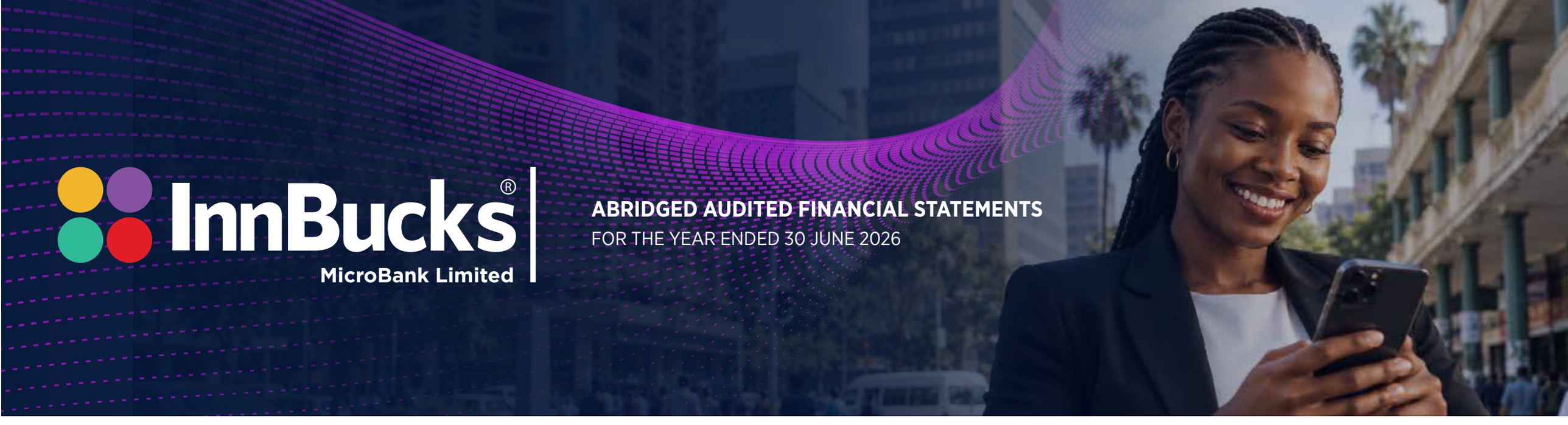


InnBucks® MicroBank Limited

ABRIDGED AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 30 JUNE 2026

Introduction

The Board presents the results of InnBucks MicroBank Limited for the year ended 30 June 2026. These results reflect a year in which the MicroBank accelerated execution of its strategy to become a leading digital bank.

Over the period, the MicroBank expanded Business Banking, remodelled transaction banking for retail customers and strengthened its technology platforms. These strategic initiatives drove strong growth in customer deposits, lending, transaction volumes and profitability.

Operating environment

The macro-economy was markedly more stable, supported by strong performance in the agriculture and mining sectors. Resilient foreign currency inflows were sustained by firm mineral prices, export growth and diaspora remittances. Accordingly, the exchange rate remained stable, moving from ZwG26.95 to ZwG26.77 over the twelve months. Annual inflation fell from 92.5% in June 2025 to 4.7% in June 2026. Whilst geo-political tensions triggered an increase in international oil prices, Government initiatives helped moderate the pass-through effect, with a modest impact on inflation. With inflation anchored, the Reserve Bank of Zimbabwe reduced its ZwG policy rate from 35% to 30% in June 2026. The approval of the International Monetary Fund's first review of the Staff-Monitored Programme confirmed progress in fiscal and monetary developments in the country. The banking sector recorded notable growth on the back of gains in the macro-economy, although constrained liquidity and subdued lending growth remain challenges to be managed.

Against this backdrop, InnBucks MicroBank remained focused on delivering innovative financial solutions and grew across several measures during the reporting period.

Financial performance

The MicroBank posted a profit after tax of ZwG235.3 million for the year ended 30 June 2026, which is up 216% from ZwG74.6 million in the previous annual reporting period. Total assets grew to ZwG6.7 billion from ZwG2.5 billion. The increase in profit was driven by growth in the lending book, underpinned by sustained deposit inflows. Surplus liquidity was deployed into short to medium-dated Government instruments. These instruments have performed in line with their terms. Asset quality remained sound through a period of rapid lending growth, with the non-performing loans ratio at 1.4% against a regulatory threshold of 5%.

Capital and Liquidity

InnBucks MicroBank's core capital position closed at ZwG663.0 million as at 30 June 2026, comfortably above the current minimum regulatory requirement of ZwG133.8 million (US$5.0 million USD equivalent). The MicroBank's capital adequacy ratio remained strong, closing the period at 19.1% (15% regulatory minimum), up from 17.6% for the comparative period. The MicroBank also maintained a liquid assets ratio of 37%, well above the regulatory minimum of 30%, providing capacity to support further lending. The MicroBank continues to manage its funding mix and maturity profile conservatively.

I would like to thank our Shareholders for injecting additional capital amounting to ZwG104.4 million to expand credit underwriting capacity.

Dividend

No dividend has been declared for the period under review. The Board considers it appropriate to retain earnings in full to fund lending growth and to maintain capital buffers comfortably above regulatory minimums. The Board will keep the dividend position under review as the capital base builds.

Directorate

There were no changes to the composition of the Board during the period under review, ensuring continuity and stability in the MicroBank's leadership. The Board comprises five independent Non-Executive Directors, one non-independent Non-Executive Director and four Executive Directors, whose names are set out in the Corporate Governance Statement. The Board keeps its composition and committee structures under regular review, so that the balance of skills and experience remains aligned to the MicroBank's strategy and in compliance with regulatory requirements.

Commitment to compliance

Commitment to compliance is a core principle at InnBucks MicroBank. The MicroBank complied with the Reserve Bank of Zimbabwe's prudential requirements throughout the year, other than the disclosure matter set out in the Corporate Governance Statement. Our organisation prioritises transparency and accountability, and regular training and awareness programmes ensure that all employees understand their roles in maintaining compliance.

Sustainability

The Board is committed to building an inclusive and sustainable institution that creates long-term value for shareholders while safeguarding the interests of depositors, customers, employees, regulators and the wider community. We recognise that the sustainability of our business is anchored in prudent risk management, strong corporate governance, ethical conduct, and responsible financial inclusion. The Board continues to integrate Environmental, Social and Governance (ESG) considerations into strategy, lending practices, and operations in line with Reserve Bank of Zimbabwe guidance and international best practice.

Outlook

Economic growth is forecast to be 5% for 2026, moderating from 8.3% in 2025. The lower forecast is premised on El Niño conditions expected for the 2026/27 rainfall season. A weaker agricultural year would weigh on incomes, export earnings and the wider economy. The Government has begun rolling out drought mitigation measures to reduce the impact.

The MicroBank's response is to continue strengthening the balance sheet through sound asset creation, tighter credit selection and a level of liquidity appropriate to its operations. The Board anticipates further capital during the coming year to support both lending capacity and regulatory buffers. At the same time, the MicroBank is focused on scaling efficiently by containing cost growth and automating front and back-office processes, so that the growth already achieved is sustainable and converts into stronger returns.

Appreciation

On behalf of the Board, I would like to express my sincere gratitude to the MicroBank's management and staff for their dedication and contribution. The Board also extends its appreciation to the MicroBank's customers and partners for their continued support.



RALPH WATUNGWA
CHAIRMAN
DATE: 28 SEPTEMBER 2026

CHIEF EXECUTIVE OFFICER'S REPORT

FOR THE YEAR ENDED 30 JUNE 2026

Business performance

The MicroBank's profit before tax for the year ended 30 June 2026 was ZwG306.3 million, 166% higher than ZwG115.2 million in the comparative reporting period. The increase in profit was driven by growth in the loan book and the corresponding growth in interest and trading income.

Key highlights of the MicroBank's financial performance include:

- Loans and advances – gross loans grew by 51% to ZwG2.3 billion, driven by lending to Business Banking customers.
- Credit quality – non-performing loans closed at 1.4% of gross loans, compared with 0.9% in the prior year, and the impairment charge on the loan book was lower than in the prior year despite the larger book.
- Growing funding sources – customer funding, comprising deposits and wallet balances, grew by 229% to ZwG4.7 billion, largely sourced from Business Banking customers and from growth in wallet balances. Reliance on wholesale funding reduced to 19% of total funding, down from 30%.
- Net interest income – increased by 162% to ZwG500.9 million, driven by growth in the loan book and investment in Treasury assets.
- Cost efficiency – the cost-to-income ratio improved to 60% from 62%, and further optimisation is being pursued as the MicroBank scales.

This performance was underpinned by growth in customer numbers across both retail and business segments, which translated into sustained growth in deposit balances and transaction volumes.

Our products and service commitments

The MicroBank continues to develop and enhance its service offering to an expanding customer base. The following are some of the notable service offerings implemented to enhance customer experience during the period:

- Enhancement of the wallet system to be an API-first platform capable of scale and faster release of new products, alongside a move from subscription pricing to fee-per-transaction pricing aligned to how customers use the platform.
- Launch of the InnBucks VISA card which is accepted both locally and internationally.
- E-commerce and point-of-sale acquiring, taking the wallet into online and in-store checkouts.
- Deployment of automated teller machines, including a hybrid recycler that handles deposits and withdrawals from a single machine, and smart safes that credit business customers in real time.
- A single billing integration allowing customers to settle utilities, retail accounts and municipal rates in one place.
- Outbound and inbound international remittances, together with a new correspondent arrangement concluded during the year.

Outlook

Looking ahead, the MicroBank is well positioned to participate meaningfully in the retail and business banking opportunities that the operating environment presents. Further automated teller machines and smart safes will be deployed to improve cash access and cash handling for customers. Access to services will also be widened through broader physical distribution, which remains an area of focus for the MicroBank.

The MicroBank's growing customer franchise, spanning the wallet, the agent network and an expanding cash collection and ATM footprint, provides a deposit-led funding base from which to grow lending sustainably. Building on that base, while continuing to invest in automation and service reliability, remains the focus for the year ahead.

Appreciation

Management extends its sincere gratitude to the MicroBank's clients and stakeholders for their support, and for the trust they place in InnBucks MicroBank as their financial partner. The MicroBank remains committed to delivering relevant solutions that serve them better. The Board's support and counsel remain a vital anchor for the business.

Finally, management thanks the staff of InnBucks MicroBank, whose consistent efforts delivered these results and continue to build a business in which all stakeholders can take pride.



BALDWIN GUCHU
CHIEF EXECUTIVE OFFICER
DATE: 28 SEPTEMBER 2026

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2026
CORPORATE GOVERNANCE STATEMENT



Directors' Responsibility

These financial statements are the responsibility of the Directors. This responsibility includes the setting up of internal control and risk management processes which are monitored independently. The information contained in these audited financial statements has been prepared on the going concern basis and is in accordance with the provisions of the Companies and Other Business Entities Act (Chapter 24:31), the Microfinance Act (Chapter 24:29) and the International Financial Reporting Standards.

Corporate Governance

Board Evaluations

The Board of Directors conducts an annual self-evaluation to determine whether it and its committees are functioning effectively. Comments are received from all Directors and an assessment of the Board's performance is reported to the Board annually. The assessment is discussed with the full Board. The assessment focuses on the Board's contribution to the MicroBank and areas where the execution of their mandate could be enhanced. Each standing Committee reviews and reassesses the adequacy of its charter annually and recommends any proposed changes to the Board of Directors for approval. Further, each standing Committee annually reviews its own performance and reports the results to the Board.

Developments

The MicroBank's corporate governance practices are stipulated by the Microfinance Act (Chapter 24:29). The Board has set up the Audit and Finance Committee, Credit Committee, Information Technology (IT) Governance Committee, Loans Review Committee, Risk and Compliance Committee to assist in the discharge of its duties. The following mandates apply to the relevant Board Committees:

IT Governance Committee

To assist the Board in its oversight of technology related matters and initiatives by helping to ensure that the MicroBank always has robust infrastructure and capabilities in place, follows best practices in the management and utilisation of those capabilities and maintains alignment with the MicroBank's Strategic Business Plan and Statement of Risk Appetite.

Audit and Finance Committee

To provide independent review and oversight of the MicroBank's financial reporting process, the system of internal control and management of financial risks, and the audit process.

Credit Committee

To carry out the Board's overall responsibility with respect to lending and is mainly responsible for considering and approving credit facilities beyond the discretionary limits of the management committees as mandated by the Board.

Loans Review Committee

To oversee the credit and lending strategies and objectives of the MicroBank, including: (i) to oversee the credit risk management of the MicroBank, including reviewing internal credit policies and establishing portfolio limits; and (ii) to review the quality and performance of the MicroBank's credit portfolio.

Risk and Compliance Committee

Has responsibility for oversight and providing advice to the Board on risk governance, the current risk exposures and future risk strategy, including strategy for capital and liquidity management, the setting of compliance policies and principles and the embedding and maintenance of a supportive culture in relation to the management of risk and compliance.

The Board Risk and Compliance Committee (BRCC) supports the Board in carrying out its responsibilities of ensuring that risks are properly identified, reported, assessed, and controlled, and that the MicroBank is operating in line with its approved Risk Appetite. The Board has also appointed management committees to assist in the execution of its mandate namely, the Asset and Liability Committee (ALCO), Management Credit Committee and the Executive Committee.

Regulatory Compliance Statement

In accordance with the Microfinance Act and relevant guidelines, the MicroBank is fully dedicated to compliance across all operational areas. The MicroBank was in compliance with relevant regulatory requirements, except for the instances detailed in the full set of the 2026 Annual Financial Statements.

The Directors are not aware of any other material cases of non-compliance with regulations governing the operations of microfinance institutions.

Going Concern

The Directors have assessed the sustainability of business operations of the MicroBank and believe that the MicroBank remains a going concern for the foreseeable future.

Board of Directors

The Board of the MicroBank has a unitary structure and functions as an authoritative decision-making body and meets regularly as required and periodically monitors the performance of Management.

All the Directors possess expertise and experience in relevant areas such as Accountancy, Law, Risk Management, Information Technology and Banking. The Board collectively and the Directors individually are fully involved in the MicroBank's affairs and adhere to the highest ethical standards. The Directors are elected to hold Office until expiration of their term of office and are eligible for re-election as provided by the InnBucks Board Charter, in compliance with RBZ guidelines.

Board Committee Composition

The Board maintains a separation between risk-taking and risk assurance responsibilities in the composition of its committees. With effect from 1 July 2026 the Board reconstituted its committees so that no Director cross-sits between a risk-taking committee and a risk assurance committee, and the risk assurance committees comprise Non-Executive Directors only. Executive Directors serve only on risk-taking committees and attend other Board committee meetings by invitation. The Board Charter and the terms of reference of each committee have been updated accordingly.

Directors

The Directors in office at the reporting date are as follows:

Directors	Position	Status	Nationality	Changes during Year
Ralph Watungwa	Chairman	Independent Non-Executive Director	Zimbabwean	No change
Mark Hurst	Non-Executive	Independent Non-Executive Director	South African	No change
Amit Gupta	Non-Executive	Independent Non-Executive Director	Indian	No change
Basil Dionisio	Non-Executive	Non-Independent Non-Executive Director	Zimbabwean	No change
Mike Mudondo	Non-Executive	Independent Non-Executive Director	Zimbabwean	No change
Isaack Manitho	Non-Executive	Independent Non-Executive Director	Zimbabwean	No change
Baldwin Guchu	Executive	Executive Director	Zimbabwean	No change
Johnson Mahanya	Executive	Executive Director	Zimbabwean	No change
Tinashe Hove	Executive	Executive Director	Zimbabwean	No change
Daisy Zinyemba	Executive	Executive Director	Zimbabwean	No change

Directors' Meeting Attendance

Meeting Attendance	Main Board	Credit Committee	Loans Review Committee	Risk and Compliance Committee	IT Governance Committee	Audit & Finance Committee
Meetings Held	**4**	**4**	**4**	**4**	**4**	**4**
Ralph Watungwa	4	*	4	4	*	*
Mark Hurst	4	4	*	*	4	4
Amit Gupta	4	4	*	4	*	4
Basil Dionisio	4	4	*	*	4	*
Mike Mudondo	4	*	4	4	*	4
Isaack Manitho	4	*	4	*	4	*
Baldwin Guchu	4	4	*	*	*	*
Johnson Mahanya	4	*	(4)	*	*	(4)
Tinashe Hove	4	*	*	*	(4)	(4)
Daisy Zinyemba	4	*	*	(4)	*	(4)

Key

4 — attended

* — not a member of the committee

(4)— attended by invitation and not a member of the committee

Independent Auditor's Opinion

The audited financial results should be read in conjunction with the full set of financial statements for the year ended 30 June 2026, which have been audited by BDO Zimbabwe Chartered Accountants. An unmodified opinion has been issued thereon. The determination of expected credit losses on financial assets and revenue recognition have been identified as key audit matters for the year and are included in the audit report. The auditor's report on the financial statements is available for inspection at the Microbank's registered office.

The Engagement Partner for the audit is Silas Mapindu (PAAB Practising Number: 0639).
BDO Zimbabwe Chartered Accountants

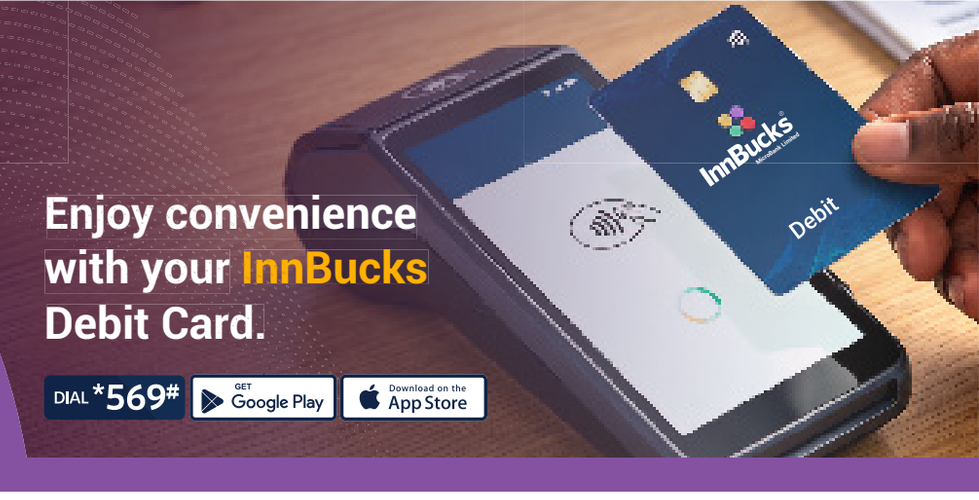
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2026

	Note	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
Interest income calculated using the effective interest rate method	6	782 821 834	285 239 719
Interest expense calculated using the effective interest rate method	7	(281 908 778)	(94 117 165)
Net interest income		**500 913 056**	**191 122 554**
Expected credit losses on financial assets	10	(121 666 859)	(82 450 217)
Net interest income after expected credit losses		**379 246 197**	**108 672 337**
Net fee and commission income	8	194 712 583	178 673 252
Trading income	9	370 305 420	148 716 821
Non-interest income		**565 018 003**	**327 390 073**
Net operating income		**944 264 200**	**436 062 410**
Staff expenses	11	(297 769 806)	(127 844 483)
Information Technology and Infrastructure costs	12	(70 456 335)	(40 801 799)
Administration expenses	13	(269 777 232)	(152 247 904)
Total operating costs		**(638 003 373)**	**(320 894 186)**
Profit before tax		306 260 827	115 168 224
Income tax expense	14	(70 978 358)	(40 617 383)
Profit for the year		**235 282 469**	**74 550 841**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Fair value loss on financial assets at FVTOCI		(2 550 279)	(9 742 133)
Recycling of fair value losses to profit or loss		5 648 522	-
Expected credit losses on FVTOCI debt instruments recognised in OCI		4 089 649	-
Effects of translation to presentation currency		9 354 766	130 766 968
Total comprehensive income for the year		**251 825 127**	**195 575 676**
Earnings per share			
Basic earnings per share (ZwG cents per share)	15	145 236	46 019

InnBucks®
MicroBank Limited

ABRIDGED AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026



STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

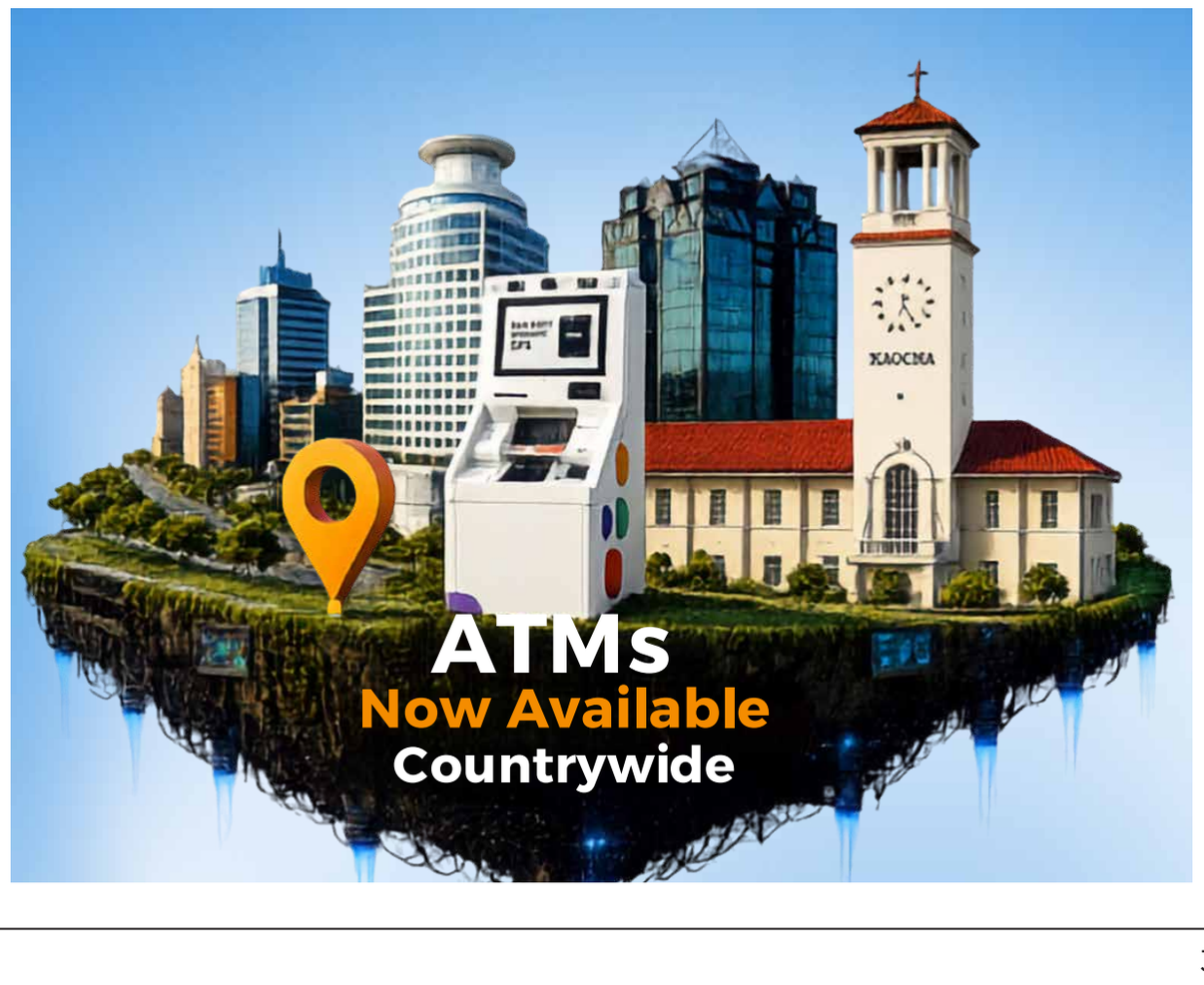
	Note	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
ASSETS			
Cash and cash equivalents	16	1 225 119 147	560 125 736
Investment securities	18	2 995 053 409	316 578 616
Loans and advances to customers	17	2 223 239 547	1 459 186 720
Other assets	19	133 782 772	67 977 534
Equipment	21	64 047 443	28 921 305
Intangible assets	22	781 705	7 951 002
Right of use assets	23	44 551 693	11 700 631
Deferred tax asset	20	30 690 103	13 340 686
Total assets		**6 717 265 819**	**2 465 782 230**
LIABILITIES			
Wallet funds	24	651 735 650	403 096 139
Deposits from customers	25	4 067 305 114	1 029 683 687
Borrowings	28	1 070 957 598	602 621 934
Other liabilities	26	188 964 992	88 233 290
Current tax liability	14	29 616 822	22 358 248
Lease liabilities	27	45 738 479	13 072 895
Total liabilities		**6 054 318 655**	**2 159 066 193**
EQUITY			
Share capital		109 836	109 836
Share premium		73 354 284	73 354 284
Financial assets at FVTOCI Reserve		(2 554 241)	(9 742 133)
Shares awaiting allotment		104 406 000	-
Foreign Currency Translation Reserve		140 121 734	130 766 968
Retained earnings		347 509 551	112 227 082
Total equity		**662 947 164**	**306 716 037**
Total equity and liabilities		**6 717 265 819**	**2 465 782 230**

Ralph Watungwa
Chairman of the Board
28 September 2026

Baldwin Guchu
Chief Executive Officer
28 September 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2026

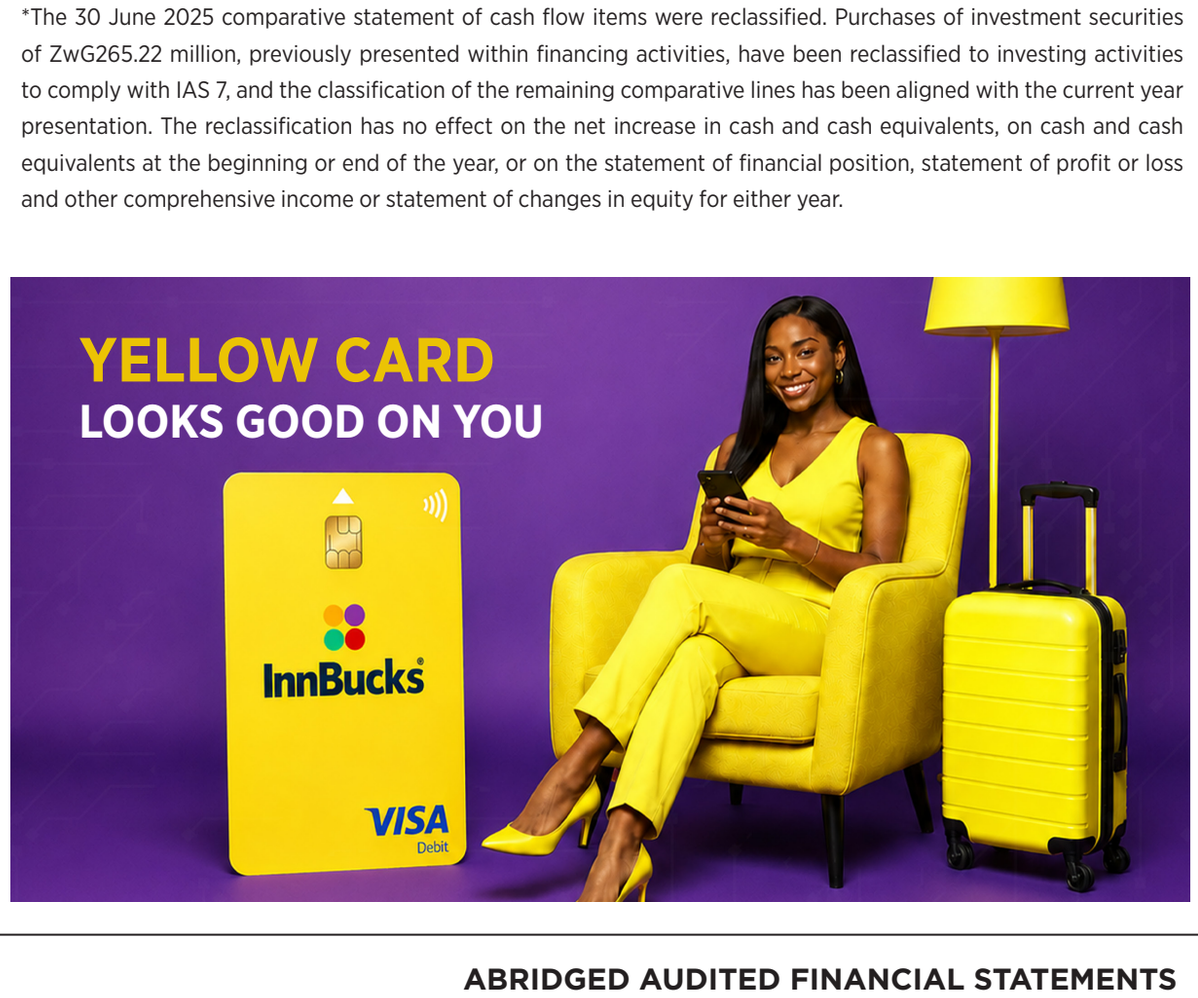
Audited	Share Capital ZwG	Share Premium ZwG	Financial assets at FVTOCI Reserve ZwG	Shares awaiting allotment ZwG	Foreign Currency Translation Reserve ZwG	Retained Earnings ZwG	Total ZwG
Balance at 01 July 2024	**109 836**	**73 354 284**	**-**	**-**	**-**	**37 676 241**	**111 140 361**
Total comprehensive income for the year	-	-	(9 742 133)	-	130 766 968	74 550 841	195 575 676
Balance at 30 June 2025	**109 836**	**73 354 284**	**(9 742 133)**	**-**	**130 766 968**	**112 227 082**	**306 716 037**
Total comprehensive income for the year	-	-	7 187 892	-	9 354 766	235 282 469	251 825 127
Rights issue awaiting allotment	-	-	-	104 406 000	-	-	104 406 000
Balance at 30 June 2026	**109 836**	**73 354 284**	**(2 554 241)**	**104 406 000**	**140 121 734**	**347 509 551**	**662 947 164**



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 20

	Notes	AUDITED 30 June 2026 ZwG	*AUDITED 30 June 2025 ZwG
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		**306 260 827**	**115 168 224**
Interest expenses	7	281 908 778	94 117 165
Net profit before interest and tax		**588 169 605**	**209 285 389**
Non-cash items:			
- Impairment losses on financial assets, gross of recoveries	10	134 515 164	84 444 851
- Write off of assets		1 382 848	-
- Depreciation of equipment	21	9 958 686	4 818 084
- Amortisation of intangible assets	22	1 740 836	1 865 953
- Depreciation of right of use assets	23	5 668 340	4 327 100
- Impairment of goodwill	22	4 420 278	-
- Unrealised foreign exchange loss/(gain)	9	821 656	(5 769 495)
- Interest accrued on treasury bills		(5 311 045)	(17 264 054)
- Gain on Securities swap	9	(61 854 059)	-
- Recycling of fair value losses to profit or loss		5 648 522	-
- Loss on disposal of investment securities measured at FVTOCI		1 721 358	-
Operating cash flows before changes in working capital		**686 882 189**	**281 707 828**
Changes in working capital			
Increase in deposits from customers		3 037 621 427	779 585 933
Increase in Wallet funds		248 639 511	146 839 083
Increase in other liabilities		100 731 702	30 227 390
Increase in loans and advances to customers		(763 196 093)	(789 208 215)
(Increase)/ decrease in other assets		(65 805 238)	9 896 293
Cash generated in operations		**3 244 873 498**	**459 048 312**
Interest expense paid on deposits and other borrowings	7	(227 824 152)	(58 630 399)
Interest expense paid on offshore borrowings		(48 116 961)	(34 641 244)
Interest expense paid on lease liabilities	27	(2 207 351)	(845 522)
Income taxes paid	14	(51 866 176)	(3 177 907)
Net cash generated in operations		**2 914 858 858**	**361 753 240**
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of equipment	21	(45 049 258)	(13 241 845)
Acquisition of intangible assets	22	-	(2 792 545)
Proceeds from maturities/disposals of investment securities	18	718 451 988	-
Acquisition of investment securities		(3 391 485 049)	(265 225 825)
Net cash used in investing activities		**(2 718 082 319)**	**(281 260 215)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Drawdown of offshore borrowings		104 722 975	377 234 491
Repayment of offshore borrowings		(65 451 860)	-
Increase/(decrease) in local borrowings		418 846 059	(111 132 797)
Lease liability principal payments		(5 840 976)	(4 074 566)
Rights issue of shares awaiting allotment		104 406 000	-
Net cash generated from financing activities		**556 682 198**	**262 027 128**
Net increase in cash and cash equivalents		753 458 737	342 520 153
Effects of translation to presentation currency		(92 677 768)	69 080 172
Net foreign exchange gains on cash and cash equivalents		4 212 442	25 704 015
Cash and cash equivalents at beginning of the year		560 125 736	122 821 396
Cash and cash equivalents at the end of the year	**16**	**1 225 119 147**	**560 125 736**

*The 30 June 2025 comparative statement of cash flow items were reclassified. Purchases of investment securities of ZwG265.22 million, previously presented within financing activities, have been reclassified to investing activities to comply with IAS 7, and the classification of the remaining comparative lines has been aligned with the current year presentation. The reclassification has no effect on the net increase in cash and cash equivalents, on cash and cash equivalents at the beginning or end of the year, or on the statement of financial position, statement of profit or loss and other comprehensive income or statement of changes in equity for either year.





NOTES TO THE ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

1 GENERAL INFORMATION

InnBucks MicroBank Limited ("the MicroBank") is a registered deposit-taking microfinance institution in Zimbabwe and is regulated by the Reserve Bank of Zimbabwe under the Microfinance Act (Chapter 24:29).

The MicroBank is a limited liability company incorporated on 6 February 2019 and domiciled in Zimbabwe. Its registered office address is 2 Northridge Close, Northridge Park, Borrowdale, Harare, Zimbabwe.

Bankers	Reserve Bank of Zimbabwe CBZ Bank Limited
Attorneys	Manokore Attorneys 61 Princess Drive Cnr Glenara Avenue Newlands Harare
External Auditors	BDO Zimbabwe Chartered Accountants Kudenga House 3 Baines Avenue
Company Secretary	Tinashe Hove

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements as at, and for the year ended 30 June 2026, have been prepared under the supervision of Tinashe Hove CA(Z), Chief Finance Officer of the MicroBank. The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and in the manner required by the Microfinance Act [Chapter 24:29] and the Companies and Other Business Entities Act [Chapter 24:31]. They comprise a complete set of financial statements, including the accounting policies and explanatory notes necessary to provide context for the significant events and transactions that have impacted the MicroBank's financial position and performance during the year. The comparative figures presented are for the year ended 30 June 2025.

The MicroBank's financial statements are prepared with the aim of complying fully with IFRS Accounting Standards as well as the requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the Microfinance Act (Chapter 24:29). The IFRS Conceptual Framework, provides that in applying fair presentation to the MicroBank financial statements, entities should go beyond consideration of the legal form of transactions and other factors impacting on the financial statements to also consider the underlying economic substance therein. The MicroBank has prepared its financial statements on a historical cost basis, except for financial assets measured at fair value through other comprehensive income, which are measured at fair value, which complies with the requirements of IFRS Accounting Standards.

2.2 Functional currency

The Directors determined that the functional currency of the MicroBank is United States Dollar (USD) based on requirements and conditions under IAS 21 "The Effects of Changes in Foreign Exchange Rates" for the determination of functional currency.

2.3 Presentation currency

For the purposes of these financial statements, the financial position and results of the MicroBank are presented in Zimbabwe Gold (ZwG), which is the presentation currency, while the functional currency remains the United States Dollar (USD). The financial statements are translated from the functional currency into the presentation currency in accordance with IAS 21 using the following convention: assets and liabilities are translated at the closing rate ruling at the reporting date; income, expenses and cash flows are translated at the average rate for the period, which approximates the exchange rates prevailing at the dates of the transactions; and equity items are translated at the historical rates ruling at the dates of the respective transactions.

Where a spot exchange rate is readily identifiable for a particular transaction, that spot rate is applied in preference to the average rate; this applies in particular to period-end profit or loss items such as the taxation charge and expected credit losses, which are translated at the closing rate ruling at the reporting date. All exchange differences arising on translation to the presentation currency are recognised in other comprehensive income and accumulated in a separate component of equity, the Foreign Currency Translation Reserve (FCTR). Statement of financial position line items at 30 June 2026 were translated at the closing rate of ZwG26.7698 to US$1 and profit or loss items at the average rate of ZwG26.1807 to US$1. Comparative figures at 30 June 2025 were translated at the closing rate of ZwG26.9457 to US$1 and the average rate of ZwG26.3958 to US$1.

2.4 Foreign currency transactions

Transactions in foreign currencies are translated into USD, which is the functional currency of the MicroBank at the spot exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate at the reporting date. The foreign currency gain or loss on monetary items are recognised through profit and loss.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the spot exchange rate at the date on which the fair value is determined. Non-monetary items that are measured based on costs in a foreign currency are translated using the spot exchange rate at the date of the transaction.

3 SUMMARY OF ACCOUNTING POLICIES, ESTIMATES AND KEY JUDGEMENTS

The summary of the MicroBank's accounting policies, estimates and key judgements is included in the full set of the financial statements which can be obtained at the MicroBank's offices or other published media.

4 ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

The summary of the new and, revised standards, and interpretations is included in the full set for the financial, statements which can be obtained at the MicroBank's offices or their other published media.

5 SEGMENT INFORMATION

For management purposes, the MicroBank is organised into two operating segments based on products and services as follows:

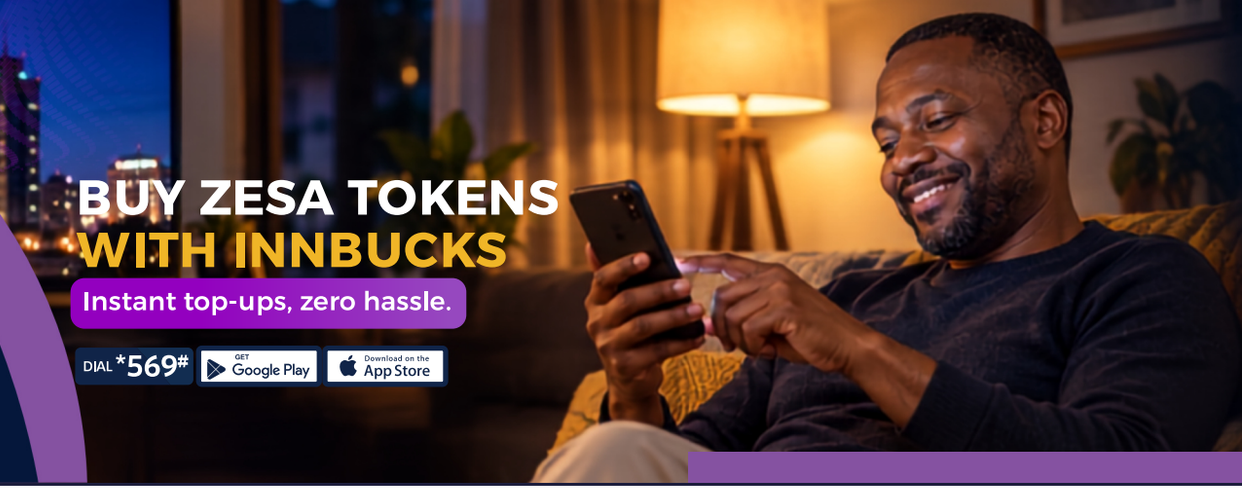
Retail Banking	Individual customers deposits, loans to individuals, debit and credit card facilities, and funds transfer facilities.
Business Banking	Provision of loans, other credit facilities, deposit and current accounts for corporate and institutional customers. This also includes managing relationships with correspondent banks. Funding mobilisation, money market investments, securities trading, accepting and discounting of instruments and foreign currency trading. Provision of corporate financial solutions including derivative instrument structures, debt factoring, swap transactions, foreign currency auction support to customers.

Central functions and costs that are not directly attributable to either segment are presented separately in a Support Enablers column, which is not an operating segment but is included to reconcile the segment information to the financial statements. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the financial statements. Income taxes are managed on a MicroBank-wide basis and are not allocated to operating segments. A detailed quantitative segment disclosure note is shown under note 5.1 below.

5.1 SEGMENT RESULTS OF OPERATIONS

	AUDITED			
	Business Banking	**Retail Banking**	**Support Enablers**	**Total**
30 JUNE 2026	**ZwG**	**ZwG**	**ZwG**	**ZwG**
Interest income calculated using the effective interest rate method	556 926 339	225 895 495	-	782 821 834
Interest expense calculated using the effective interest rate method	(274 682 893)	(7 225 885)	-	(281 908 778)
Net interest income	**282 243 446**	**218 669 610**	**-**	**500 913 056**
Fee and commission income	155 306 660	167 001 780	-	322 308 440
Fee and commission expense	(47 427 068)	(80 168 789)	-	(127 595 857)
Trading and foreign exchange income	370 305 420	-	-	370 305 420
Total segment income	**760 428 458**	**305 502 601**	**-**	**1 065 931 059**
ECL on financial assets	(73 670 702)	(47 996 157)	-	(121 666 859)
Net operating income	**686 757 756**	**257 506 444**	**-**	**944 264 200**
Staff expenses	(122 404 612)	(113 920 847)	(61 444 347)	(297 769 806)
IT and Infrastructure costs	-	-	(68 715 499)	(68 715 499)
Administration expenses	(152 905 074)	(75 712 879)	(21 111 975)	(249 729 928)
Goodwill impairment	-	-	(4 420 278)	(4 420 278)
Depreciation and amortisation expense	(6 918 654)	(3 010 786)	(7 438 422)	(17 367 862)
Segment contribution	**404 529 416**	**64 861 932**	**(163 130 521)**	**306 260 827**
Taxation expense				(70 978 358)
Profit for the year				**235 282 469**
Reportable assets at 30 June 2026	**4 992 575 851**	**1 421 138 846**	**303 551 122**	**6 717 265 819**
Reportable liabilities at 30 June 2026	**4 439 859 242**	**1 369 901 175**	**244 558 238**	**6 054 318 655**
Cash flow from operating activities	**2 753 629 721**	**93 838 095**	**67 391 042**	**2 914 858 858**
Cash flow from investing activities	**(2 691 382 634)**	**(7 985 164)**	**(18 714 521)**	**(2 718 082 319)**
Cash flow from financing activities	**476 524 873**	**95 564 465**	**(15 407 140)**	**556 682 198**

	AUDITED			
	Business Banking	**Retail Banking**	**Support Enablers**	**Total**
30 JUNE 2025	**ZwG**	**ZwG**	**ZwG**	**ZwG**
Interest income calculated using the effective interest rate method	80 072 239	205 167 480	-	285 239 719
Interest expense calculated using the effective interest rate method	(73 534 354)	(20 582 811)	-	(94 117 165)
Net interest income	**6 537 885**	**184 584 669**	**-**	**191 122 554**
Fee and commission income	124 651 636	134 038 329	-	258 689 965
Fee and commission expense	(38 556 630)	(41 460 083)	-	(80 016 713)
Trading and foreign exchange income	148 716 821	-	-	148 716 821
Total segment income	**241 349 712**	**277 162 915**	**-**	**518 512 627**
ECL on financial assets	(49 924 568)	(32 525 649)	-	(82 450 217)
Net operating income	**191 425 144**	**244 637 266**	**-**	**436 062 410**
Staff expenses	(52 553 194)	(48 910 774)	(26 380 515)	(127 844 483)
IT and Infrastructure costs	-	-	(38 935 846)	(38 935 846)
Administration expenses	(88 234 251)	(43 690 304)	(11 178 165)	(143 102 720)
Depreciation and amortisation expense	(4 386 392)	(1 908 823)	(4 715 922)	(11 011 137)
Segment contribution	**46 251 307**	**150 127 365**	**(81 210 448)**	**115 168 224**
Taxation expense				(40 617 383)
Profit for the year				**74 550 841**
Reportable assets at 30 June 2025	**1 574 485 645**	**736 573 266**	**154 723 319**	**2 465 782 230**
Reportable liabilities at 30 June 2025	**1 308 075 746**	**714 353 168**	**136 637 279**	**2 159 066 193**
Cash flow from operating activities	**341 717 583**	**11 661 093**	**8 374 564**	**361 753 240**
Cash flow from investing activities	**(278 497 400)**	**(826 284)**	**(1 936 531)**	**(281 260 215)**
Cash flow from financing activities	**224 297 533**	**44 981 647**	**(7 252 052)**	**262 027 128**



NOTES TO THE ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
6 INTEREST INCOME CALCULATED USING THE EFFECTIVE INTEREST RATE METHOD		
Interest from business banking customers	362 668 152	65 607 231
Interest from individual customers	222 555 487	200 814 451
Interest from investment securities	173 560 633	16 885 846
Interest from inter-bank placements	20 697 554	-
Interest from other lending activities	3 340 008	1 932 191
	782 821 834	**285 239 719**
7 INTEREST EXPENSE CALCULATED USING THE EFFECTIVE INTEREST RATE METHOD		
Due to money market borrowings	116 595 707	12 690 850
Due to customer deposits	111 228 445	45 939 549
Due to offshore borrowings	51 877 275	34 641 244
Finance costs on lease liabilities	2 207 351	845 522
	281 908 778	**94 117 165**
8 NET FEE AND COMMISSION INCOME		
Cash withdrawal fees	120 952 523	97 709 347
Bank transactional fees	68 329 657	61 262 851
Subscription fees	62 168 061	40 349 447
Cash management fees	37 776 797	23 473 311
Value added services	21 551 769	15 822 924
Insurance fees from personal loans	7 633 572	15 479 154
Remittance fees	3 896 061	4 592 931
Fee and commission income	**322 308 440**	**258 689 965**
Fee and commission expense	(127 595 857)	(80 016 713)
Net fee and commission income	**194 712 583**	**178 673 252**
9 TRADING INCOME		
Foreign currency trading income	174 760 287	86 577 878
Cash swaps commission	141 882 610	56 366 592
Gain on securities swap	61 854 059	-
Other operating income	-	2 856
Unrealised foreign exchange (losses)/gains	(821 656)	5 769 495
Fair value loss on disposal of treasury bills measured at FVTOCI	(1 721 358)	-
Recycling of fair value losses to profit or loss	(5 648 522)	-
	370 305 420	**148 716 821**
10 EXPECTED CREDIT LOSSES ON FINANCIAL ASSETS		
Loans and advances to customers	62 501 564	73 167 596
Treasury bills measured at amortised cost	39 888 233	7 191 178
Other assets and undrawn facilities	17 565 433	1 670 633
Savings bonds measured at amortised cost	15 637 017	2 415 444
Investment securities measured at FVTOCI	(1 077 083)	-
Total provision before recoveries	**134 515 164**	**84 444 851**
Recoveries during the year	(12 848 305)	(1 994 634)
	121 666 859	**82 450 217**
11 STAFF EXPENSES		
Salaries and performance incentives	238 973 222	97 989 223
Allowances	34 653 121	15 442 641
Leave pay expenses	7 864 774	5 466 743
Recruitment and retrenchment costs	6 874 959	908 753
Other staff costs	9 403 730	8 037 123
	297 769 806	**127 844 483**
12 INFORMATION TECHNOLOGY AND INFRASTRUCTURE COSTS		
Software licences and support	24 219 282	20 009 093
System development costs	18 296 256	900 802
Data, connectivity and telecommunications	17 195 329	9 638 897
Server, platform and other IT costs	9 004 632	8 387 054
Software amortisation	1 740 836	1 865 953
	70 456 335	**40 801 799**

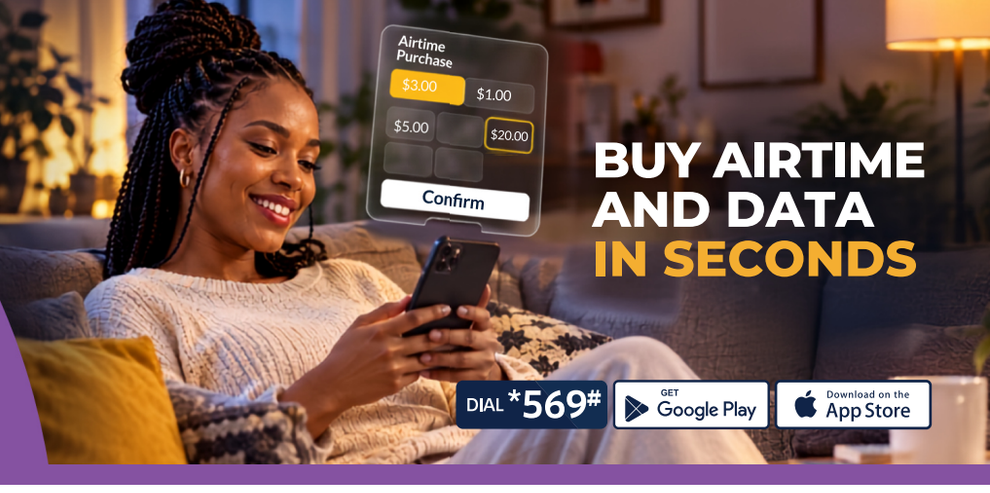
	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
13 ADMINISTRATION EXPENSES		
Cash in transit costs	116 387 230	41 738 409
Marketing costs	45 000 772	21 793 794
Professional and regulatory costs	30 885 214	28 135 988
Travelling and accommodation	16 950 071	6 087 405
Depreciation	15 627 026	9 145 184
Directors' fees	6 522 932	2 683 697
Deposit Protection Corporation premiums	5 909 334	1 720 491
Fines and penalties	2 915 907	394 426
Audit fees	1 257 592	1 117 702
Other costs	28 321 154	39 430 808
Total	**269 777 232**	**152 247 904**
14 TAXATION		
The following constitutes the major components of income tax expense recognised in the Statement of Profit or Loss.		
14.1 Income tax expense		
Current tax	88 414 867	48 191 226
Deferred tax asset	(17 436 509)	(7 573 843)
	70 978 358	**40 617 383**
14.2 Reconciliation of income tax charge		
Net profit before tax	306 260 827	115 168 224
Based on results for the year at a rate of 25.75%	78 862 163	29 655 818
Tax effects:		
Effect of exempt income	(23 410 939)	(729 797)
Effect of disallowable expenses	32 963 643	19 265 205
Other temporary differences	(17 436 509)	(7 573 843)
	70 978 358	**40 617 383**
14.3 Income tax rate reconciliation		
Notional tax	25.00%	25.00%
Aids levy	0.75%	0.75%
Exempt income	(7.64%)	(0.63%)
Disallowable expenses	10.76%	16.73%
Other temporary differences	(5.69%)	(6.58%)
Effective tax rate	**23.18%**	**35.27%**
14.4 Current tax liabilities		
Balance at the beginning of the year	**22 358 248**	**17 231 594**
Charge for the year	88 414 867	48 191 226
Payments during the year	(51 866 176)	(3 177 907)
Effects of translation to presentation currency	(29 290 117)	(39 886 665)
Balance at the end of the year	**29 616 822**	**22 358 248**
15 EARNINGS PER SHARE		
Profit for the year attributable to ordinary shareholders	235 282 469	74 550 841
Weighted average number of ordinary shares in issue	162 000	162 000
Basic earnings per share (ZwG cents)	145 236	46 019

Basic earnings per share is calculated by dividing profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year.

16 CASH AND CASH EQUIVALENTS	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
Notes and coins	279 102 176	188 870 280
Balances with the Central Bank	373 329 489	228 979 951
Balances with commercial banks (local)	303 915 344	61 175 523
Balances with commercial banks (foreign)	268 772 138	81 099 982
	1 225 119 147	**560 125 736**

Balances with the Central Bank include a statutory reserve balance of ZwG157.90 million (June 2025: ZwG107.80 million). These funds are held by the regulator to satisfy mandatory reserve requirements of 30% on demand deposits and 15% on fixed deposits across all currencies.

17 LOANS AND ADVANCES TO CUSTOMERS		
Salary based loans - Private companies	162 239 818	210 171 259
Salary based loans - Government	204 354 603	253 207 638
Term loans	465 506 397	230 272 994
Overdraft loans	1 038 213 368	743 720 236
Debt factoring	352 393 899	34 876 116
Other lending	42 067 697	29 331 446
Total gross loans and advances to customers	**2 264 775 782**	**1 501 579 689**
Expected credit loss allowance	(41 536 235)	(42 392 969)
Net loans and advances to customers	**2 223 239 547**	**1 459 186 720**



NOTES TO THE ABRIDGED AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2026

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
17.1 Maturity analysis		
Up to 1 month	1 189 861 395	792 331 626
1 to 3 months	22 432 155	87 957 259
3 to 6 months	49 917 164	168 584 721
6 months to 1 year	949 469 981	95 287 028
1 to 5 years	53 095 087	357 419 055
	2 264 775 782	**1 501 579 689**
Allowances for impairment losses on loans and advances to customers	(41 536 235)	(42 392 969)
	2 223 239 547	**1 459 186 720**

17.2 Sectoral analysis of loans

	AUDITED 30 June 2026 ZwG	Contribution %	AUDITED 30 June 2025 ZwG	Contribution %
Services	402 659 579	17.80%	29 359 604	2.00%
Wholesale & retail	340 408 926	15.00%	330 349 162	22.00%
Agriculture	301 493 561	13.30%	260 023 230	17.30%
Manufacturing	240 513 616	10.60%	224 289 243	14.90%
Transport and storage	206 713 210	9.10%	12 949 861	0.90%
Government	204 354 603	9.00%	253 207 638	16.90%
Mining and quarrying	151 223 537	6.70%	162 039 691	10.80%
Tourism and hospitality	145 618 637	6.40%	12 229 387	0.80%
Education	123 296 827	5.40%	118 891 812	7.90%
Financial services	103 381 327	4.60%	55 557 803	3.70%
Construction	28 495 488	1.30%	31 862 293	2.10%
Communication & IT	12 624 611	0.60%	27 997	0.00%
Energy	2 416 430	0.10%	7 595 427	0.50%
Health	1 417 809	0.10%	2 964 000	0.20%
Arts & entertainment	157 621	0.00%	232 541	-
Gross exposure	**2 264 775 782**	**100.00%**	**1 501 579 689**	**100.00%**

17.3 Analysis of impairment for loans and advances to customers

17.3.1 Loans and advances to customers

30 June 2026	AUDITED Stage 1 ZwG	Stage 2 ZwG	Stage 3 ZwG	Total ZwG
Gross carrying amount at 1 July 2025	**1 475 905 988**	**11 553 588**	**14 120 113**	**1 501 579 689**
Transfers	**(115 900 277)**	**77 453 357**	**38 446 920**	**-**
- to 12 months to ECL	338 057 494	(180 194 671)	(157 862 823)	-
- to lifetime ECL not credit impaired	(322 614 371)	331 455 633	(8 841 262)	-
- to lifetime ECL credit impaired	(131 343 400)	(73 807 605)	205 151 005	-
Bad debt write off	-	-	(63 081 561)	(63 081 561)
Repayments	(3 627 816 794)	(64 855 221)	(10 278 184)	(3 702 950 199)
Additions	4 480 484 635	4 990 560	53 554 886	4 539 030 081
Effects of translation to presentation currency	(9 634 631)	(75 421)	(92 176)	(9 802 228)
Balance at 30 June 2026	**2 203 038 921**	**29 066 863**	**32 669 998**	**2 264 775 782**

30 June 2026	AUDITED Stage 1 ZwG	Stage 2 ZwG	Stage 3 ZwG	Total ZwG
Loss allowance analysis				
Balance at 1 July 2025	**19 871 430**	**8 403 636**	**14 117 903**	**42 392 969**
Transfers	**48 821 878**	**(1 984 285)**	**(46 837 593)**	**-**
- to 12 month ECL	62 346 650	(7 595 931)	(54 750 719)	-
- to lifetime ECL not credit impaired	(7 784 952)	16 039 340	(8 254 388)	-
- to lifetime ECL credit impaired	(5 739 820)	(10 427 694)	16 167 514	-
Net (decrease) /increase in ECL	**(58 338 865)**	**(4 850 581)**	**125 691 010**	**62 501 564**
Salary based loans - Private companies	(23 081 671)	(1 604 957)	60 104 144	35 417 516
Salary based loans - Government	(4 894 082)	(340 298)	10 517 961	5 283 581
Term loans	(414 745)	(28 831)	2 228 666	1 785 090
Overdraft loans	(27 966 919)	(1 944 665)	49 605 189	19 693 605
Debt factoring	(1 037 009)	(897 083)	2 160 805	226 713
Other lending	(944 439)	(34 747)	1 074 245	95 059
Bad debt write off	-	-	(63 081 561)	(63 081 561)
Effects of translation to presentation currency	(129 718)	(54 858)	(92 161)	(276 737)
Balance at 30 June 2026	**10 224 725**	**1 513 912**	**29 797 598**	**41 536 235**
Net loans and advances to customers at 30 June 2026	**2 192 814 196**	**27 552 951**	**2 872 400**	**2 223 239 547**

30 JUNE 2025	AUDITED Stage 1 ZwG	Stage 2 ZwG	Stage 3 ZwG	Total ZwG
Gross carrying amount at 1 July 2024	**343 720 340**	**4 584 854**	**7 428 511**	**355 733 705**
Transfers	**54 354 408**	**211 200**	**(54 565 608)**	**-**
- to 12 month to ECL	(15 129 822)	2 627 448	12 502 374	-
- to lifetime ECL not credit impaired	2 138 842	(2 467 876)	329 034	-
- to lifetime ECL credit impaired	67 345 388	51 628	(67 397 016)	-
Bad debt write off	-	-	(64 909 281)	(64 909 281)
Repayments	(414 306 197)	(286 891)	(3 339 434)	(417 932 522)
Additions	1 088 458 267	1 668 289	117 014 181	1 207 140 737
Effects of translation to presentation currency	403 679 170	5 376 136	12 491 744	421 547 050
Balance at 30 June 2025	**1 475 905 988**	**11 553 588**	**14 120 113**	**1 501 579 689**
Loss allowance analysis				
Balance at 1 July 2024	**4 012 880**	**761 028**	**9 041 845**	**13 815 753**
Transfers	**(10 532 886)**	**1 309 749**	**9 223 137**	**-**
- to 12 month ECL	(14 341 445)	1 839 071	12 502 374	-
- to lifetime ECL not credit impaired	225 940	(554 974)	329 034	-
- to lifetime ECL credit impaired	3 582 619	25 652	(3 608 271)	-
Net increase in ECL	**20 532 864**	**5 106 891**	**47 527 841**	**73 167 596**
Salary based loans - Private companies	3 817 799	3 385 109	34 045 298	41 248 206
Salary based loans - Government	1 107 474	1 658 012	13 267 096	16 032 582
Overdraft loans	9 883 955	-	-	9 883 955
Debt factoring	5 723 636	63 770	-	5 787 406
Term loans	-	-	215 447	215 447
Bad debt write off	-	-	(64 909 281)	(64 909 281)
Effects of translation to presentation currency	5 858 572	1 225 968	13 234 361	20 318 901
Balance at 30 June 2025	**19 871 430**	**8 403 636**	**14 117 903**	**42 392 969**
Net loans and advances to customers at 30 June 2025	**1 456 034 558**	**3 149 952**	**2 210**	**1 459 186 720**

17.3.2 Non-performing book

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
Non-performing loans and advances	32 669 998	14 120 113
Less: Allowance for loan impairment	(29 797 598)	(14 117 903)
Carrying amount	**2 872 400**	**2 210**
Non-performing loans ratio (gross NPLs to gross loans and advances)	1.4%	0.9%

17.3.3 Movement in the loss allowance on loans and advances to customers

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
Balance at the beginning of the year	**42 392 969**	**13 815 753**
Write offs charged to provision	(63 081 561)	(64 909 281)
Charge for the year	62 501 564	73 167 596
Effects of translation to presentation currency	(276 737)	20 318 901
Balance at end of the year	**41 536 235**	**42 392 969**

The above provisions have been established in terms of accounting policy in respect of financial assets as at 30 June 2026.

18 INVESTMENT SECURITIES

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
Carrying amounts		
Savings Bonds - assets classified as measured at amortised cost ("AC")^1	102 933 495	54 013 167
Treasury Bills Buyback - assets classified as measured at AC^2	2 289 554 203	194 976 768
Treasury Bills - assets classified as measured at FVTOCI^3	602 565 711	67 588 681
	2 995 053 409	**316 578 616**
Maturing within 1 year	2 892 119 914	262 565 449
Maturing after 1 year	102 933 495	54 013 167
	2 995 053 409	**316 578 616**

Treasury bills with a carrying amount of ZwG224.87 million (June 2025: ZwG235.82 million) included in the carrying amounts above have been ceded as security for fixed deposits taken by the MicroBank. Refer to note 25.

The Reserve Bank of Zimbabwe (RBZ) has issued various forms of treasury bills which the MicroBank has participated in. The MicroBank has two categories of treasury bills classified as follows: a) at Fair Value Through Other Comprehensive Income (FVTOCI) and b) at Amortised Cost (AC).

^1 The Savings Bonds are obligations of the Government of Zimbabwe with coupons ranging from 0% to 3% per annum, maturing between May 2027 and October 2030. The bonds were recognised at fair value on acquisition, being a discount of 16.0% to face value of ZwG133.96 million, determined using discounted cash flows at 11%. Amounts shown as interest accrued represent the unwinding of that discount at the effective interest rate.



NOTES TO THE ABRIDGED AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

^2 The MicroBank received Treasury Bills on buyback arrangements with Business Banking customers. The arrangements have an average maturity period of 6 months.

^3 Treasury Bills classified at fair value through other comprehensive income comprise two tranches. The first was acquired directly from the Reserve Bank of Zimbabwe as an allotment in settlement of outstanding willing-buyer willing-seller ('WBWS') auction trading arrangements. The second, acquired during the current year, comprises bills purchased from the Ministry of Finance through Open Market Operations to support statutory liquidity requirements, with a weighted average maturity of six months and a coupon of 6% per annum. Both tranches are held within a business model whose objective is achieved by collecting contractual cash flows and selling the instruments.

19 OTHER ASSETS

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
Prepayments	54 789 509	28 176 202
Remittances receivables	26 656 510	16 027 141
Airtime and utilities prepayment	14 694 077	7 591 304
General Inventories	14 128 324	6 941 886
Wallet collections receivable	17 785 106	764 935
Other receivables	22 054 166	8 116 611
Security deposit receivable	1 240 513	359 455
Gross other assets	**151 348 205**	**67 977 534**
Less: expected credit loss allowance	(17 565 433)	-
Net other assets	**133 782 772**	**67 977 534**

20 DEFERRED TAX ASSET

The following table shows a net deferred tax asset recorded in the statement of financial position and changes recorded in the income tax expense.

Impairments and other provisions	38 107 319	(3 012 906)
Lease liabilities	11 777 668	19 685 455
Property and equipment	(7 722 820)	(6 698 135)
Right of use assets	(11 472 064)	3 366 272
	30 690 103	**13 340 686**
20.1 Movement in deferred tax asset		
Balance at the beginning of the year	**13 340 686**	**2 932 692**
Credited to profit or loss	17 436 509	7 573 843
Effects of translation to presentation currency	(87 092)	2 834 151
Balance at the end of the year	**30 690 103**	**13 340 686**

21 EQUIPMENT

30 June 2026	Motor Vehicles ZwG	Office Equipment ZwG	Furniture and Fittings ZwG	Total ZwG
Cost				
Balance at 1 July 2025	**3 869 861**	**26 559 514**	**8 411 208**	**38 840 583**
Additions	7 515 811	34 343 821	3 189 626	45 049 258
Disposals/Write offs	(291 791)	(903 534)	(131 895)	(1 327 220)
Effects of translation to presentation currency	143 840	599 343	16 858	760 041
Balance at 30 June 2026	**11 237 721**	**60 599 144**	**11 485 797**	**83 322 662**
Accumulated depreciation				
Balance at 1 July 2025	**763 455**	**7 834 225**	**1 321 598**	**9 919 278**
Charge for the year	1 735 312	7 250 544	972 830	9 958 686
Elimination on Write offs	(34 050)	(694 571)	(33 408)	(762 029)
Effects of translation to presentation currency	34 056	111 966	13 262	159 284
Balance at 30 June 2026	**2 498 773**	**14 502 164**	**2 274 282**	**19 275 219**
Carrying amount at 30 June 2026	**8 738 948**	**46 096 980**	**9 211 515**	**64 047 443**

30 JUNE 2025	Motor Vehicles ZwG	Office Equipment ZwG	Furniture and Fittings ZwG	Total ZwG
Cost				
Balance at 1 July 2024	**3 436 174**	**9 080 918**	**3 237 180**	**15 754 272**
Additions	2 797 422	8 239 025	2 205 398	13 241 845
Effects of translation to presentation currency	(2 363 735)	9 239 571	2 968 630	9 844 466
Balance at 30 June 2025	**3 869 861**	**26 559 514**	**8 411 208**	**38 840 583**
Accumulated depreciation				
Balance at 1 July 2024	**156 617**	**4 024 681**	**994 531**	**5 175 829**
Charge for the year	420 410	3 798 759	598 915	4 818 084
Effects of translation to presentation currency	186 428	10 785	(271 848)	(74 635)
Balance at 30 June 2025	**763 455**	**7 834 225**	**1 321 598**	**9 919 278**
Carrying amount at 30 June 2025	**3 106 406**	**18 725 289**	**7 089 610**	**28 921 305**

22 INTANGIBLE ASSETS

30 June 2026	Goodwill ZwG	Computer Software ZwG	Total ZwG
Cost			
Balance at 1 July 2025	**4 549 431**	**6 983 246**	**11 532 677**
Computer software write off	-	(1 494 665)	(1 494 665)
Effects of translation to presentation currency	(29 698)	1 920 416	1 890 718
Balance at 30 June 2026	**4 519 733**	**7 408 997**	**11 928 730**
Accumulated amortisation			
Balance at 1 July 2025	**-**	**3 581 675**	**3 581 675**
Amortisation for the year	-	1 740 836	1 740 836
Impairment for the year	4 420 278	-	4 420 278
Elimination on write offs	-	(677 008)	(677 008)
Effects of translation to presentation currency	99 455	1 981 789	2 081 244
Balance at 30 June 2026	**4 519 733**	**6 627 292**	**11 147 025**
Carrying amount at 30 June 2026	**-**	**781 705**	**781 705**

30 June 2025	Goodwill ZwG	Computer Software ZwG	Total ZwG
Cost			
Balance at 1 July 2024	**2 289 430**	**3 137 530**	**5 426 960**
Additions	-	2 792 545	2 792 545
Effects of translation to presentation currency	2 260 001	1 053 171	3 313 172
Balance at 30 June 2025	**4 549 431**	**6 983 246**	**11 532 677**
Accumulated amortisation			
Balance at 1 July 2024	**-**	**1 715 722**	**1 715 722**
Charge for the year	-	1 865 953	1 865 953
Balance at 30 June 2025	**-**	**3 581 675**	**3 581 675**
Carrying amount at 30 June 2025	**4 549 431**	**3 401 571**	**7 951 002**

23 RIGHT OF USE ASSET

30 June 2026	30 June 2026 ZwG
Balance at 1 July 2025	**19 810 407**
Lease addition	36 612 386
Remeasurement of lease liabilities	2 110 933
Effects of translation to presentation currency	1 605 674
Balance at 30 June 2026	**60 139 400**
Accumulated depreciation	
Balance at 1 July 2025	8 109 776
Charge for the year	5 668 340
Effects of translation to presentation currency	1 809 591
Balance at 30 June 2026	**15 587 707**
Carrying amount at 30 June 2026	**44 551 693**
30 June 2025	
Balance at 1 July 2024	**11 774 796**
Lease adjustments	826 505
Effects of translation to presentation currency	7 209 106
Balance at 30 June 2025	**19 810 407**
Accumulated depreciation	
Balance at 1 July 2024	**3 782 676**
Charge for the year	4 327 100
Balance at 30 June 2025	**8 109 776**
Carrying amount at 30 June 2025	**11 700 631**

24 WALLET FUNDS

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
Merchant Wallet	520 746 227	263 179 576
Individuals Wallet	130 989 423	139 916 563
	651 735 650	**403 096 139**

Wallet funds represent InnBucks wallet customer deposits. These are due on demand.



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	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
25 DEPOSITS FROM CUSTOMERS		
Corporates deposits	3 348 623 628	453 282 101
Treasury call deposits	264 569 761	214 511 808
Individual customer deposits	228 368 881	32 169 367
Fixed deposits	225 742 844	329 720 411
	4 067 305 114	**1 029 683 687**
Secured deposits*	224 866 320	235 823 296
Unsecured deposits	3 842 438 794	793 860 391
	4 067 305 114	**1 029 683 687**

* Treasury bills with a carrying amount of ZwG224.87 million (June 2025: ZwG235.82 million) were ceded as security for the MicroBank to access fixed deposits. These treasury bills are included in investment securities in note 18.

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
25.1 Maturity analysis		
Less than 1 month	1 189 055 837	485 451 468
1 to 3 months	2 176 411 001	-
3 to 12 months	701 838 276	544 232 219
	4 067 305 114	**1 029 683 687**

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2026 Contribution %	AUDITED 30 June 2025 ZwG	AUDITED 30 June 2025 Contribution %
25.2 Deposits sectoral analysis				
Trade and Services	1 028 019 616	25	173 672 985	17
Manufacturing and retail	2 314 484 168	57	556 705 276	54
Mining and quarrying	403 469 259	10	82 021 849	8
Individuals	251 205 769	6	195 517 622	19
Agriculture	45 244 710	1	21 765 955	2
Financial services	24 881 592	1	-	-
	4 067 305 114	**100**	**1 029 683 687**	**100**

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
26 OTHER LIABILITIES		
Deferred income	56 885 825	1 382 772
Employee-related provisions	58 488 881	33 339 322
Statutory and regulatory liabilities	44 815 535	29 512 940
Trade and other payables	28 774 751	23 998 256
	188 964 992	**88 233 290**

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
27 LEASE LIABILITY		
Balance at the beginning of the year	**13 072 895**	**8 277 999**
Lease additions	36 612 386	-
Remeasurement of lease liabilities	2 110 933	826 505
Finance costs accrual	2 207 351	845 522
Payment of lease liabilities*	(8 048 327)	(4 920 088)
Effects of translation to presentation currency	(216 759)	8 042 957
Balance at the end of the year	**45 738 479**	**13 072 895**
Payments breakdown*		
Interest paid	2 207 351	845 522
Principal paid	5 840 976	4 074 566
	8 048 327	**4 920 088**
27.1 Maturity analysis		
Less than 1 month	1 271 753	426 820
1 to 3 months	2 543 506	853 640
3 to 12 Months	11 445 749	3 841 379
More than 12 months	45 603 853	9 277 405
Total undiscounted lease payments	**60 864 861**	**14 399 244**
Less: future finance charges	(15 126 382)	(1 326 349)
Carrying amount of lease liabilities	**45 738 479**	**13 072 895**

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
28 BORROWINGS		
Offshore borrowings	418 771 546	377 234 491
Local short term borrowings	652 186 052	225 387 443
	1 070 957 598	**602 621 934**
28.1 Maturity analysis		
Less than 1 month	3 844 920	178 704 233
1 to 3 months	350 260 803	-
3 to 12 months	301 925 249	46 683 210
More than 12 months	414 926 626	377 234 491
	1 070 957 598	**602 621 934**

The MicroBank entered into an agreement with Satfin Limited for an offshore facility amounting to ZwG481.90 million. This facility is available upon drawdown which is payable to the lender at the end of three years.

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
29 COMMITMENTS AND CONTINGENT LIABILITIES		
Facilities approved but not drawn down	**1 938 060 412**	**145 014 709**

The MicroBank commits to extend credit to customers in the normal course of business.
The facilities are cancellable at the MicroBank's discretion at any time before drawdown, and drawdown remains subject to confirmation of the borrower's credit standing.

30 RELATED PARTY TRANSACTIONS

The MicroBank identifies a related party if an entity directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control or has an interest in the entity that gives it significant influence over the entity, or has control over the entity; or is an associate company, joint venture, or is jointly controlled; or is a key member of the management.

30.1 Remuneration of Directors and Senior Executives policy

The remuneration of Directors and Senior Executives is determined under the oversight of the Board and in line with corporate governance principles and the Board Charter. The Board sits as a remuneration and compensation Committee to guide remuneration decisions. Non-Executive Directors receive fixed quarterly retention fees and sitting allowances, with additional fees for Committee Chairpersons. All such members do not participate in performance-based incentives – to preserve independence. In setting remuneration, the MicroBank considers responsibilities, time commitment, institutional size and complexity, and relevant market benchmarks.
Senior Executive remuneration consists of fixed pay and, where applicable, performance-based incentives linked to approved financial, operational, and strategic objectives. Executive Directors do not receive separate director's fees but are remunerated as part of executive management. In determining executive compensation, the MicroBank considers institutional performance, individual performance, risk management outcomes, compliance with prudential requirements, capital and liquidity position, and overall sustainability.

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
30.2 Compensation of key management personnel of the MicroBank		
Short term employee benefits	59 606 830	28 296 060
Termination benefits	-	986 543
	59 606 830	**29 282 603**
30.3 Balances of loans to Directors, officers and others		
Executive Directors	**6 686 828**	**12 600 402**

Loans to Directors and officers or their companies are included in advances and other accounts.
Loans to Executive Directors were granted in the ordinary course of business on the same terms, including interest rates and security requirements, as those prevailing at the time for comparable loans to other customers of the MicroBank, and were approved through the MicroBank's normal credit processes.

30.4 Relationships

Related party	Nature of relationship
Shareholder	African Financial Services Limited (AFSL)
Shareholder	InnBucks Private Limited (100% Owned by Simbisa Brands Limited)

		AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
30.5 Related party balances			
30.5.1 Transactions conducted during the year			
Simbisa Brands Limited*	Merchant commission expense	96 970 936	54 814 504
Simbisa Brands Limited*	Cash in transit recoveries	26 718 994	12 045 259
30.5.2 Other balances owing (to) / from related parties			
Edgars Stores (Private) Limited*	Deposits	(7 223 991)	(6 783 580)
Edgars Stores (Private) Limited*	Loans	15 744 283	28 365 226
Gain Cash and Carry (Private) Limited*	Loans	-	22 087 336
Simbisa Brands Limited*	Other payable	(13 558 047)	(7 463 204)

* The MicroBank and the entities mentioned above share a common shareholding relationship.

31 CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table shows the carrying amounts and the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. The carrying amount of financial assets and financial liabilities is equal to their fair value. The fair value of the savings bonds and treasury bills measured at amortised cost is equal to their carrying amount, as the treasury bills have an average maturity of six months and the savings bonds are carried at the present value of their remaining contractual cash flows discounted at 11%, being the rate a market participant would apply at the reporting date. The Level 3 amounts disclosed in the tables below therefore represent both the carrying amount and the fair value of these instruments.



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	AUDITED					
30 June 2026	Carried at FVTPL	Carried at AC	Carried at FVTOCI	Total	Level 1 & 2	Level 3
	ZwG	ZwG	ZwG	ZwG	ZwG	ZwG
Financial assets measured at fair value						
Treasury bills	-	-	602 565 711	602 565 711	-	602 565 711
Financial assets not measured at fair value						
Cash and cash equivalents	-	1 225 119 147	-	1 225 119 147	-	-
Loans and advances	-	2 223 239 547	-	2 223 239 547	-	-
Treasury bills	-	2 289 554 203	-	2 289 554 203	-	-
Trade and other receivables	-	50 170 862	-	50 170 862	-	-
Savings bonds	-	102 933 495	-	102 933 495	-	102 933 495
Total	**-**	**5 891 017 254**	**602 565 711**	**6 493 582 965**	**-**	**705 499 206**
Financial liabilities						
Deposit and other accounts	-	4 067 305 114	-	4 067 305 114	-	-
Wallet funds	-	651 735 650	-	651 735 650	-	-
Trade and other payables	-	28 774 751	-	28 774 751	-	-
Borrowings	-	1 070 957 598	-	1 070 957 598	-	-
Total	**-**	**5 818 773 113**	**-**	**5 818 773 113**	**-**	**-**

	AUDITED					
30 June 2025	Carried at FVTPL	Carried at AC	Carried at FVTOCI	Total	Level 1 & 2	Level 3
	ZwG	ZwG	ZwG	ZwG	ZwG	ZwG
Financial assets measured at fair value						
Treasury bills	-	-	67 588 681	67 588 681	-	67 588 681
Financial assets not measured at fair value						
Cash and cash equivalents	-	560 125 736	-	560 125 736	-	-
Treasury bills	-	194 976 768	-	194 976 768	-	-
Loans and advances	-	1 459 186 720	-	1 459 186 720	-	-
Trade and other receivables	-	25 268 142	-	25 268 142	-	-
Savings bonds	-	54 013 167	-	54 013 167	-	54 013 167
Total	**-**	**2 293 570 533**	**67 588 681**	**2 361 159 214**	**-**	**121 601 848**
Financial liabilities						
Deposit and other accounts	-	1 029 683 687	-	1 029 683 687	-	-
Wallet funds	-	403 096 139	-	403 096 139	-	
Trade and other payables	-	23 861 845	-	23 861 845	-	-
Borrowings	-	602 621 934	-	602 621 934	-	-
Total	**-**	**2 059 263 605**	**-**	**2 059 263 605**	**-**	**-**

32 RISK MANAGEMENT

32.1 Risk management policies

The MicroBank's business involves taking on risks in a targeted manner and managing them appropriately. The core function of risk management is to identify all key risks for the MicroBank, measure and manage the risks. The MicroBank regularly reviews its risk management policies and systems to reflect changes in markets, products and best practice. The MicroBank endeavours to keep abreast of best practice in the measurement and management of risk by utilising the latest methodologies. Risk is managed within the frameworks of the Reserve Bank of Zimbabwe ("RBZ") guidelines and international microfinance best practices. The MicroBank utilises an Enterprise-wide Risk Management (ERM) framework in line with the latest RBZ prudential standards. The Board oversees risk management and approves the MicroBank's risk appetite and risk management frameworks, while senior management is responsible for managing risk within the approved appetite, so as to achieve an appropriate balance between risk and return and minimise potential adverse effects on the MicroBank's financial performance. The MicroBank defines risk as the possibility of losses or profits foregone, which may be caused by internal and external factors.

32.2 Risk categories

The risks to which the MicroBank is exposed to include;

- Market risks;
- Interest rate risks;
- Liquidity risk;
- Credit risk;
- Operational risk;
- Technology and cyber risk;
- Corporate governance risk;
- Climate risk;
- Model risk;
- Reputational risk; and
- Capital risk

32.2.1 Market risks

The MicroBank takes on exposure to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Risk and Compliance Department, independent of business operations is accountable to the Board and it monitors all market risk exposures and alerts management and the Board of any evolving situations in time.

Market risk measurement techniques

The MicroBank applies a value at risk ("VaR") methodology to its portfolios to estimate the market risk of positions held and the maximum losses expected, based upon a number of assumptions for various changes in market conditions. The measurement techniques used to measure and control market risk include:

a) Daily Value at Risk ("DVaR")

Value at risk is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the maximum amount the MicroBank might lose but only to a certain level of confidence. There is therefore a statistical probability that the actual loss could be greater than the VaR estimate. The VaR model makes assumptions on the pattern of the market movements based on historical holding periods. The use of this approach does not prevent losses outside these limits. In the event of more significant market movements, DVaR is an estimate of the potential loss which might arise from unfavourable market movements, if the current positions were held unchanged for one business day and measured to a confidence of 99%.

b) Stress tests

The Risk and Compliance Department performs scenario-based stress testing on the MicroBank's principal credit, market and liquidity exposures. Scenarios are calibrated to conditions observed in the Zimbabwean market and the results are reviewed by the Asset and Liability Committee, the Risk and Compliance Committee and the Board. Interest rate stress risk is the daily monitoring of the potential loss if there is a large interest rate movement.
The results of the stress tests are reviewed by senior management and by the Board of Directors. The stress testing is tailored to the business and typically uses scenario analysis.

32.2.2 Settlement risk

Settlement risk arises in any situation where settlement in cash or securities is made in the expectation of a corresponding receipt in cash or securities. Daily settlement limits are established for each counterparty to cover the aggregate of all settlement risk arising from the MicroBank's market transactions on any single day.

32.2.3 Reputational risk management

Reputational risk is a threat or danger to the good name or standing of the MicroBank. The MicroBank manages reputation risk through its evaluation and control of the major risk types as set out above. In addition, there is an open communication culture that allows for all issues to be appropriately dealt with in a timely manner.

32.2.4 Interest rate risk

Interest rate risk generally stems from assets and liabilities maturing and/or being repriced at different times and rates. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

Assets may mature before liabilities do and have to be reinvested. In a falling market this may be made at lower rates than the original and/or lower than the rates for liabilities to be retired.

32.2.4.1 Interest rate sensitivity

The MicroBank's exposure to interest rate risk arises from the repricing of interest-bearing assets and liabilities. The table below shows financial instruments that reprice or mature within twelve months of the reporting date.

Assumed parallel movement in interest rates	1.00%	
	AUDITED	AUDITED
	30 June 2026	30 June 2025
	ZwG	ZwG
Rate-sensitive assets		
Balances with commercial banks	572 687 482	142 275 505
Loans and advances to customers	2 211 680 695	1 144 160 634
Investment securities	2 934 740 322	200 826 071
	5 719 108 499	**1 487 262 210**
Rate-sensitive liabilities		
Deposits from customers	4 067 305 114	1 029 683 687
Borrowings	1 070 957 598	602 621 934
	5 138 262 712	**1 632 305 621**
Net repricing gap	**580 845 787**	**(145 043 411)**
Effect on profit before tax of a 100 basis point increase	5 808 458	(1 450 434)
Taxation at 25.75%	(1 495 678)	373 487
Effect on profit after tax	**4 312 780**	**(1 076 947)**

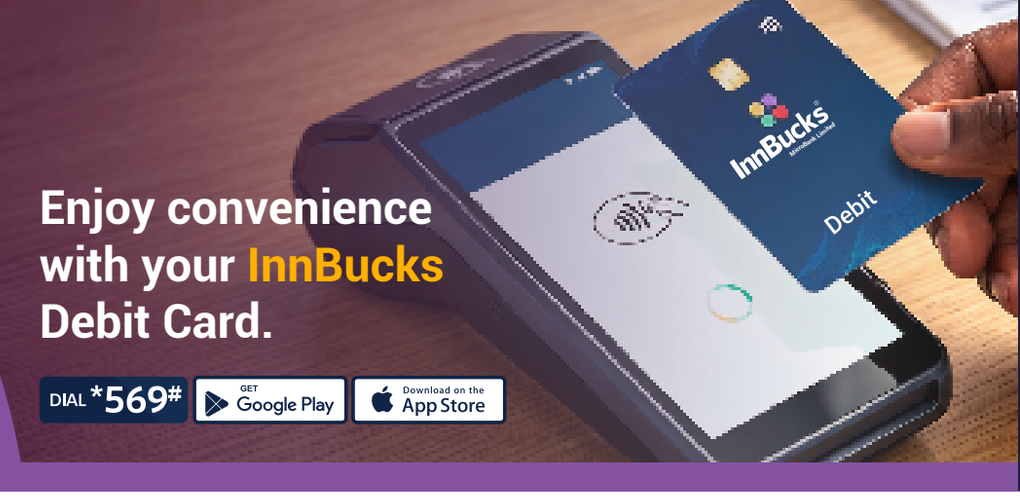
A 100 basis point decrease would have an equal and opposite effect. In addition, a 100 basis point increase in market rates would reduce the fair value of treasury bills measured at fair value through other comprehensive income by approximately ZwG3.02 million, recognised in other comprehensive income.

32.2.5 Liquidity risk management

Liquidity risk arises from a mismatch of asset and liability cash flows and/or different maturity profiles. Liquidity obligations arise from requirements to advance loans and advances, repay loans and borrowings, other liabilities and make interest and other expenses payments.
The MicroBank determines ideal weights for maturity buckets which are used to benchmark the actual maturity profile. Maturity mismatches across the time buckets are managed through the profile of loans and borrowings.

Details of the liquidity ratio for the MicroBank at the reporting date and during the reporting year were as follows:

At 30 June 2026	37%
At 30 June 2025	43%



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32.2.5.1 LIQUIDITY GAP ANALYSIS

The amounts disclosed in the table below are the contractual undiscounted cash flows. The assets which are used to manage liquidity risk, which is mainly Cash and bank balances and investment securities are also included on the table based on the contractual maturity profile.

Audited	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 year to 5 years	5 years and above	Total
30 June 2026	ZwG	ZwG	ZwG	ZwG	ZwG	ZwG	ZwG
Assets							
Cash and cash equivalents	1 225 119 147	-	-	-	-	-	1 225 119 147
Loans and advances to customers	1 189 861 393	22 432 155	13 976 806	1 063 406 379	53 095 237	-	2 342 771 970
Investment Securities	599 395 034	-	2 335 345 287	-	136 652 494	-	3 071 392 815
Other assets	67 736 295	-	-	-	-	-	67 736 295
	3 082 111 869	**22 432 155**	**2 349 322 093**	**1 063 406 379**	**189 747 731**	**-**	**6 707 020 227**
Liabilities							
Wallet funds	651 735 650	-	-	-	-	-	651 735 650
Deposits from customers	1 189 055 837	2 176 411 001	228 247 667	490 312 591	-	-	4 084 027 096
Other liabilities	75 550 774	56 492 309	56 921 909	-	-	-	188 964 992
Tax liabilities	-	19 250 940	10 365 882	-	-	-	29 616 822
Lease liabilities	1 271 753	2 543 506	5 722 875	5 722 874	45 603 853	-	60 864 861
Borrowings	3 844 920	356 018 504	316 814 720	-	511 189 596	-	1 187 867 740
	1 921 458 934	**2 610 716 260**	**618 073 053**	**496 035 465**	**556 793 449**	**-**	**6 203 077 161**
Liquidity gap	1 160 652 935	(2 588 284 105)	1 731 249 040	567 370 914	(367 045 718)	-	503 943 066
Cumulative liquidity gap	**1 160 652 935**	**(1 427 631 170)**	**303 617 870**	**870 988 784**	**503 943 066**	**503 943 066**	**-**

The amounts above are undiscounted contractual cash flows and therefore differ from the carrying amounts in note 28.

Audited	Up to 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 year to 5 years	5 years and above	Total
30 June 2025	ZwG	ZwG	ZwG	ZwG	ZwG	ZwG	ZwG
Assets							
Cash and cash equivalents	560 125 736	-	-	-	-	-	560 125 736
Loans and advances to customers	73 950 952	24 628 032	94 407 444	106 721 471	2 001 546 708	-	2 301 254 607
Investment Securities	-	-	200 826 071	-	402 094 873	-	602 920 944
Other assets	16 027 141	-	-	764 935	-	-	16 792 076
	650 103 829	**24 628 032**	**295 233 515**	**107 486 406**	**2 403 641 581**	**-**	**3 481 093 363**
Liabilities							
Wallet funds	403 096 139	-	-	-	-	-	403 096 139
Deposits from customers	485 451 468	-	-	625 867 052	-	-	1 111 318 520
Other liabilities	88 233 290	-	-	-	-	-	88 233 290
Tax liabilities	22 358 248	-	-	-	-	-	22 358 248
Lease liabilities	426 820	853 640	1 920 689	1 920 690	9 277 405	-	14 399 244
Borrowings	178 704 233	-	-	46 683 210	377 234 491	-	602 621 934
	1 178 270 198	**853 640**	**1 920 689**	**674 470 952**	**386 511 896**	**-**	**2 242 027 375**
Liquidity gap	**(528 166 369)**	**23 774 392**	**293 312 826**	**(566 984 546)**	**2 017 129 685**	**-**	**1 239 065 988**
Cumulative liquidity gap	**(528 166 369)**	**(504 391 977)**	**(211 079 151)**	**(778 063 697)**	**1 239 065 988**	**1 239 065 988**	**-**

The maturity analysis for the year ended 30 June 2025 has been re-presented on the same basis as the current year, being contractual undiscounted cash flows including future interest, analysed over the revised maturity bands.

32.2.6 Credit risk

Credit risk is the risk of suffering financial loss, should any of the MicroBank's clients or market counterparties fail to fulfil their contractual obligations to the MicroBank. Credit risk arises mainly from commercial and consumer loans and advances, balances with banks and cash and other assets.

Credit risk is the single largest risk for the MicroBank's business management therefore carefully manages its exposures to credit risk.

Management of credit risk

The Board of Directors retains oversight of credit risk, which it exercises through the Credit Committee and the Loans Review Committee. The Credit Committee approves the credit risk strategy, credit policies and lending limits, and sanctions exposures above management's delegated authority, while the Loans Review Committee independently reviews the quality of the loan book, the adequacy of impairment allowances and compliance with credit policy. Day-to-day management of credit risk is delegated to the Management Credit Committee ("MCC"), which operates within the authority delegated by the Board and reports through these committees.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on its estimated future cash flows have occurred. The MicroBank considers a loan to be credit-impaired (Stage 3) when the borrower is more than 90 days past due on any material obligation, or when the borrower is assessed as unlikely to pay its obligations in full, irrespective of the level of collateral held. Loans that are past due by more than 30 days but not credit-impaired are transferred to Stage 2 and measured at lifetime expected credit losses.

Modified and renegotiated loans

Loans with renegotiated terms are loans that have been restructured due to a deterioration in the borrower's financial position, or where the MicroBank has granted a concession it would not otherwise consider. Where the modification does not result in derecognition, the gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate and a modification gain or loss is recognised in profit or loss. A modified loan remains in Stage 2 or Stage 3 until the MicroBank is satisfied, on the basis of a sustained period of performance in accordance with the revised terms, that credit risk has decreased sufficiently for the exposure to be transferred to a lower stage.

Loss allowances

The MicroBank recognises loss allowances for expected credit losses on financial assets measured at amortised cost and on debt instruments measured at fair value through other comprehensive income. Loss allowances are measured at an amount equal to 12-month expected credit losses for exposures with no significant increase in credit risk since initial recognition (Stage 1), and at lifetime expected credit losses for exposures where credit risk has increased significantly (Stage 2) or which are credit-impaired (Stage 3). Expected credit losses are a probability-weighted estimate of credit losses, measured using the probability of default, exposure at default and loss given default model, and are measured on an individual basis or collectively for portfolios sharing similar credit risk characteristics.

Write-off policy

The MicroBank writes off a loan and advances balance (less any related allowances for impairment losses) when the Board determines that the loan or advance is uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the borrower's or issuer's financial position such that the borrower or issuer can no longer pay the obligations, or that proceeds from collateral will not be sufficient to pay back the entire exposure. For smaller loans, write off decisions generally are based on internal limits set from time to time by Risk and Compliance Department.

32.2.6.1 Maximum exposure to credit risk

The table below shows the maximum exposure to credit risk, being the carrying amount of financial assets before collateral held or other credit enhancements.

	AUDITED 30 June 2026	AUDITED 30 June 2025
	ZwG	ZwG
Balances with the central bank and other banks	946 016 971	371 255 456
Investment securities	2 995 053 409	316 578 616
Loans and advances to customers (net)	2 223 239 547	1 459 186 720
Other financial assets	50 170 862	25 268 142
Undrawn commitment to lend	1 938 060 412	145 014 709
Total maximum exposure to credit risk	**8 152 541 201**	**2 317 303 643**

Notes and coins on hand of ZwG279.10 million (2025: ZwG188.87 million) are excluded as they carry no credit risk.

32.2.6.2 Credit quality of loans and advances

	Audited			
30 June 2026	**Gross**	**ECL allowance**	**Net**	**Coverage**
Stage 1 - 12-month ECL	2 203 038 921	(10 224 725)	2 192 814 196	0.46%
Stage 2 - lifetime ECL not credit impaired	29 066 863	(1 513 912)	27 552 951	5.21%
Stage 3 - lifetime ECL credit impaired	32 669 998	(29 797 598)	2 872 400	91.21%
Total	**2 264 775 782**	**(41 536 235)**	**2 223 239 547**	**1.83%**
30 June 2025	**Gross**	**ECL allowance**	**Net**	**Coverage**
Stage 1 - 12-month ECL	1 475 905 988	(19 871 430)	1 456 034 558	1.35%
Stage 2 - lifetime ECL not credit impaired	11 553 588	(8 403 636)	3 149 952	72.74%
Stage 3 - lifetime ECL credit impaired	14 120 113	(14 117 903)	2 210	99.98%
Total	**1 501 579 689**	**(42 392 969)**	**1 459 186 720**	**2.82%**

Credit quality of investment securities

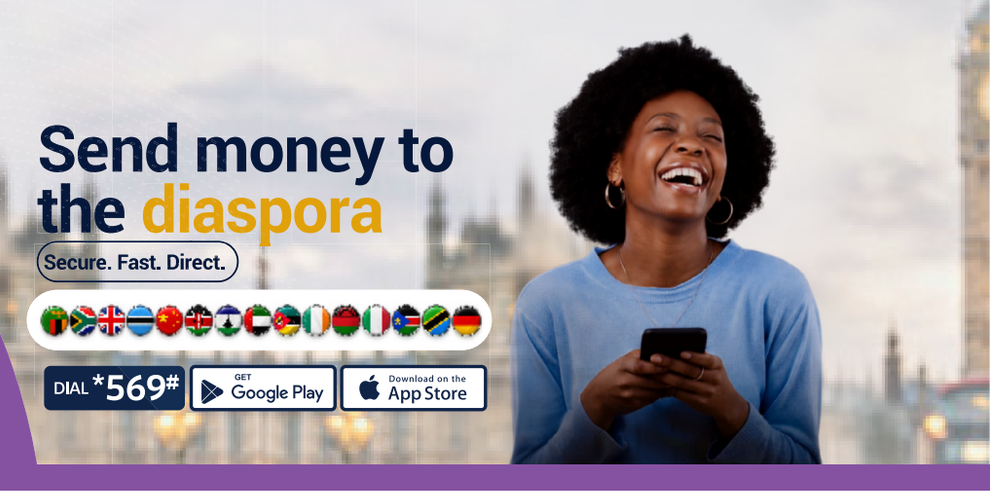
30 June 2026	**Gross**	**ECL allowance**	**Net**	**Coverage**
Stage 1 - 12-month ECL	2 923 240 717	(50 133 973)	2 873 106 744	1.72%
Stage 2 - lifetime ECL not credit impaired	128 410 715	(10 587 650)	117 823 065	8.25%
Total	**3 051 651 432**	**(60 721 623)**	**2 990 929 809**	**1.99%**
30 June 2025	**Gross**	**ECL allowance**	**Net**	**Coverage**
Stage 1 - 12-month ECL	202 191 991	(7 215 223)	194 976 768	3.57%
Stage 2 - lifetime ECL not credit impaired	133 684 516	(17 283 324)	116 401 192	12.93%
Total	**335 876 507**	**(24 498 547)**	**311 377 960**	**7.29%**

Credit quality of balances with the central bank and other banks

Balances with the Central Bank - Stage 1	373 329 489	-	373 329 489	-
Balances with commercial banks (local) - Stage 1	303 915 344	-	303 915 344	-
Balances with commercial banks (foreign) - Stage 1	268 772 138	-	268 772 138	-
Total	**946 016 971**	**-**	**946 016 971**	**-**
30 June 2025	**Gross**	**ECL allowance**	**Net**	**Coverage**
Balances with the Central Bank - Stage 1	228 979 951	-	228 979 951	-
Balances with commercial banks (local) - Stage 1	61 175 523	-	61 175 523	-
Balances with commercial banks (foreign) - Stage 1	81 099 982	-	81 099 982	-
Total	**371 255 456**	**-**	**371 255 456**	**-**

Credit quality of other financial assets

30 June 2026	**Gross**	**ECL allowance**	**Net**	**Coverage**
Remittances receivables - Stage 1	26 656 510	-	26 656 510	-
Wallet collections receivable - Stage 1	17 785 106	-	17 785 106	-
Security deposit receivable - Stage 1	1 240 513	-	1 240 513	-
Other receivables - Stage 1	22 054 166	(17 565 433)	4 488 733	79.65%
Total	**67 736 295**	**(17 565 433)**	**50 170 862**	**25.93%**
30 June 2025	**Gross**	**ECL allowance**	**Net**	**Coverage**
Remittances receivables - Stage 1			16 027 141	-
Wallet collections receivable - Stage 1	764 935	-	764 935	-
Security deposit receivable - Stage 1	359 455	-	359 455	-
Other receivables - Stage 1	8 116 611	-	8 116 611	-
Total	**25 268 142**	**-**	**25 268 142**	**-**



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32.2.6.3 Collateral held

The table below shows the fair value of collateral held against credit-impaired exposures. Collateral is measured at fair value less costs to sell and is capped at the recoverable amount of the related exposure. The net unsecured exposure therefore corresponds to the expected credit loss allowance recognised against those exposures.

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
Stage 3 gross exposure	32 669 998	14 120 113
Fair value of collateral held	(31 575 648)	(13 696 499)
Net unsecured exposure	**1 094 350**	**423 614**

32.2.6.4 Concentration of credit risk

The sectoral analysis of gross loans and advances is set out in note 17.2.
Overdraft facilities of ZwG1 038.21 million (2025: ZwG743.72 million) represent 45.8% of the gross loan book (2025: 49.5%) and are concentrated in Business Banking customers.

32.2.7 Strategic risk

Strategic risk is a possible source of loss that might arise from the pursuit of an unsuccessful business plan. The roles of the Chairman and Chief Executive Officer are not vested in the same person. The executive team formulates the strategy under the guidance of the Board which approves it. The Chief Executive Officer and senior management bear the responsibility to execute the approved strategy. The Board reviews the performance and suitability of the strategy at least quarterly.

32.2.8 Legal and compliance

The Board ensures that the management and operations of the MicroBank's business is done within the governance and regulatory control framework established by the MicroBank and other regulatory bodies. The Risk and Compliance Department is in place to monitor legal compliance requirements and ensures that they are met on a daily basis.

32.2.9 Operational risk

Operational risk arises from human error or fraud, inadequate or failed internal processes and systems, non-adherence to procedures or other external sources that result in losses.

The MicroBank continues to develop and expand its guidelines, standards, methodologies and systems in order to enhance the management of operational risk.

To manage operational risk, the MicroBank has established sound practices, including:

- independent functions; Risk and Compliance Department that facilitates correct and consistent practices and processes across the MicroBank;
- policies and procedures to sustain effective risk management practices;
- tools to support effective management of operational risk;
- a centralised loss event database (incident reports) to record material operational risk incidents and actual losses;
- use of risk indicators to provide management with early warning signals on potential operational risk exposures in order to initiate preventative action;
- ongoing assessment of the effects of changes in the regulatory environment and acquisition of skills and knowledge of best practice to ensure the MicroBank's own endeavours are most appropriate for the environment.

Risk information generated from these processes is used to assist business units to optimise controls and avoid or mitigate losses. It also provides support for business decisions through a balanced focus on risk and return in decision making and through ongoing staff awareness.

32.2.10 Compliance risk

Compliance risk emanates from violations of or non-conformance with laws, rules, regulations, prescribed practices, internal policies and procedures or ethical standards. Compliance management is effected through Risk and Compliance Department and assists management to identify and comply with all statutory, regulatory and supervisory requirements.

32.2.11 Foreign currency risk

The MicroBank takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. Foreign Exchange risk arises from having transactions and balances denominated in currencies that are not the functional currency, the United States dollar. The MicroBank does not use hedge instruments to manage foreign currency exchange risk. The amounts in the tables below represent the Zimbabwe Gold equivalent of balances denominated in currencies other than the functional currency, translated at the closing exchange rates ruling at the reporting date.

30 June 26	AUDITED – FOREIGN CURRENCY BALANCES - ZwG EQUIVALENTS					
	ZWG	ZAR	EUR	GBP	OTHER*	Total
Balances with banks and cash	252 602 992	37 343 764	5 716 075	2 483 541	2 815 835	300 962 207
Loans and advances to customers	22 201 186	-	-	-	-	22 201 186
Other assets	30 009	-	-	-	-	30 009
Total Assets	**274 834 187**	**37 343 764**	**5 716 075**	**2 483 541**	**2 815 835**	**323 193 402**
Deposits from customers	231 529 029	14 339 591	214 158	154 944	100 387	246 338 109
Total Liabilities	**231 529 029**	**14 339 591**	**214 158**	**154 944**	**100 387**	**246 338 109**
Net Position	**43 305 158**	**23 004 173**	**5 501 917**	**2 328 597**	**2 715 448**	**76 855 293**
Closing rates	**26.7698**	**16.4564**	**1.1391**	**1.3231**	*	

30 June 25	AUDITED – FOREIGN CURRENCY BALANCES - ZwG EQUIVALENTS					
	ZWG	ZAR	EUR	GBP	OTHER*	Total
Balances with banks and cash	70 408 117	31 114 550	1 498 316	705 196	-	103 726 179
Other assets	972 848	-	214 164	-	-	1 187 012
Total Assets	**71 380 965**	**31 114 550**	**1 712 480**	**705 196**	**-**	**104 913 191**
Deposits from customers	104 350 214	1 481 043	2 803 673	987 533	-	109 622 463
Total Liabilities	**104 350 214**	**1 481 043**	**2 803 673**	**987 533**	**-**	**109 622 463**
Net Position	**(32 969 249)**	**29 633 507**	**(1 091 193)**	**(282 337)**	**-**	**(4 709 272)**
Closing rates	**26.9457**	**17.7480**	**1.1736**	**1.3738**	*	

*Other relates to CNY currency with a closing rate of 6.7922 (2025: 7.1636) and BWP currency with a closing rate of 0.0709 (2025: 0.0749).

32.2.11.1 Foreign currency sensitivity

The following table shows the sensitivity to a 10% strengthening or weakening of the United States dollar against each currency, applied to the net open positions above, with all other variables held constant. The effect on equity is the same as the effect on profit before tax, as no hedge accounting is applied.

Assumed movement in exchange rates	10%	
	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
Effect on profit before tax of a 10% movement		
ZWG	4 330 516	(3 296 925)
ZAR	2 300 417	2 963 351
EUR	550 192	(109 119)
GBP	232 860	(28 234)
Other	271 545	-
Total effect on profit before tax	**7 685 530**	**(470 927)**
Taxation at 25.75%	(1 979 024)	121 264
Total effect on profit after tax	**5 706 506**	**(349 663)**

32.2.12 Capital risk management

Capital risk refers to the risk of the MicroBank's own capital resources being adversely affected by unfavourable external developments. The MicroBank's capital resources should therefore be adequate to absorb losses such as operating losses, and capital loss on investments. The Reserve Bank of Zimbabwe ("RBZ") regulates the minimum capital requirements of all deposit taking microfinance institutions. The MicroBank's core capital position closed at ZwG662.9 million as at 30 June 2026 which is above the current minimum regulatory requirement of US$5.0 million (ZwG133.85 million). The MicroBank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the MicroBank recognises the need to maintain a balance between higher returns that might be possible with greater gearing and the advantages and security accorded by a sound capital position. Capital adequacy and the use of regulatory capital is monitored daily by the MicroBank's management and the Directors employing techniques based on guidelines developed by the Basel Committee as implemented by the Reserve Bank of Zimbabwe for supervisory purposes.
The MicroBank's regulatory capital is managed by management and comprises three tiers;

- Tier 1 Capital: comprises contributed capital, accumulated profits, capital reserves (comprising share premium and share allocation reserves)
- Tier 2 Capital: comprises impairment allowance
- Tier 3 Capital: comprises operational and market risk capital.

	AUDITED 30 June 2026 ZwG	AUDITED 30 June 2025 ZwG
Share capital	109 836	109 836
Share premium	73 354 284	73 354 284
Financial assets at FVTOCI Reserve	(2 554 241)	(9 742 133)
Shares awaiting allotment	104 406 000	-
Foreign Currency Translation Reserve	140 121 734	130 766 968
Retained earnings	347 509 551	112 227 082
Core capital	**662 947 164**	**306 716 037**
Less Exposures to related parties	(15 744 283)	(42 850 566)
Less: capital allocated for market and operational risk	(30 686 409)	(16 466 666)
Tier 1 capital	**616 516 472**	**247 398 805**
ECL provisions – limited to 1.25% of credit risk weighted assets	45 346 141	20 227 118
Tier 1 and Tier 2 capital	**661 862 613**	**267 625 923**
Tier 3 capital (sum of market and operational risk capital)	30 686 409	16 466 666
Regulatory capital base	**692 549 022**	**284 092 589**
Total risk weighted assets	3 627 691 404	1 618 169 475
Tier 1 ratio	17.0%	15.3%
Tier 1 & 2 ratio	18.2%	16.5%
Total capital adequacy ratio	19.1%	17.6%
RBZ minimum required	**15.0%**	**15.0%**

33 CREDIT RATING

	30 June 2026	30 June 2025
Rating Agency		
International Credit Rating Agency (ICRA)	A	Not rated

The MicroBank was assigned an issuer credit rating of A with a Stable outlook on 19 December 2025. The rating expires on 18 December 2026.

34 GOING CONCERN

The Board continuously assesses the MicroBank's ability to continue as a going concern, considering the current economic climate and all relevant data regarding potential risks and uncertainties. After reviewing the projections for 2027 and the MicroBank's cash flow, the Board has no reason to believe that the MicroBank will not continue as a going concern. Therefore, the financial statements for the year ended 30 June 2026, were prepared on a going concern basis.

35 EVENTS AFTER THE REPORTING PERIOD

35.1 Subsequent events

There are no material events after the reporting date that warrant disclosure.

35.2 Approval of the financial statements

These financial statements were approved by the Board of Directors on 28 September 2026.