Standard on Auditing (ISA 240 Revised: Auditors responsibilities to fraud). There is a risk that revenue is presented at amounts higher than what has been actually generated by the Company. This is a significant risk and accordingly a key audit matter. The revenue recognised in these financial statements has been disclosed in Note 15.</p>	<p>Our audit procedures incorporated a combination of tests of the Company's controls relating to revenue recognition and the appropriateness of revenue recognition policies as well as substantive procedures in respect of testing the occurrence assertion. Our substantive procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> • Reviewed that revenue recognition criteria is appropriate and in line with the requirements of IFRS 15 - '<i>Revenue from contracts with customers</i>'; • Identified key controls and tested these controls to obtain satisfaction that they were operating effectively for the year under review. • Tested the design and operating effectiveness of internal controls implemented as well as test of details to ensure accurate processing of revenue transactions. • The results of our controls testing have been the basis for the nature and scoping of the additional test of details, which mainly consisted of testing individual transactions by reconciling them to external sources (supporting documentation). • Performed cut-off tests on year end balances to ensure revenue is recognised in the correct period.

Adequacy of allowance for credit losses on trade and other receivables

The Company has trade and other receivables amounting to **USD 66 096 (2024: USD 57 186)**. This was considered an area of focus as IFRS 9 requires management to exercise significant judgement using subjective assumptions when determining both timing and amounts of the impairment provision for trade and other receivables.

Key areas of judgement included:

- The interpretation of the requirements to determine impairment under application of IFRS 9, which is reflected in the Company's expected credit loss model; and
- Assumptions used in the expected credit loss model such as the financial condition of the counterparty, expected future cash flows and forward looking macroeconomic factors (e.g. exchange rates, interest rates, gross domestic product growth, inflation).

Assessed management's allowance for credit losses, which included the following:

- We performed an assessment of the modelling techniques and methodology used against the requirements of IFRS 9;
- We assessed and tested the modelling assumptions with a focus on the:
 - i. Key modelling assumptions adopted by the Company;
 - ii. Reliability of the historical data collected; and
 - iii. appropriateness of macroeconomic factors used.
- We examined a sample of exposures and performed procedures to evaluate the:
 - i. Timely identification of exposures with a significant deterioration in credit quality; and
 - ii. Expected loss calculation for exposures assessed on an individual basis.
- We assessed the adequacy of the disclosures in the financial statements.

Based on our audit work performed, the assumptions used by management were appropriate.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and the Companies and Other Business Entities Act and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying

- transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Company to express an opinion on the financial statements.
 - We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

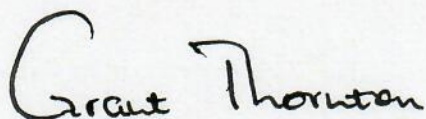
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on other legal and regulatory requirements

In our opinion, the annual financial statements have been properly prepared in compliance with the requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the Securities and Exchange Act (Chapter 24:25).

The engagement partner on the audit resulting in this Independent Auditor's report is James Marambire.



James Marambire

Partner

Registered Public Auditor (PAAB No: 0846)

Grant Thornton

Chartered Accountants (Zimbabwe)

Registered Public Auditors

HARARE

28 April 2026

**Statement of financial position
as at 31 December 2025**

Assets	Notes	2025 USD	2024 USD
Non-current assets			
Property and equipment	4	906 804	465 577
Intangible assets	5	7 339	35
Financial assets	6	286 396	41 101
Deferred tax asset	20	9 546	-
		<u>1 210 085</u>	<u>506 713</u>
Current assets			
Trade and other receivables	7	66 096	57 186
Cash and cash equivalents	8	44 244	72 856
Loans to employees and directors	14	248 625	322 117
Related party receivables	21	174 094	20 705
		<u>533 059</u>	<u>472 864</u>
Total assets		<u>1 743 144</u>	<u>979 577</u>
Equity, Reserves and Liabilities			
Equity and Reserves			
Share capital	9	3	3
Share premium	9	25	25
Revaluation reserve		246 810	241 910
Retained earnings		1 018 970	437 601
		<u>1 265 808</u>	<u>679 539</u>
Non-current liabilities			
Deferred tax liability	20	-	34 705
Current liabilities			
Trade and other payables	10	240 731	50 776
Provisions	11	25 036	14 965
Current tax payable	12	95 866	25 081
Dividend payable	13	112 285	171 501
Related party payables	21.2	3 418	3 010
		<u>477 336</u>	<u>265 333</u>
Total equity and liabilities		<u>1 743 144</u>	<u>979 577</u>

.....
Ms Nokuthula Moyo
Chair Person

.....
Mr Tanaka Musiwa
Managing Director

**Statement of profit or loss and other comprehensive income
for the year ended 31 December 2025**

	Notes	2025 USD	2024 USD
Revenue	15	1 437 383	925 340
Cost of sales	16	<u>(28 010)</u>	<u>(29 914)</u>
Gross profit		1 409 373	895 426
Other income	17	42 237	18 490
Operating gains	18	288 757	240 788
Other operating expenses	19	<u>(910 376)</u>	<u>(538 827)</u>
Profit before income tax		829 991	615 877
Income tax (expense)/ credit	20	<u>(124 460)</u>	<u>35 236</u>
Profit for the year		<u>705 531</u>	<u>651 113</u>
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Revaluation surplus	4	6 600	540 788
Income tax relating to items of other comprehensive income	20	<u>(1 700)</u>	<u>(307 680)</u>
Other comprehensive income, net of tax		<u>4 900</u>	<u>233 108</u>
Total comprehensive income for the year		<u><u>710 431</u></u>	<u><u>884 221</u></u>

**Statement of changes in equity
for the year ended 31 December 2025**

	Share capital	Revaluation Reserves	Retained earnings	Total equity
	USD	USD	USD	USD
Balance as at 1 January 2024	28	8 802	79 188	88 018
Total comprehensive income for the year	-	233 108	651 113	884 221
Dividends declared	-	-	(292 700)	(292 700)
Balance as at 31 December 2024	<u>28</u>	<u>241 910</u>	<u>437 601</u>	<u>679 539</u>
Balance as at 1 January 2025	28	241 910	437 601	679 539
Total comprehensive income for the year	-	4 900	705 531	710 431
Dividends declared	-	-	(124 162)	(124 162)
Balance as at 31 December 2025	<u>28</u>	<u>246 810</u>	<u>1 018 970</u>	<u>1 265 808</u>

Statement of cash flows
for the year ended 31 December 2025

	Notes	2025 USD	2024 USD
Cash flows from operating activities			
Profit before income tax		829 991	615 877
Adjustments for:			
Depreciation and amortisation	4	30 165	2 148
Fair value gains on financial assets recognised in profit or loss	6	(266 841)	(51 882)
Profit on disposal of shares	17	(560)	674
Interest and dividends income	17	(11 335)	(15 747)
Foreign exchanges gains	18	(21 916)	(188 906)
Changes in working capital:			
Increase in trade and other receivables	7	(8 910)	(24 137)
Increase in trade and other payables	10	189 955	29 659
Increase in provisions	11	10 071	9 669
Decrease/(Increase) in loans to employees and directors	14	73 492	(289 853)
Increase in related party receivables	21	(153 389)	(16 551)
Increase in related party payables	21.2	408	(1 926)
Net cash flows generated from operating activities		<u>671 131</u>	<u>69 025</u>
Taxation paid	12	(99 626)	(57 278)
Net cash generated form operating activities		<u>571 505</u>	<u>11 747</u>
Cash flows from Investing activities			
Purchase of property and equipment	4	(464 470)	(27 635)
Proceeds from sale of property and equipment	4	-	10 750
Purchase of intangible assets	5	(7 626)	-
Proceeds from disposal of financial assets	6	21 546	21 716
Purchase of financial assets	6	-	(3 544)
Interest and dividends received	17	11 335	15 747
Net cash flows (utilised in)/generated from investing activities		<u>(439 215)</u>	<u>17 034</u>
Cash flows from financing activities			
Dividend paid	13	(183 378)	(132 239)
Net cash flows utilised in financing activities		<u>(183 378)</u>	<u>(132 239)</u>
Increase in cash and cash equivalents			
Effects of inflation on cash and cash equivalents		(51 088)	(103 458)
Effects of exchanges rates on cash and cash equivalents		-	164 195
Cash and cash equivalents at the beginning of the year		22 476	-
		<u>72 856</u>	<u>12 119</u>
Cash and cash equivalents at the end of the year	8	<u>44 244</u>	<u>72 856</u>

**Notes to the financial statements
for the year ended 31 December 2025**

1 General Information

1.1 Nature of business and incorporation

First Transfer Secretaries (Private) Limited is a private limited company incorporated and domiciled in Zimbabwe. The Company is owned by the following shareholders: Tammel Investments (Private) Limited (66.59%), Cabletech Investments (Private) Limited (10%), Eastpeak Investments (Private) Limited (11.69%), Tammel (Private) Limited (8.87%), and the Employee Share Ownership Trust (2.85%). The Company's primary objective is to provide securities transfer secretarial services.

1.2 Functional and Presentation currency

These financial statements are presented in United States Dollars (USD), which became the functional and reporting currency of the Company effective from 1 January 2025.

1.3 Change in functional currency

Since the promulgation of Statutory Instrument ("SI") 185 of 2020, issued on 24 July 2020, the Company has been observing increased use of the United States Dollar (USD) across its operations. SI 218 of 2023, issued on 27 October 2023 confirmed the continued settlement of transactions in foreign currency and ultimately, the continued use of the USD until 31 December 2030. During the year, management conducted an exercise of evaluating whether the change in effects of underlying transactions, events and conditions were indicative of a change in the primary economic environment in which the Company generates and expends cash.

In assessing the functional currency of the Company, the Directors considered the following guidance provided by ('IAS') 21 (The Effects of Changes in Foreign Exchange Rates) which required consideration of factors including but not limited to:

- i. The increase in USD denominated receipts from customers;
- ii. The denomination and settlement of the main costs of providing services including employment costs; and
- iii. The currency in which receipts from operating activities are usually retained;
- iv. The currency in which funds from financing activities are generated.

Based on the review, the Directors concluded that the functional currency of the Company had changed from the Zimbabwe Dollar (ZWG) to the United States Dollar (USD), effective from 1 January 2025.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

1 General Information (continued)

1.3 Change in functional currency (continued)

Procedures to convert comparative financial statements to USD

In translating comparative financial statements previously reported in inflation adjusted terms in accordance with IAS 29 (Financial Reporting In Hyperinflationary Economies), IAS 21 requires that the inflation-adjusted financial statements be translated using the closing rate of exchange at the reporting date or an observable exchange rate if it meets the estimation objectives. The provisions of IFRS 1 (First-time adoption of International Financial Reporting Standards) applicable to companies whose functional currency was that of a hyperinflationary economy including those that previously applied International Financial Reporting Standards (IFRSs), allows companies to measure all assets and liabilities held before the functional currency normalisation date at fair value where fair value can be estimated in reference to the deemed cost of those assets and liabilities in the opening statement of financial position.

The Company previously reported its financial statements in ZWG, a currency under hyperinflation but did not restate its historical financial statements in accordance with IAS 29, "Financial Reporting in Hyperinflationary Economies". IAS 21 requires entities operating in hyperinflationary economies to translate their last reported inflation-adjusted financial statements using the closing rate of exchange at the last reporting date, on the effective date of change in functional currency. The prior year comparative numbers were translated to USD at the 31 December 2024 RBZ closing rate of USD 1 : ZWG 25.7985.

1.4 Basis of preparation

The Company's financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB); and in compliance with the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31), (COBE). The financial statements are based on statutory records that are maintained under the historical cost convention.

1.5 Statement of compliance

These financial statements have been prepared in conformity with International Financial Reporting Standards, promulgated by the International Accounting Standards Board (IASB) which includes standards and interpretations approved by IASB. These financial statements has been prepared under the assumption that the Company operates on a going concern basis.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

2 Changes in accounting policies and disclosures

a) New standards, amendments and interpretations effective for the first time for 31 December 2025 year end that are relevant to the Company:

IAS 21 - Lack of Exchangeability (Amendments to IAS 21)

- The amendments include both updates to guidance to assist preparers in correctly accounting for foreign currency items and increases the level of disclosure required to help users understand the impact of a lack of exchangeability on the financial statements.
- The amendments:
 - introduce a definition of whether a currency is exchangeable, and the process by which an entity should assess this exchangeability. This includes application guidance included in a new Appendix A;
 - provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable; and
 - require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability, including the nature and financial impact of the lack of exchangeability, and details of the spot exchange rate used and the estimation process.
- These amendments only affect entities that are required to report foreign currency transactions where there is a long-term lack of exchangeability between currencies; and
- Affected entities may be required to adjust the carrying value of any monetary items that have been translated from a foreign currency which is not exchangeable, and will be required to provide additional disclosures on how the new spot rate has been determined.
- In the current year, the Lack of Exchangeability amendments to IAS 21 do not have a material impact on First Transfer Secretaries Private Limited, as the Company did not estimate its own spot exchange rate but instead applied the official exchange rates in translating transactions and balances. The amendments are effective for reporting periods beginning on or after **1 January 2025**.

b) New standards, amendments and interpretations not yet effective for the first time for 31 December 2025 year end that are relevant to the Company:

IFRS 18 Presentation and Disclosures in Financial Statements

- IFRS 18 was developed to address the lack of detailed requirements in IAS 1 for the following areas:
 - the classification of income and expenses in the statement of profit or loss;
 - the presentation of subtotals in the statement of profit or loss; and
 - the aggregation and disaggregation of information presented in the primary financial statements or disclosed in the notes.
- IFRS 18 requires foreign exchange differences to be classified in the same category of the statement of profit or loss as the income and expenses from items that gave rise to the foreign exchange differences.
- The assessment of an entity's main business activities is therefore going to be a key judgement which may significantly impact the geography of where items appear in the statement of profit or loss.
- IFRS 18 introduces the concept of a 'management-defined performance measure' (MPM) in order to address the significant diversity in practice currently seen when it comes to so-called 'alternative performance measures' and any non-GAAP performance measures.
- The Standard requires entities that present expenses classified by function to disclose the amount of depreciation, amortisation, employee benefits, impairment losses and write-down of inventories included in each line in the operating category of the statement of profit or loss.
- The directors are still assessing the impact of IFRS 18 on the financial statements of the Company. The amendments are effective for reporting periods beginning on or after **1 January 2027**.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

b) New standards, amendments and interpretations not yet effective for the first time for 31 December 2025 year end that are relevant to the Company (continued):

IFRS 19 Subsidiaries without Public Accountability

- IFRS 19 was developed to reduce set of disclosures that certain in-scope entities can elect to apply instead of the disclosure requirements set out in other IFRS Accounting Standards. IFRS 19 will work alongside other IFRS Accounting Standards, with eligible subsidiaries applying the measurement, recognition and presentation requirements set out in other IFRS and the revised disclosures outlined in IFRS 19.
- Due to the nature of IFRS 19, it is amended whenever there are any new or amended disclosure requirements in other IFRS Accounting Standards. In the future, IFRS 19 will be amended at the same time as the IASB issues or revises other IFRS Accounting Standards. To ensure that IFRS 19 is always up to date, any proposed amendments to IFRS 19 will be included in an exposure draft for the corresponding new or amended IFRS Accounting Standards. As part of this process, the IASB has said it will continue to apply the initial principles of IFRS 19 to determine whether new or amended disclosure requirements being proposed as part of IFRS Accounting Standards provide useful information to users of the financial statements of eligible subsidiaries and, therefore, whether to include those disclosures in IFRS 19.
- In order to apply IFRS 19, an entity must meet all of the following criteria at the end of its reporting
 - is a subsidiary
 - does not have public accountability, and
 - has a parent that produces consolidated financial statements available for public use that comply with full application of IFRS.
- For purposes of applying IFRS 19, an entity has public accountability if:
 - it has debt or equity instruments that are traded on a public market or is in the process of issuing such instruments, or
 - holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary business activities.
- IFRS 19 includes reduced disclosures for almost all existing IFRS, the details of which are specific to each impacted standard. To apply IFRS 19, entities will first apply the recognition, measurement, and presentation requirements in each applicable IFRS. The entity will then not apply the disclosure requirements in the applicable IFRS but will instead refer to IFRS 19 for required disclosures.
- These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made. The Standard is effective from annual reporting periods beginning on or after **1 January 2027**.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

b) New standards, amendments and interpretations not yet effective for the first time for 31 December 2025 year end that are relevant to the Company (continued):

Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments

- The IASB issued amendments to the classification and measurement of financial instruments to promote consistency. The amendments were developed to address the following areas:

a. Derecognition of financial instruments when an electronic payment system is used

- New guidance has been added to IFRS 9 to specifically address when a financial liability should be derecognised when it is settled by electronic payment. Previously, an entity was required to wait until the settlement date of the transaction to discharge the liability, but the new guidance allows for the liability to be discharged before the settlement date if:
 - the payment cannot be withdrawn, stopped or cancelled
 - the entity no longer has the practical ability to access the cash, and
 - settlement risk associated with the electronic payment system is insignificant.

b. Classification of financial assets: Contractual cash flows that are solely payments of principal and interest on the principal amount outstanding

- IFRS 9 has always required an entity to consider the characteristics of its contractual cash flows to appropriately classify a financial asset. The amendments provide some additional guidance to help an entity assess whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. Given the importance of this determination, new guidance has been provided, including examples of contractual cash flows that are solely payments of principal and interest on the principal outstanding, to ascertain whether or not the arrangements would be consistent with a basic lending arrangement.
- IFRS 9 also describes certain situations where financial assets may have contractual cash flows that are described as principal and interest, but the payments made do not actually represent a basic lending arrangement. This may be the case if a financial asset has non-recourse features. The amendments to IFRS 9 provide a clearer definition of a non-recourse feature, which is now outlined as a financial asset where the entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

c. Amendments made to the disclosures of financial instruments: Contractual terms that could change the amount of contractual cash flow based on contingent events

- IFRS 7 has been amended to require additional new disclosures for each class of financial asset measured at amortised cost or fair value through other comprehensive income, as well as financial liabilities measured at amortised cost. When there are contractual terms that could change the contractual cash flows based on the outcome of a contingent event not directly related to basic lending risk, an entity must now disclose certain information surrounding the related contingent event as well as possible changes to cash flows and the gross carrying value and amortised cost of the related financial asset or liability. These new disclosures are also now reflected in IFRS 19.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

b) New standards, amendments and interpretations not yet effective for the first time for 31 December 2025 year end that are relevant to the Company (continued):

Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments (continued)

c. Amendments made to the disclosures of financial instruments: Contractual terms that could change the amount of contractual cash flow based on contingent events (continued)

- These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made. The amendments are effective from annual reporting periods beginning on or after **1 January 2026**.

Annual Improvements to IFRS Accounting Standards – Volume 11

- The publication is a collection of amendments to IFRS Accounting Standards discussed by the IASB during the current project cycle for annual improvements. The IASB uses the Annual Improvements process to make necessary, but non-urgent, amendments to IFRS Accounting Standards that will not be included as part of any other project. A summary of the issues addressed is set out below:

a. IFRS 1 - First-time Adoption of International Financial Reporting Standards

Amends paragraphs B5–B6 of IFRS 1:

b. IFRS 7 - Financial Instruments: Disclosures

Amends paragraph B38 of IFRS 7:

c. Guidance on implementing IFRS 7 - Financial Instruments: Disclosures

Amends paragraph IG14 to make its wording consistent with the requirements in paragraph 28 of IFRS 7 and with the wording and concepts in IFRS 9 and IFRS 13.

d. IFRS 10 - Consolidated Financial Statements

Amends paragraph B74 of IFRS 10 'Consolidated Financial Statements' to use less conclusive language and to clarify that the relationship described in paragraph B74 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de facto agent.

e. IAS 7 - Statement of Cash

Amends paragraph 37 of IAS 7 to replace the term 'cost method' with 'at cost'.

- These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made. The amendments are effective from annual reporting periods beginning on or after **1 January 2026**.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

b) New standards, amendments and interpretations not yet effective for the first time for 31 December 2025 year end that are relevant to the Company (continued):

Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments (continued)

c. Amendments made to the disclosures of financial instruments: Contractual terms that could change the amount of contractual cash flow based on contingent events (continued)

- These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made. The amendments are effective from annual reporting periods beginning on or after **1 January 2026**.

Annual Improvements to IFRS Accounting Standards - Volume 11

- The publication is a collection of amendments to IFRS Accounting Standards discussed by the IASB during the current project cycle for annual improvements. The IASB uses the Annual Improvements process to make necessary, but non-urgent, amendments to IFRS Accounting Standards that will not be included as part of any other project. A summary of the issues addressed is set out below:

a. IFRS 1 - First-time Adoption of International Financial Reporting Standards

Amends paragraphs B5-B6 of IFRS 1:

b. IFRS 7 - Financial Instruments: Disclosures

Amends paragraph B38 of IFRS 7:

c. Guidance on implementing IFRS 7 - Financial Instruments: Disclosures

Amends paragraph IG14 to make its wording consistent with the requirements in paragraph 28 of IFRS 7 and with the wording and concepts in IFRS 9 and IFRS 13.

d. IFRS 10 - Consolidated Financial Statements

Amends paragraph B74 of IFRS 10 'Consolidated Financial Statements' to use less conclusive language and to clarify that the relationship described in paragraph B74 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de facto agent.

e. IAS 7 - Statement of Cash Flows

Amends paragraph 37 of IAS 7 to replace the term 'cost method' with 'at cost'.

- These Standards and amendments are not expected to have a significant impact on the financial statements in the period of initial application and therefore no disclosures have been made. The amendments are effective from annual reporting periods beginning on or after **1 January 2026**.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3 Material 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 years presented, unless otherwise stated.

3.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the Company holds for its own use or for rental to others and which are expected to be used for more than one year. Property Plant and equipment is initially measured at cost. Cost includes all the expenditure which is directly attributable to the acquisition or construction of the assets, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting where appropriate.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses. Subsequent to initial recognition, property , plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

When an item of property and equipment is revalued, any accumulated depreciation at the date of revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount. The revaluation surplus in equity related to a specific item of property and equipment is transferred directly to retained earnings when the asset is derecognised.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate cost to their residual values over their estimated useful lives, as follows:

Furniture and fittings	10years
Office equipment	5years
Motor vehicles - brand new	5years
IT equipment	4years
Computer Software	4years

The residual value, useful life and depreciation method of each asset is reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of an item property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3 Material accounting policies (continued)

3.2 Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.2.1 Financial assets and liabilities – Recognition and derecognition

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income (OCI), it needs to give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

The Company's financial assets include cash and cash equivalents, trade and other receivables, loans to shareholders, directors and employees. The Company initially recognises loans and receivables on the date when they become party to a contract. All other financial assets and financial liabilities are initially recognised on the trade date.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or financial liabilities at amortised cost net of directly attributable transaction costs.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The Company derecognises a financial asset when the contractual rights to cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to the other party. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expire.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3 Material accounting policies (continued)

3.2 Financial instruments (continued)

Financial assets at amortized cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, financial assets at amortised cost are subsequently measured at amortised cost using effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes loans, trade and other receivables and 'Cash and cash equivalents' which are classified under current assets except for maturities greater than 12 months after the reporting date which are classified under non-current assets.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held on call with banks, and investments in money market instruments. Cash and cash equivalents are measured at amortised cost with any movement in the foreign currency denominated balances arising from changes in exchange rates, being recognised in profit or loss. In the statement of financial position, bank overdrafts are shown under current liabilities.

Financial assets at fair value through profit or loss:

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial liabilities at Amortized cost

The Company's loans and borrowings comprise interest-bearing loans and borrowings, fixed term payables and trade and other payables.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3 Material accounting policies (continued)

3.2 Financial instruments (continued)

3.2.1 Financial assets and liabilities – Recognition and derecognition (continued)

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are subsequently measured at amortised cost using the effective interest rate method.

3.3 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. This is presented as a share repurchase reserve under share capital. Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the Company in which they are declared.

3.4 Impairment of assets

3.4.1 Impairment of financial assets

An allowance for expected credit losses (ECLs) is recognised when an impairment exists. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL).

For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). Default events may include indications that the debtors or a Company of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive payment from debtors.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3 Material accounting policies (continued)

3.4 Impairment of assets

3.4.1 Impairment of financial assets (continued)

For trade receivables due in less than 12 months, the Company applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For any other financial assets carried at amortised cost (which are due in more than 12 months), the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company 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 Company's historical experience and informed credit assessment including forward-looking information.

3.4.2 Non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to dispose, an appropriate valuation model is used.

Impairment losses are recognised in profit or loss in those expense categories consistent with the function of the impaired asset. For assets an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3 Material accounting policies (continued)

3.5 Provisions and Contingencies

Provisions are recognised when:

- The Company has a present obligation as a result of a past event; It is probable that an outflow of resources embodying economic benefits will be required to settle the
- obligation; and
- A reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation. Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses. If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision. After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of the amount that would be recognised as a provision and the amount initially recognised less cumulative amortisation. The Company did not have any contingent assets or liabilities as at the reporting date.

3.6 Tax

Current income tax assets and liabilities

Current income tax for current and prior periods are, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset. Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

3 Material accounting policies (continued)

3.6 Tax (continued)

Deferred tax assets and liabilities (continued)

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, in other comprehensive income, or a business combination. Current tax and deferred taxes are charged or credited in other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, in other comprehensive income. Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

3.7 Revenue recognition

The Company recognises revenue by following the principles of the five-step model in terms of the IFRS 15 as illustrated below:

- Step 1: Identification of the contract (s) with customers;
- Step 2: Identification of separate performance obligations in the contract;
- Step 3: Determination of the transaction price;
- Step 4: Allocation of the transaction price to separate performance obligation in the contract; and
- Step 5: Recognition of the revenue when (or as) the Company satisfies a performance obligation.

Revenue comprises of revenue from share administration charges, dividend processing fees, corporate issues, Annual General Meetings and Extra Ordinary General Meetings, sundry income and recoveries. Revenue is recognised in terms of IFRS 15 considering whether performance obligations are satisfied at a point in time or over time. Revenue is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a good or service to a customer. Revenue is presented net of value added tax (VAT) and discounts.

**Notes to the financial statements
for the year ended 31 December 2025**

4 Property and equipment

	Land and buildings	Furniture and fittings	Computer Equipment	Motor vehicles	Office equipment	Work in Progress	Total
	USD	USD	USD	USD	USD	USD	USD
Year ended 31 December 2024							
Opening net book amount	34 722	560	2 585	317	1 257	3 199	42 640
Additions	-	3 490	6 762	-	4 498	12 885	27 635
Disposals	(141 488)	-	-	-	-	(2 539)	(144 026)
Revaluation	400 617	28 995	19 345	44 086	47 746	-	540 788
Depreciation charge	-	(187)	(779)	(19)	(475)	-	(1 460)
Closing net book amount	293 851	32 858	27 913	44 384	53 026	13 545	465 577
As at 31 December 2024							
Cost or revalued amount	293 851	33 112	29 851	44 685	54 192	13 545	469 236
Accumulated depreciation	-	(254)	(1 938)	(301)	(1 166)	-	(3 659)
Net book amount	293 851	32 858	27 913	44 384	53 026	13 545	465 577
Year ended 31 December 2025							
Opening net book amount	293 851	32 858	27 913	44 384	53 026	13 545	465 577
Additions	-	-	6 998	-	5 530	451 942	464 470
Disposals	-	-	-	-	-	-	-
Revaluation gain	6 600	-	-	-	-	-	6 600
Depreciation charge	-	(3 198)	(7 156)	(8 847)	(10 642)	-	(29 843)
Closing net book amount	300 451	29 660	27 755	35 537	47 914	465 487	906 804
As at 31 December 2025							
Cost or revalued amount	300 451	33 112	36 849	44 685	59 722	465 487	940 306
Accumulated depreciation	-	(3 452)	(9 094)	(9 148)	(11 808)	-	(33 502)
Net book amount	300 451	29 660	27 755	35 537	47 914	465 487	906 804

The Company engaged a professional independent valuer, StoHill Properties, who carried out valuation of the Company's land. The valuation was carried out as at 31 December 2025.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

	2025 USD	2024 USD
5 Intangible assets		
Opening carrying amount	35	38
Additions	7 626	-
Amortisation charge	(322)	(3)
Closing carrying amount	<u>7 339</u>	<u>35</u>
6 Financial assets		
Financial assets measured at fair value through profit or loss.		
Unlisted shares (Note 6.1)	256 053	3 748
Listed shares (Note 6.2)	30 343	37 353
Total financial assets	<u>286 396</u>	<u>41 101</u>
6.1 Investment in unlisted equities		
As at 1 January	3 748	202
Additions	-	3 546
Fair value gain measured through profit or loss	252 305	-
As at 31 December	<u>256 053</u>	<u>3 748</u>
Investment in unlisted equities comprises a 15% equity shareholdings in Chengetedzai Depository Company.		
6.2 Investment in listed equities		
As at 1 January	37 353	7 187
Disposals	(21 546)	(21 716)
Fair value adjustments	14 536	51 882
As at 31 December	<u>30 343</u>	<u>37 353</u>

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

	2025 USD	2024 USD
7 Trade and other receivables		
Trade receivables	164 513	89 783
Allowance for expected credit losses (Note 22)	(108 860)	(38 434)
	<hr/>	<hr/>
Trade receivables at amortised cost	55 653	51 349
Other receivables	1 372	1 404
Non-financial instruments		
Prepayments	9 071	4 433
	<hr/>	<hr/>
Total trade and other receivables	<u>66 096</u>	<u>57 186</u>
7.1 Doubtful Debts Provision		
Opening balance	38 434	1 814
Increase in provision	70 426	36 620
	<hr/>	<hr/>
Closing balance	<u>108 860</u>	<u>38 434</u>
8 Cash and cash equivalents		
The cash and cash equivalents comprise cash on hand and bank balances held with financial institutions:		
Cash on hand	101	508
Bank balances	44 143	72 348
	<hr/>	<hr/>
	<u>44 244</u>	<u>72 856</u>
There is no significant concentration of credit risk with respect to cash and cash equivalents as the Company holds cash accounts with financial institutions with sound financial and capital cover. The financial institutions holding the company's cash and cash equivalents have the following external credit ratings according to the Global Credit Rating Company:		
AA +	101	508
BBB	44 143	72 348
	<hr/>	<hr/>
	<u>44 244</u>	<u>72 856</u>

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

	2025	2024
	USD	USD
9 Share capital		
Authorised		
1 000 000 Ordinary shares of USD 0.000004 each	4	4
Issued		
740 382 Ordinary shares of USD 0.000004 each	3	3
Share Premium	25	25
	<u>28</u>	<u>28</u>
<p>The unissued share capital is under the control of the directors subject to the limitations of the Companies and Other Business Entities Act (Chapter 24:31) and the Articles and Memorandum of Association of the Company.</p>		
10 Trade and other payables		
	2025	2024
	USD	USD
Trade payables	14 315	3 008
Other payables	226 416	47 768
	<u>240 731</u>	<u>50 776</u>
11 Provision		
Leave provision (Note 11.1)	14 270	9 199
Audit fees provision (Note 11.2)	10 766	5 766
Closing balance	<u>25 036</u>	<u>14 965</u>
11.1 Leave pay provision		
Opening balance	9 199	9 199
Increase in provision	5 071	-
Closing balance	<u>14 270</u>	<u>9 199</u>

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

	2025 USD	2024 USD
11.2 Audit provision		
Opening Balance	5 766	5 766
Increase in provision	10 000	-
Paid	(5 000)	-
Closing balance	<u>10 766</u>	<u>5 766</u>
12 Current tax payable		
Balance at the beginning of the year	25 081	(181)
Current tax for the year recognised in profit or loss	170 411	82 540
Tax paid	(99 626)	(57 278)
Balance at the end of the year	<u>95 866</u>	<u>25 081</u>
13 Dividend payable		
Balance at the beginning of the year	171 501	11 040
Dividends declared for the year	124 162	292 700
Dividend paid	(183 378)	(132 239)
Balance at the end of the year	<u>112 285</u>	<u>171 501</u>
14 Loans to employees and directors		
Educational loans	28 188	13 157
Car loans	30 306	39 146
Directors loans	190 131	269 814
	<u>248 625</u>	<u>322 117</u>

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

	2025 USD	2024 USD
15 Revenue from contracts with customers		
Share administration charges	549 289	345 856
Dividend processing fees	738 580	404 658
Corporate issues and other related incomes	64 246	110 900
AGMs & EGMs	48 173	34 454
Sundry income	26 840	426
Recoveries	10 255	29 046
	<u>1 437 383</u>	<u>925 340</u>
16 Cost of sales		
Stationery/Class A	18 777	4 018
Printing/Class A	7 800	22 042
Postage expense/Class A	1 059	3 704
Company secretarial expenses/Class A	374	150
	<u>28 010</u>	<u>29 914</u>
17 Other income		
Profit/(Loss) on disposal of shares	560	(674)
Interest received	8 594	15 747
Other income	33 083	3 417
	<u>42 237</u>	<u>18 490</u>
18 Operating gains		
Foreign currency exchange gains	21 916	188 906
Available for sale gains-Listed	14 536	51 882
Available for sale gains-Unlisted*	252 305	-
	<u>288 757</u>	<u>240 788</u>

*The Company engaged a professional independent valuer, Crowe Advisory (Private Limited), who carried out valuation of the unlisted shares. The valuation was carried out as at 31 December 2025.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

	2025 USD	2024 USD
19 Other operating expenses		
Administration, advertising and directors fees	79 915	56 139
Allowances for credit losses	70 426	36 620
Auditors remuneration	10 000	10 920
Bad debts	15	25
Consulting fees	96 879	56 102
Depreciation, amortisation and impairment	30 165	2 148
Employee costs	355 589	241 754
Legal fees, levies and insurance	28 268	11 512
Lease rentals on operating lease	43 166	20 588
Other office running costs	78 524	32 313
Repairs and maintenance	31 682	7 505
Royalties	17 967	26 889
Security	15 813	9 941
Subscriptions and communication	12 772	6 209
Training and workshops	17 060	2 061
Travel, transport and freight	15 838	15 926
Donation	6 297	2 175
	<u>910 376</u>	<u>538 827</u>
20 Income tax expense		
Current		
Current tax	170 411	82 540
Deferred tax	(45 951)	(117 776)
	<u>124 460</u>	<u>(35 236)</u>
Taxation Reconciliation		
Profit before taxation	<u>829 991</u>	<u>616 563</u>
National tax thereon at 25.75%	213 723	158 765
Tax effects of:		
Expenses not deductible for tax purposes	241 731	65 277
Income not subject to tax	(330 994)	(259 278)
	<u>124 460</u>	<u>(35 236)</u>
Income tax (credit)/ expense	<u>124 460</u>	<u>(35 236)</u>

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

	2025 USD	2024 USD
20 Income tax expense (continued)		
Deferred tax		
Analysis of temporary differences		
Property and equipment	19 249	56 508
Intangible assets	-	2
Leave pay provision	(3 675)	(3 939)
Provision for credit losses	(27 456)	(19 763)
Advance payments	2 336	1 899
	<u>(9 546)</u>	<u>34 705</u>
Reconciliation		
Opening balance	34 705	(155 199)
Movement through profit or loss	(45 951)	(117 776)
Movement through other comprehensive income	1 700	307 680
	<u>(9 546)</u>	<u>34 705</u>
Closing balance	<u>(9 546)</u>	<u>34 705</u>

21 Related parties

The following are the related parties of the Company:

Related party	Nature of relationship
Tanmel Investments (Pvt) Ltd	Majority Shareholder
Cabletech Investment (Pvt) Ltd	Board Representation
Tanmel (Pvt) Ltd	Board Representation
Eastpeak Investments (Pvt) Ltd	Board Representation
Ms. Nokuthula Moyo	Board Chairperson
Mr. Campbell V. Musiwa	Non Executive Director
Mr. Joshua Chimhanda	Non Executive Director
Mrs. Mildred Chiri	Non Executive Director
Mr. Tanaka M. Musiwa	Managing Director

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

21 Related parties (continued)

	2025 USD	2024 USD
Transactions with related parties		
(i) Shareholders' loans		
Tanmel (Pvt) Ltd	171 992	6 667
Tanmel Investments (Pvt) Ltd	24 682	8 435
Capex funding	99 242	9 330
	<u>295 916</u>	<u>24 432</u>
(ii) Royalties		
Tanmel Investments (Pvt) Ltd	17 967	26 889
	<u>17 967</u>	<u>26 889</u>
(iii) Retainer		
Tanmel Investments Pvt Ltd	58 525	33 047
	<u>58 525</u>	<u>33 047</u>
(iv) Directors fees		
	3 389	5 816
	<u>3 389</u>	<u>5 816</u>
(v) Rentals		
Roncadin Investments (Pvt) Ltd	41 739	25 364
	<u>41 739</u>	<u>25 364</u>
(vi) Housing loans to managing director and non-executive director		
	190 131	269 814
	<u>190 131</u>	<u>269 814</u>
21.1 Related party receivables		
Tanmel (Pvt) Ltd	2 526	845
Tanmel Investments (Pvt) Ltd	5 981	3 531
Cabletech Investments (Pvt) Ltd	7 288	-
Tanmel Investments-Royalty	2 336	-
Tanmel (Pvt) Ltd USD	20 894	2 095
Tanmel Investment (Pvt) Ltd USD	18 701	4 904
Shareholders Medical /Tanaka Musiwa	17 126	-
Capex Funding	99 242	9 330
	<u>174 094</u>	<u>20 705</u>
21.2 Related party payables		
Cabletech (Pvt) Ltd	-	421
ESOT	829	-
Tanmel Investments (Pvt) Ltd	2 589	2 589
	<u>3 418</u>	<u>3 010</u>

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

21.3 Key management compensation

Key management comprises directors (executive and non-executive) of the Company. The compensation paid or payable to key management for employee services is shown below:

Salaries and other short - term benefits	<u>20 861</u>	<u>13 406</u>
--	---------------	---------------

22 Treasury and financial risk management

22.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including price risk, fair value interest rate risk, cash flow interest rate risk and foreign exchange rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out under policies approved by the Board of Directors (the "Board"). 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, credit risk and the investment of

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument, will fluctuate because of changes in market prices. The Company's market risks arise from open positions in (a) foreign currencies and (b) interest bearing assets and liabilities to the extent that these are exposed to general and specific market movements.

i) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk and currency risk, whether these changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all financial instruments traded in the market. The Company is not exposed to commodity or equity securities price risks because it had no assets nor obligations that exposes the Company to these risks at year end.

ii) Cash flow and fair value interest rate risk

Cash flow and fair value interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company has no significant interest-bearing assets or liabilities, the Company's income and operating cash flows are substantially independent of changes in market interest rates. Trade and other receivables and trade and other payables are interest free and have settlement dates within one year.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

22 Treasury and financial risk management (continued)

22.1 Financial risk factors (continued)

ii) Cash flow and fair value interest rate risk (continued)

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities. The company's sales are denominated in United States dollars (USD) but settled in both United States dollars (USD) and local currency (ZWG). The bulk of company capital development is denominated in USD. Company operational expenses are denominated and settled with a mixture of USD and ZWG.

22.2 Interest rate risk

The Company finances its operations through retained earnings hence not exposed to interest rate risk.

22.3 Credit risk

Credit risk arises on cash and cash equivalents and trade receivables. The risk in respect of cash and cash equivalents is managed by only investing with financially sound institutions and by setting prudent exposure limits for each institution. The risk arising on trade receivables is managed through normal credit limits, continual review, and exception reporting. Adequate provision is made for doubtful debts.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The maximum exposure to credit risk at the reporting date was as follows:

	2025	2024
	USD	USD
Receivables	<u>66 096</u>	<u>57 186</u>

The allowance account in respect of trade receivables is used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible. At that point, the amount is considered irrecoverable and is written off against the financial asset directly.

Impairment of trade and other receivables

The Company applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and their aging.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

22 Treasury and financial risk management (continued)

Impairment of trade and other receivables (continued)

The expected loss rates are based on the Company's historical credit losses. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Company's clients.

2025	Current	More than 30 days	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
	USD	USD	USD	USD	USD	
Expected credit loss rate	27%	43%	66%	76%	99%	
Trade receivables	7 312	33 986	51 765	53 554	17 896	164 513
Trade receivables-allowances	(1 974)	(14 444)	(34 165)	(40 576)	(17 701)	(108 860)
Trade receivables-net	5 338	19 542	17 600	12 978	195	55 653
2024	Current	More than 30 days	More than 60 days past due	More than 90 days past due	More than 120 days past due	Total
	USD	USD	USD	USD	USD	
Expected credit loss rate	7%	10%	14%	7%	100%	
Trade receivables	16 720	11 926	8 988	18 704	33 445	89 783
Trade receivables-allowances	(1 247)	(1 248)	(1 247)	(1 247)	(33 445)	(38 434)
Trade receivables-net	15 473	10 678	7 741	17 457		51 349

22.4 Liquidity risk

The company's risk to liquidity is a result of the funds available to cover future commitments. The company manages liquidity risk through an ongoing review of future commitments and credit facilities.

22.5 Reputational risk

Reputational risk refers to the risk of damage to the Company's image, which may affect its ability to retain and generate business. The Company manages reputational risk by ensuring that business is conducted in accordance with the legal and regulatory requirements. In The Company also has systems in place to monitor customer service satisfaction levels as well as processes to resolve customer queries and complaints.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

22 Treasury and financial risk management (continued)

22.6 Legal and compliance risk

Legal and compliance risk is the risk that arises due to the Company's failure to adhere to legal and regulatory obligations. The Company manages this risk through the dedicated Risk and Compliance department, and deliberations by its Audit, Risk and Compliance Committee.

22.7 Strategic risk

Strategic risk refers to the potential for opportunity losses arising from failure to optimise the earnings potential of the Company. The Board approves the Company's strategy as formulated by management, while the Managing Director has the overall responsibility for strategy implementation. The Board conducts a quarterly review of the strategy's performance and its continued applicability.

22.8 Operational risk

This is the potential for loss arising from human error and fraud, inadequate or failed internal processes, systems failure, non-adherence to procedure or other external sources that result in the compromising of the Company's revenue or erosion of the Company's statement of financial position value. The Audit, Risk and Compliance Committee exercises adequate oversight over operational risks across the Company. The Risk and Compliance Department is responsible for setting Operational Policies and maintaining standards for operational risk.

23 Anti-Money Laundering (AML) Disclosure

By virtue of being a licenced Designated Non-Financial Business Agent in the financial services space, the Company has an obligation to identify any potential violation on FTS anti-money laundering mandate. The Company's policy frameworks take a broad view of the crimes related to money laundering, and specifically includes tax evasion, human trafficking/modern slavery, and illegal wildlife trade as Money Laundering offences. This framework is guided by both local and international standards which includes but not limited to the following:

- Financial Action Task Force (FATF) Forty Recommendations
- Money Laundering and Proceeds of Crime Act (Chapter 9:24)
- Bank Use Promotion Act (Chapter 24:24)
- Reserve Bank of Zimbabwe Anti-Money Laundering and Combating of Financing of Terrorism Guidelines.

Throughout the reporting period, the company has continued to strengthen AML/CFT policies, procedures and controls to effectively identify, assess and mitigate risks associated with financial crimes. FTS robust AML/CFT policy encompasses comprehensive customer due diligence, transaction monitoring, suspicious activity reporting and ongoing training and awareness initiatives for staff.

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

24 Capital management

First Transfer Services has adopted a capital adequacy framework in line with the requirements of the Securities and Exchange Commission of Zimbabwe (SECZ). The framework ensures that the Company maintains sufficient capital to meet regulatory requirements, support its operations, and safeguard its financial stability, while balancing risk and return to deliver sustainable value to stakeholders.

24.1 Capital adequacy

Capital adequacy is computed in line with guidelines provided by the Securities and Exchange Commission of Zimbabwe (SECZ).

	2025 USD	2024 USD
Capital Adequacy Required (a)	150 000	150 000
Adjusted Liquid Capital:		
Ordinary Share Capital	3	3
Share Premium	25	25
Audited retained earnings or accumulated losses	246 810	12 642
Unaudited profit	<u>1 018 970</u>	<u>428 612</u>
Owners Equity	1 265 808	441 281
Shareholder loans	-	-
Guarantees received	-	-
Total Capital Resources (b)	<u>1 265 808</u>	<u>441 281</u>
Intangible assets + Guarantees provided (c) :		
Goodwill	-	-
Capitalised developments costs	-	-
Licenses,softwares	-	-
Trademarks and similar rights	-	-
Guarantees provided	-	-
Available Capital Resources d=(b+c)	<u>1 265 808</u>	<u>441 281</u>
Illiquid assets (e) :		
Fixed assets, net of related secured loans	362 722	186 231
Investments in unlisted securities	<u>(256 053)</u>	<u>(3 748)</u>
Adjusted Liquid Capital f=(d+e)	<u>1 372 477</u>	<u>623 764</u>
Capital Surplus g=f+a	<u><u>1 522 477</u></u>	<u><u>773 764</u></u>

**Notes to the financial statements
for the year ended 31 December 2025 (continued)**

25 Going concern

The company's operations have been significantly affected and may continue to be affected by the challenging environment particularly the lack of liquidity in the Zimbabwean economy. However, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They believe that the preparation of these financial statements on a going concern basis is still appropriate. However, the Directors believe that under the current economic environment a continuous assessment of the ability of the company to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.