Centenary Group



Integrated Annual
Report 2025

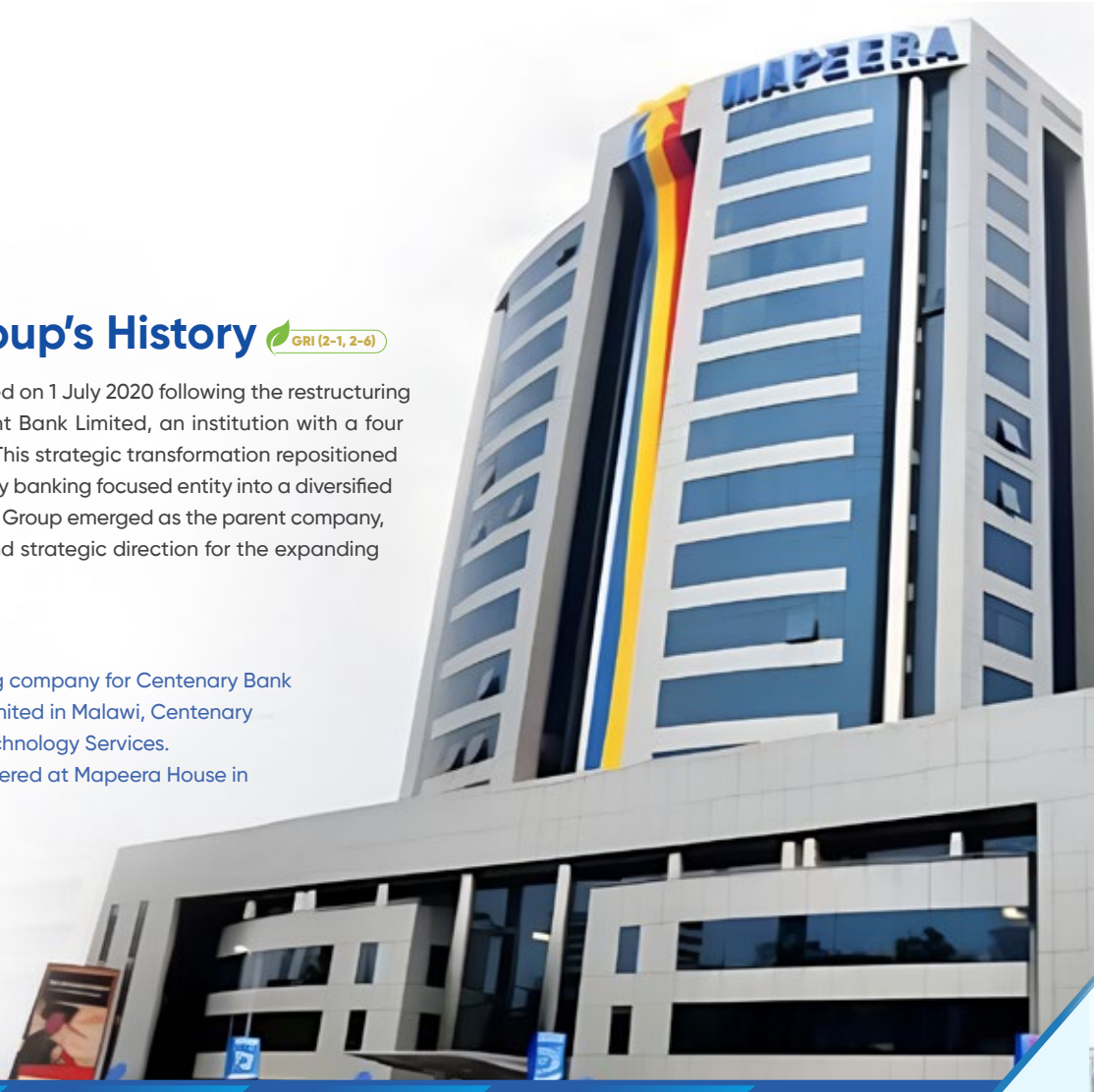
Transforming lives through **Innovative Finance**

Centenary Group's History

GRI (2-1, 2-6)

Centenary Group was established on 1 July 2020 following the restructuring of Centenary Rural Development Bank Limited, an institution with a four decade track record of service. This strategic transformation repositioned the Centenary brand from a solely banking focused entity into a diversified enterprise. As a result, Centenary Group emerged as the parent company, providing overall stewardship and strategic direction for the expanding portfolio of businesses.

- Centenary Group is the holding company for Centenary Bank in Uganda, Centenary Bank Limited in Malawi, Centenary Foundation and Centenary Technology Services.
- Centenary Group is headquartered at Mapeera House in Kampala, Uganda.



1879

Catholic Faith is introduced in Uganda with the arrival of the missionaries, Fr. Simeon Lourdel (Mapeera) and Bro.Delmas Amans (Amansi).

1979

Idea of forming a Financial Institution is conceived to celebrate 100 years of Catholic Faith in Uganda.

1980s

1983: Centenary Rural Development Trust starts Operations under UNCLA.

1985: The Church assumes ownership of the Financial Institution.

1987/88: The Financial Institution almost collapsed, due to the currency reform.

1990s

Transforms into a fully-fledged commercial bank – and changes name to Centenary Rural Development Bank.

SIDI & Hivos Triodos join the Bank as Strategic Investors. Acquires 10 branches of defunct Cooperative Bank.

2000s

Construction of Mapeera House.

Centenary Bank
A member of Centenary Group

New logo is launched.

Centenary Group

2018

AGM approves the Board resolution to establish a 'Group Structure'.

2019

BoU grants a No-Objection to the Group formation.

2020

Centenary Group becomes Operational.

Centenary Group Foundation becomes operational.

2022

Centenary Technology Services becomes Operational.

2023

Centenary Bank Limited in Malawi becomes operational.



Early Centenary Bank in Uganda Wobulenzi Branch offers service.

Acronyms

aBi	Agricultural Business Initiative
ACCA	Association of Chartered Certified Accountants
ACF	Agricultural Credit Facility
ACI	ACI – The Financial Markets Association
AGF	African Guarantee Fund
AGM	Annual General Meeting
AGOA	Africa Growth and Opportunity Act
AI	Artificial Intelligence
ARMA	Association of Risk Management of Malawi
ATM	Automated Teller Machine
AU	African Union
BA	Bachelor of Arts
BAC	Bank Audit Committee
BBA	Bachelor of Business Administration
BOU	Bank of Uganda
BSc	Bachelor of Science
CAIB SA	Certified Associate of the Institute of Bankers, South Africa
CAMS	Certified Anti-Money Laundering Specialist
CAP	Chapter (as in Companies Act, CAP 106)
CAR	Capital Adequacy Ratio
CASA	Current Account and Savings Account
CBR	Central Bank Rate
CCS	Certified Compliance Specialist
CDC	Centers for Disease Control and Prevention (United States)
CDPSE	Certified Data Privacy Solutions Engineer
CDSS	Community Day Secondary School
Cente-Tech	Centenary Technology Services Limited
CEO	Chief Executive Officer
CERM	Certified Risk Management Professional
CIB	Corporate and Institutional Banking
CISA	Certified Information Systems Auditor
CISM	Certified Information Security Manager
CISSP	Certified Information Systems Security Professional
COBIT	Control Objectives for Information and Related Technology
COVID-19	Coronavirus Disease 2019
CPA	Certified Public Accountant
CRM	Credit Risk Management / Customer Relationship Management
CSI	Corporate Social Investment
CSR	Corporate Social Responsibility
CTI	Cost-to-Income (Ratio)
DipM	Diploma in Marketing
MCIM	Member of the Chartered Institute of Marketing
DRC	Democratic Republic of Congo
DREAMS	Determined, Resilient, Empowered, AIDS-free, Mentored and Safe (programme)
ECIH	EC-Council Certified Incident Handler
EIB	European Investment Bank
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
ESG	Environmental, Social and Governance
ESRA	Environmental and Social Risk Assessment
EXCO	Executive Committee
FCCA	Fellow of the Association of Chartered Certified Accountants
FIC	Finance and Investment Committee
FICA	Fellow of the International Compliance Association
FIDA	Federation of Women Lawyers (Federación Internacional de Abogadas)
Fintechs	Financial Technology Companies
FMA	Financial Markets Association
FX	Foreign Exchange
FY	Financial Year
GAC	Group Audit Committee
GCSE	General Certificate of Secondary Education
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GI	Gross Income
GMU	Guglielmo Marconi University
GOU	Government of Uganda
GRI	Global Reporting Initiative
GROW	Generating Growth Opportunities and Productivity for Women Enterprises (project)
GSMA	Global System for Mobile Communications Association
HC	Human Capital
HIV	Human Immunodeficiency Virus
HR	Human Resource
HRDC	Human Resource Disciplinary Committee
IAPP	International Association of Privacy Professionals
IC	Intellectual Capital
ICAAP	Internal Capital Adequacy Assessment Process
ICAM	Institute of Chartered Accountants in Malawi
ICMA	International Capital Market Association
ICPAU	Institute of Certified Public Accountants of Uganda
ICT	Information, Communication and Technology
IEC	International Electrotechnical Commission
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
INTERPOL	International Criminal Police Organisation
IR	Integrated Report
IRC	International Rescue Committee
ISACA	Information Systems Audit and Control Association
ISO	International Organisation for Standardisation
ISSB	International Sustainability Standards Board
IT	Information Technology
ITIL	Information Technology Infrastructure Library
JSE	Johannesburg Stock Exchange
King IV	King IV Report on Corporate Governance for South Africa, 2016

KPI	Key Performance Indicator
KRI	Key Risk Indicator
kWh	Kilowatt-hour
KYC	Know Your Customer
LIBF	London Institute of Banking and Finance
LLB	Bachelor of Laws
LLM	Master of Laws
LMA	Loan Market Association
LPO	Local Purchase Order
MA	Master of Arts
MAT	MAT Abacus Business School
MBA	Master of Business Administration
MC	Manufactured Capital
MCCCI	Malawi Confederation of Chambers of Commerce and Industry
MCIM	Member of the Chartered Institute of Marketing
MCIPS	Member of the Chartered Institute of Procurement and Supply
MCP	Microfinance, Credit, Partnerships / Microsoft Certified Professional
MD	Managing Director
MF	Microfinance
MFI	Microfinance Institution
MICE	Meetings, Incentives, Conferences and Exhibitions
MK	Malawi Kwacha
MSc	Master of Science
MSCA	Microsoft Certified Systems Administrator
MSME	Micro, Small and Medium Enterprises
MUBAS	Malawi University of Business and Applied Sciences
MWh	Megawatt-hour
MWK	Malawian Kwacha (ISO 4217 currency code)
NC	Natural Capital
NCD	Non-Communicable Disease
NDP	National Development Plan
NETA	National Entrepreneurs and Traders Association
NFA	National Forestry Authority
NGO	Non-Governmental Organisation
NIM	Net Interest Margin
NPL	Non-Performing Loan
NPS	Net Promoter Score
NRGC	Nominations, Remuneration and Governance Committee
NSE	Nairobi Securities Exchange
NSSF	National Social Security Fund
NYVCF	National Youth Venture Capital Fund
PAEC	Pan-African Economist Certification / PAEC Diploma
PAR	Portfolio at Risk
PAT	Profit After Tax
PEFF	Private Enterprise Finance Facility
PG	Postgraduate
PGD	Postgraduate Diploma
PhD	Doctor of Philosophy
PMP	Project Management Professional
POS	Point of Sale
PR	Public Relations
PSO	Payment System Operator
PwC	PricewaterhouseCoopers
RBM	Reserve Bank of Malawi
SACCO	Savings and Credit Cooperative Organisation
SBRF	Small Business Recovery Fund
SDG	Sustainable Development Goal
SEE	Social, Economic and Environmental (Framework)
Shs	Uganda Shillings
SIDI	Solidarité Internationale pour le Développement et l'Investissement
SME	Small and Medium Enterprise
SMART	Specific, Measurable, Achievable, Relevant, Time-bound
SRC	Social and Relationship Capital
SSI	Staff Satisfaction Index
TOGAF	The Open Group Architecture Framework
UN	United Nations
UNCLA	Uganda National Christian Lay Apostolate
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
UNSDGs	United Nations Sustainable Development Goals
USAID	United States Agency for International Development
USD	United States Dollar
USE	Uganda Securities Exchange
USSD	Unstructured Supplementary Service Data
VSLA	Village Savings and Loan Association

Centenary Group

Group objectives

Governance

- Ensure compliance with licensing and regulatory approvals.
- Formulate Subsidiary structure and operating model.
- Ensure succession plans are developed and adhered to by the subsidiaries.
- Manage relationship with strategic investors.
- Coordinate and manage shared services across Centenary Group and its subsidiaries.

Strategy

- Formulate strategies to maximize synergies between the subsidiaries as well as the Group.
- Develop and oversee the overall group portfolio strategy (i.e., investments, acquisitions, partnerships, restructuring, divestitures etc.).
- Monitor the performance of the Subsidiaries.

Resource Mobilisation and Risk Management

- Mobilize resources for operations across the Centenary Group.
- Allocating capital and appropriating profit.
- Identifying opportunities for cross subsidiary economies.

Change Management, Communication and Branding

- Develop the standard Centenary Group Brand identity and culture.
- Implement a Change Management Program.
- Approving sponsorships and donations.



Global Alliance for Banking on Values (GABV) team visit Divine Junior school in Bunamwaya

Centenary Group

The theme

Transforming Lives through Innovative Finance

Our journey has always been defined by the mission to serve, empower, and uplift communities. Today, that mission is being amplified through innovation, where trusted financial services capabilities meet the trans-formative potential of technology. The theme, 'Transforming lives through innovative finance' captures the Group's evolution into a regional leader that blends financial strength with digital ingenuity. Through Cente-Tech and its expanding ecosystem, the Group is unlocking new pathways for inclusion, efficiency, and opportunity, ensuring that individuals, enterprises, and communities across Uganda and Malawi can participate in a modern fully connected economy.



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Centenary Group is driven by its mission:

"To transform lives of the people and promote environmental conservation through financial inclusion and innovative business solutions to create sustainable shareholder value."


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Online: this report with additional information is available on our website www.centenarygroup.co.ug



Centenary Group

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Centenary Group

Sharing Our Story with Clarity and Accountability

2025 reporting suite

We remain committed to open, clear, and accessible reporting that meets the expectations of our diverse stakeholders. In addition to this Integrated Annual Report, we provide a suite of online publications that offer deeper insights into our financial results, risk management practices, and sustainability performance. These resources are designed to give stakeholders a fuller understanding of how we create value and manage the responsibilities entrusted to us. All supplementary reports and disclosures can be accessed through our official website.



Our Integrated Report is tailored primarily for current and potential investors, regulators, and government stakeholders while remaining valuable to anyone seeking to understand how we create, protect, and sustain value over time. It brings together the material information that matters most: our strategy, governance, performance, and approach to managing risks and opportunities, including those linked to sustainability.



Audited Annual Financial Statements offer a thorough review of the Group financial health and performance targeting various users that include Equity and Investors etc. The statements are externally audited and prepared in full accordance with the International Financial Reporting Standards (IFRS), ensuring transparency, comparability, and credibility in the way we communicate our financial results.



Sustainability Report speaks directly to investors, non-governmental organisations, rating agencies, and stakeholders who seek a deeper understanding of how our activities shape society and the environment. It explores the areas where our impact is most, including both our positive contributions and the sustainability-related risks and opportunities that influence our long-term resilience.



Design Theme is anchored in Centenary Group's deep blue, the reporting theme presents a confident, trusted foundation that reflects long-term value creation and institutional strength, while golden yellow accents introduce moments of progress, innovation and opportunity that signal forward momentum. Selective red highlights punctuate the narrative with human impact and purpose, drawing attention to the lives and communities behind the performance. Balanced with clean whites and calm neutrals, the colour palette works in harmony with the reporting theme to create a refined, dynamic and unmistakably Centenary expression of integrated thinking, growth and transformation.

Directors' declaration

As members of the Centenary Group Board, with the support of the Group Audit and Risk Committee, we reaffirm our commitment to ensuring the integrity of this report. The preparation of this document was entrusted to executive management, aided by a dedicated reporting team, who have worked diligently to draft it. As Board members, we have collectively and conscientiously reviewed and endorsed the content of Centenary Group's 2025 integrated report.

We welcome all stakeholders to engage with this report and share their feedback on the Company's performance, strategy, and disclosures. Such insights will be invaluable as we strive to continuously enhance the delivery of stakeholder value.

Assurance

GRI (2-5)

Selected non-financial information is assured by Centenary Group's Internal Audit on an annual basis. Independent assurance includes PWC (unmodified assurance) on the Centenary Group consolidated annual financial statements.

Approval by the Board



.....

Chairman



.....

Director

The Centenary Group Board approved this report on 12th June, 2026.

Prof. John Ddumba - Ssentamu
Chairperson and Executive Director

Bishop Francis Aquirinus Kibira
Non-Executive Director

Bishop Giuseppe Filippi
Non-Executive Director

Bishop Serverus Jjumba
Chairman, Finance and Investment Committee, Non-Executive Director

Mrs. Agnes Tibayeita Isharaza
Independent Non-Executive Director

Mr. Kimanthi Mutua
Chairman Audit and Risk Committee, Independent Non-Executive Director

Mr. Frank Streppel
Non-Executive Director

Mr. Michel Albert Dieudonne Jean Dubois
Chairman Nominations, Remuneration and Governance Committee, Non-Executive Director

Online: this report with additional information is available on our website www.centenarygroup.co.ug

Centenary Group

Mission

To transform lives of the people and promote environmental conservation through financial inclusion and innovative business solutions to create sustainable shareholder value.

Vision

To be the Leading Financial and Investment Group, driving Inclusive Growth Sustainably.



Prof. John Ddumba-Ssentamu
Board Chairman
Centenary Group



Mr. Bwoch Gustavio
Board Chairman
Centenary Bank - Uganda



Dr. Francis Pelekamoyo
Board Chairman
Centenary Bank Limited in Malawi

Group Subsidiary Leaders



Mr. Fabian Kasi
MD
Centenary Bank Uganda



Dr. Grace Ssekakubo
CEO
Centenary Technologies



Ms. Hellena Kasujja
CEO
Centenary Group Foundation



Mr. Godfrey Byekwaso
MD
Centenary Bank Limited in Malawi

Values

Team Work: We promote team effort, interdependence and trust in the execution of our duties; and build on partnerships, to achieve our set strategic objectives.

Integrity: In executing our responsibilities, we are honest, transparent, accountable, paying attention to the rules and regulations, and adhere to moral and ethical principles.

Innovation: We undertake our work with simplicity and imagination, creating possibilities without having to be held back by pessimism.

Excellence: We have a strong commitment to high standards of performance in all our activities.

Icons

Agents
Excellence
ATMs
Branches
Church Member
CSR Activities
CSR Spend
Environment
Economy
Ladies & Gents
Mission
Social
Vision
Women
Youth
Innovation

Stakeholders

Customers
Employees
Government & Regulators
Investors
Local Communities
Shareholders
Suppliers

Strategic Pillars

Environment & Social Stewardship
Innovation
Governance & Management
Diversification & Expansion
Resource Mobilisation
Partnerships

The Capitals

Financial capital
Human Capital
Intellectual capital
Manufactured capital
Natural Capital
Social & Relationship Capital

The Group's primary SDGs



The Group contributes to other SDGs beyond the primary. Our specific contributions to other relevant SDGs are disclosed through out this report.

SUSTAINABLE DEVELOPMENT GOALS



Introduction 1.

In this section.

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Centenary Bank in Uganda, Launch of the Mbale Branch new premises.

Centenary Group

Welcome to our 2025 Integrated report GRI (2-2)

Each year provides an opportunity to reflect on progress made and on how the envisioned future continues to take shape. The 2025 Integrated Annual Report tells the story of how resources, relationships, and capabilities worked together to create value across diverse entities. At the heart of this narrative is Centenary Bank Uganda, the largest and most established institution, whose work continues to anchor much of the impact and performance. Through its scale, reach, and longstanding presence, the Bank provides the backdrop for many of the milestones and insights captured in this report. These stories illustrate not only what was achieved in 2025, but also how foundations are being laid for sustainable growth and meaningful transformation across the Group.

Centenary Bank in Uganda

Centenary Bank Limited in Malawi

Centenary Group Foundation

Centenary Technology Services

Reporting boundary and scope

This report outlines Centenary Group's strategic framework for creating value across the short, medium, and long term. It offers a concise evaluation of the Group's performance and governance over the past year, demonstrating how these efforts align with its strategic objectives. Additionally, the report provides an honest assessment of how value has been created, preserved, or diminished over time.

This Integrated Annual Report shares a comprehensive view of how Centenary Group created value throughout the reporting period of 1 January to 31 December 2025. It provides perspective on the business model, the environment in which operations take place, and the opportunities and risks that shape the ability to deliver long-term value.

The risks, opportunities, and outcomes of business activities on the various stakeholders affected by these activities are also considered. These stakeholders and their interests are described on page 60. The reporting process for all reports has been guided by the principles and requirements contained in the following frameworks, standards, and Board.

- Integrated Reporting Framework
- Global Reporting Initiative (GRI)
- Financial Institutions Act, 2004 (Cap. 57)
- United Nations Sustainable Development Goals (SDGs)
- International Financial Reporting Standards (IFRS)
- King IV Report on Corporate Governance
- International Sustainability Standards Board (ISSB)
- Companies Act of Uganda (Cap. 106)

The report outlines how we identify, assess, and respond to material matters that could meaningfully influence our future performance and strategic direction.

The narrative covers the activities, performance, and impacts of our operations, including.

- **Centenary Bank Uganda**
- **Centenary Bank Limited in Malawi**
- **Centenary Technology Services Uganda**
- **Centenary Group Foundation**

See: 'Boundary and scope' on page 6 of the Environmental Social and Governance Report.

Double Materiality GRI (3-1)

Guided by recent developments in global disclosure standards and frameworks, we have implemented the concept of "double materiality" across our suite of annual reports.

Impact materiality

Impact materiality in this report focuses on the Group's most significant effects on people, society, and the environment, as detailed in the sustainability section on page 146. This includes impacts that are important in their own right, as well as ESG-related risks and opportunities that are financially material to the Group. The Integrated Report is designed to provide meaningful insight for investors, lenders, creditors, and other stakeholders seeking to understand the Group's ability to create value over the short, medium, and long term.



Financial materiality

Financial materiality in this Integrated Report focuses on information that is expected to influence how users assess the value, timing and certainty of Centenary Group's future cash flows. This includes relevant environmental, social and governance risks and opportunities. The assessment considers potential impacts over the short term (one to three years), the medium term (three to five years) and the long term (beyond five years). The Annual Financial Statements complement this by showing the year-end effects on company value and cash flows.

In preparing this report, we have focused on information that materially influences users' assessments of how Centenary Group creates value. While pages 69–73 outline the specific risks that affect value, these elements on their own do not provide the full picture. A more complete understanding of how value is created, preserved, or eroded can be drawn from the following areas:

Use and Impact of the Capitals: Pages 156 to 197

Business Model: Pages 24 to 25

Governance: Page 26 - 54

Stakeholder engagement: Page 60 to 63

Ability to create value hinges upon the strength of our response to key elements such as:

Financial Performance: Pages 156 to 174

Strategy and Operating Context: Pages 76 to 85

Principal Risks and Opportunities: Page 64 to 73

Priority Interests of Key Stakeholders: Page 62 to 63

Centenary Group is driven by its mission.

This mission is realized through innovative thinking, enabling technologies, and collaborative partnerships that foster a more sustainable business, aligned with the needs of our host communities and society.

See: 'Sustainability materiality' on page 9 of the Environmental Social and Governance Report.

Contributing to the United Nations Sustainable Development Goals (UNSDGs) through Our mission.

We demonstrate our commitment to this purpose through active community engagement and our pledge to allocate an agreed percentage of profits toward social and community development initiatives. Our strategy, informed by thorough internal and external consultations and an in-depth analysis of risks and opportunities, incorporates ambitious long-term goals aligned with the UNSDGs.

Materiality Process GRI (3-1, 3-2)

On an annual basis, a formally structured and independently facilitated materiality determination process is undertaken, involving members of executive and senior management. This process is designed to identify those matters that substantively affect the ability to create, preserve, or erode value over the short, medium, and long term, and that are therefore relevant for inclusion in this integrated report.

The assessment considers the significance of impacts on financial performance as well as on the six capitals across the value chain, including effects on people, society, and the natural environment. In determining material matters, the robustness of the business model, the key risks and opportunities arising from the operating context, the legitimate needs and expectations of stakeholders, and the strategic implications for value creation are evaluated.

This disciplined approach ensures that this integrated report provides a balanced and transparent account of the matters that are fundamental to long-term sustainability and the value creation journey.

How value is created

Value is created through a balanced profit formula that combines diversified revenue streams, disciplined cost management, and strategically aligned value chain activities. Across this model, key resources and relationships are leveraged to sustain performance, strengthen resilience, and enhance long-term value creation.



Group value response

What impacts value

Key trends, risks, and opportunities impacting value creation are evaluated, including market shifts, ESG factors, and regulatory changes.

1 Business Model
See page 24
The most significant impacts (direct and indirect) of our activities on the six capitals across our value chain.

2 External Environment
See pages 60 to 63
Noting the most significant stakeholder interests.

3 Outcomes
See page 77

4 Strategy
See page 76

5 Stakeholder Interests
See page 62-63

Centenary Bank

A Member of Centenary Group

GET OUT OF THE LINE.

Register for Retail Internet Banking today

https://personal.centenarybank.co.ug/

- Pay bills.
- Buy airtime.
- Transfer money to Centenary Bank, other banks and mobile wallets.

Safe. Seamless. Stress-free.



online business

Centenary Bank, a Member of the CenteGroup. Regulated by Bank of Uganda A1.033.
Customer deposits are protected by the Deposit Protection Fund up to UGX 10 Million.
Terms and Conditions apply. Centenary Bank is committed to transforming lives and conserving the environment.

For more information call our toll free line
0800 200555/0800 335344



Group Chairman's Review





It is my pleasure to present the Annual Report of Centenary Group for the year ended 31 December 2025, under the theme "Transforming lives through innovative finance."

Financial institutions as agents of transformation

The year 2025 has reaffirmed our belief that financial institutions must go beyond traditional banking to become agents of transformation. In an increasingly digital and interconnected world, Centenary Group has continued to harness innovation to deepen financial inclusion, empower communities, and contribute meaningfully to socio-economic development within Uganda and across the region. In 2025, the group invested a total of Shs 7.3 Billion in 1,153 impact creating opportunities across Uganda and Malawi.

Bank of Uganda oversight of financial groups

In November 2025, the Bank of Uganda strengthened group-wide oversight through the Guidelines on Financial Holding Companies, 2025, requiring any shareholder with 25% or more ownership in a supervised institution to operate as a regulated, Uganda-domiciled financial holding company. Centenary Group is now regulated by the Bank of Uganda. For Centenary Group, this framework reinforces our governance model by clarifying the separation between ownership and bank management, tightening group-level capital and risk expectations, and ensuring full supervisory visibility across all our entities as we continue to grow in scale and regional footprint.

Centenary Bank in Uganda, our flagship banking business

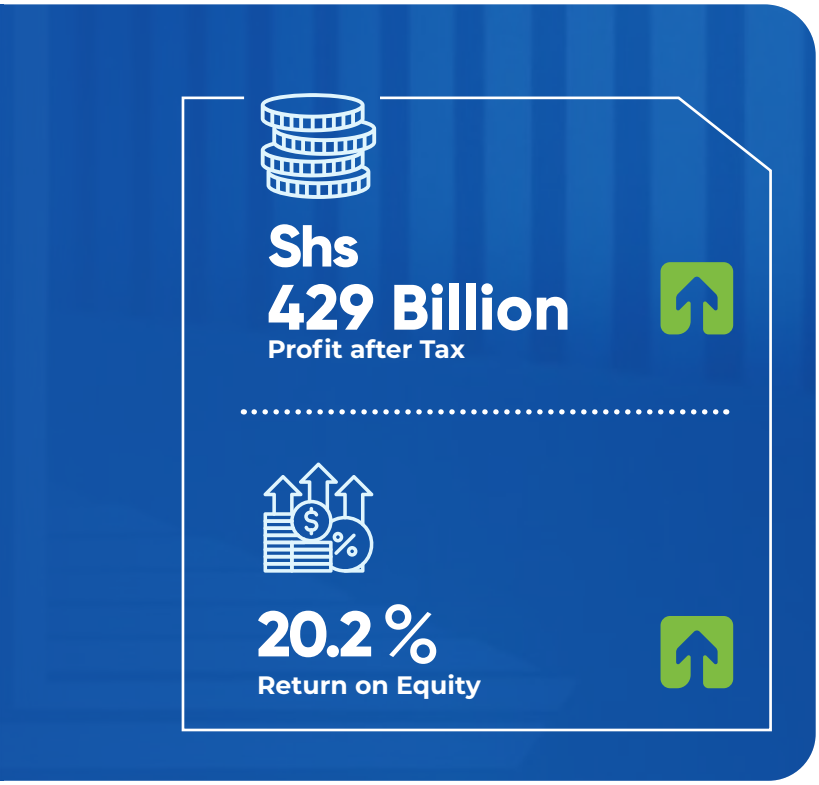
Centenary Bank in Uganda remains the flagship subsidiary of the Group, continuing to play a leading role in advancing financial inclusion in Uganda by providing accessible and affordable banking services to individuals, households, and enterprises. Its strong footprint across the country and deep understanding of customer needs have enabled it to remain a trusted partnner in economic empowerment. I am pleased to report that bank continues to report impressive results. Profit after tax closed at a Shs 424.2 billion resulting in a decent 20.2% return on equity and a Shs 8.6 trillion closing total asset value.

Centenary Bank Limited in Malawi, expanding our banking business

Centenary Bank Limited in Malawi represents our growing regional presence, extending our mission of inclusive banking to new markets. The subsidiary has continued to build a strong foundation, offering tailored financial solutions that respond to the needs of Malawian communities while contributing to our regional integration and growth agenda. The bank reported a profit after tax of Shs 10.6 Billion and a return on equity of 15.4%. The total assets of the bank closed at Shs 511.8 Billion.

Centenary Technology Services Limited, driving the Groups digital shift

Technology remained central to our transformation journey, with Centenary Technology Services Limited driving the Group's digital shift. By delivering secure, efficient, and scalable platforms, it strengthened our ability to offer convenient and reliable financial and technological services across our markets. In 2025, the business continued its growth trajectory, posting total revenue of Shs 7.7 Billion.



Centenary Group Foundation, Our catalyst for social impact

Equally important is our commitment to social impact, championed through the Centenary Group Foundation, which continues to support community development initiatives. Through investments in education, health, and livelihoods, the Foundation embodies our belief that banking must go hand in hand with transforming lives and uplifting communities.

Board Matters

Our Board provided steady and purposeful oversight throughout the year, and I thank my fellow members for their unwavering commitment. With a stable composition, the Board remained focused on strategic direction and performance across all entities under the Group. Our commitment to inclusive growth continued to guide our decisions, recognising that sustainable development must be broad-based and leave no one behind. For information on our governance, refer to page 26.

Performance and Dividend

The Group delivered a strong financial performance in 2025, enabling the Board to recommend a dividend of Shs 160 Billion. This reflects disciplined execution, strong governance, and a consistent focus on managing risk in a challenging environment. Total revenue reached Shs 1,622 Billion, profit after tax stood at Shs 429 Billion, and total assets closed at Shs 9.3 Trillion. This performance demonstrates the strength of our diversified business model, the growing contribution of our subsidiaries, and the commitment of our management and staff across the Group.

Positioning to support economic transformation in Uganda and Malawi

As we grow, we remain anchored in our values of integrity, stewardship, and service. These principles continue to guide how we contribute to national development priorities. In Uganda, we are aligning our efforts with the newly launched Tenfold Growth Strategy, which began implementation in FY2025/26, and we are positioning the Group to play a meaningful role in supporting the sectors expected to drive Uganda's next phase of growth. Centenary Bank Limited in Malawi remains aligned with the country's financial sector reform and inclusion agenda. For more information on our banking business in Uganda and Malawi, refer to pages 88 and 110 respectively.

Outlook

Looking ahead, I see the future of banking in the seamless integration of technology with human-centred service. My colleagues and I will continue to innovate responsibly, deepen collaboration across our subsidiaries, and extend our reach so that more individuals and businesses can participate meaningfully in real economic growth. We intend to expand our interests in Banking, Technology, Insurance, Investments (including a Unit Trust) and Property in 15 Countries across Africa by 2040.

Appreciation

Our progress this year has been made possible by the people and institutions that continue to believe in our mission. I extend my sincere appreciation to our customers, whose trust anchors our purpose; to our shareholders, whose confidence enables us to pursue long-term value; to our regulators, whose guidance strengthens the integrity of our operations; and to our partners, whose collaboration enriches the impact we create.

I also acknowledge the dedication of our management and staff. Their professionalism, resilience, and commitment to service remain the driving force behind our performance and our contribution to the communities we serve.



Prof. John Ddumba - Ssentamu
Board Chairman, Centenary Group

See: 'Chairman's statement on sustainability' on page 16 of the Environmental Social and Governance Report.

We Are Centenary Group

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Mapeera House in Kampala Uganda.

We are Centenary Group

GRI (2-1 , 2-6)

	Centenary Bank (Uganda)	Centenary Bank (Malawi)
Agents	7,773	500
Branches	82	16 (Microfinance outlets: 2, Forex bureaus: 3)
Asset Base	Shs 8.6 Trillion	Shs 512.4 Billion
Customers	3.4 Million	143.8 Thousand

Centenary Technology Services

Asset Base
Shs 5.5 Billion

Revenue
Shs 7.7 Billion

Centenary Foundation

- **74,729 Trees** planted
- over **90,000 jobs** supported
- **33,341 Financial literacy** beneficiaries
- **15 health programs** supported.
- **Shs 7.3 Billion** in Corporate Social Investment.

Centenary Property and Management Services (Division within Centenary Group)

- Mapeera House
- Centenary Group House Arua
- Centenary Group House Mbale
- Centenary Group Data Centre

Where we operate

Centenary Group has points of representation in Uganda and Malawi.

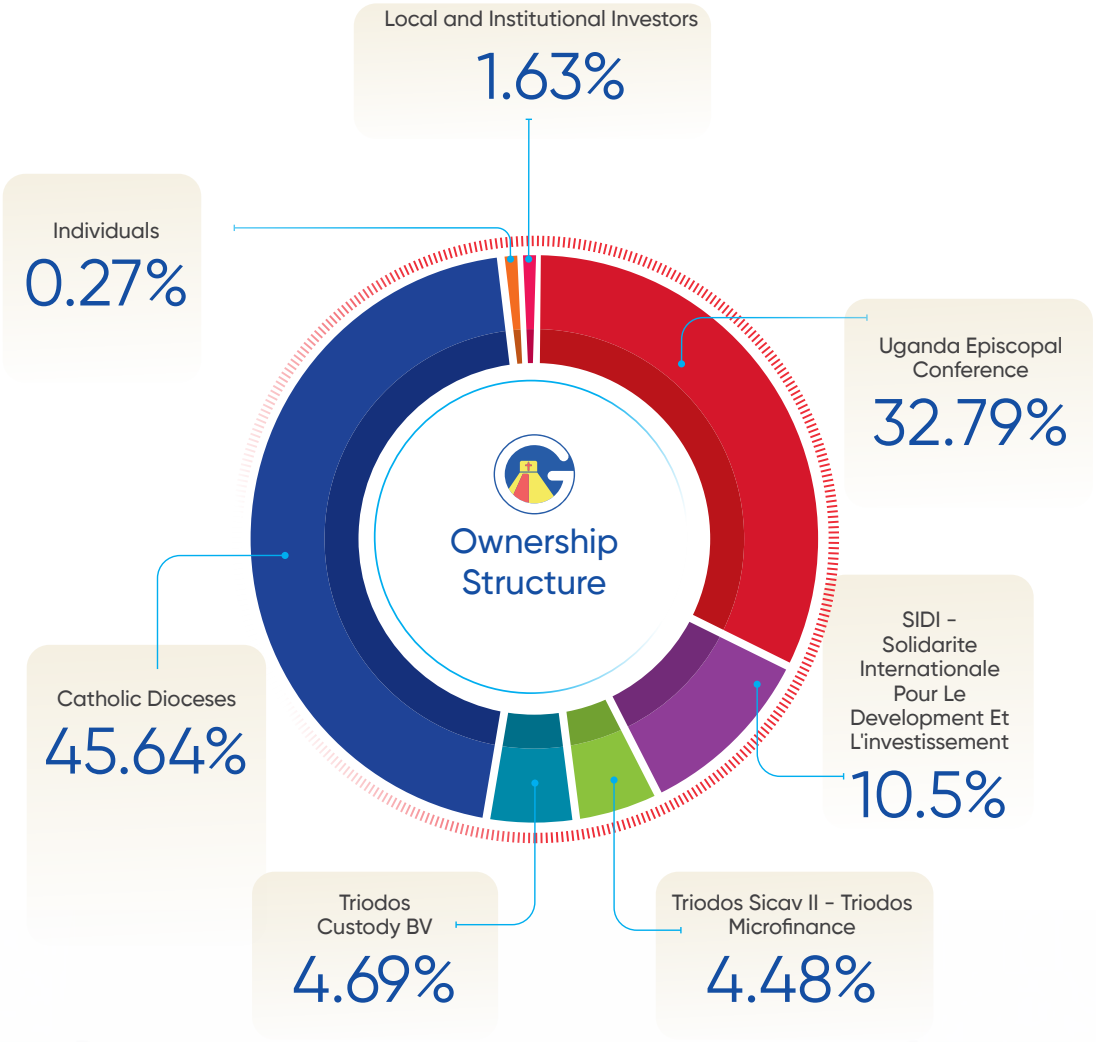


UGANDA MALAWI

Centenary Group Ownership Structure

GRI (2-1)

The shareholders of Centenary Group as of 31 December 2025 were as follows:

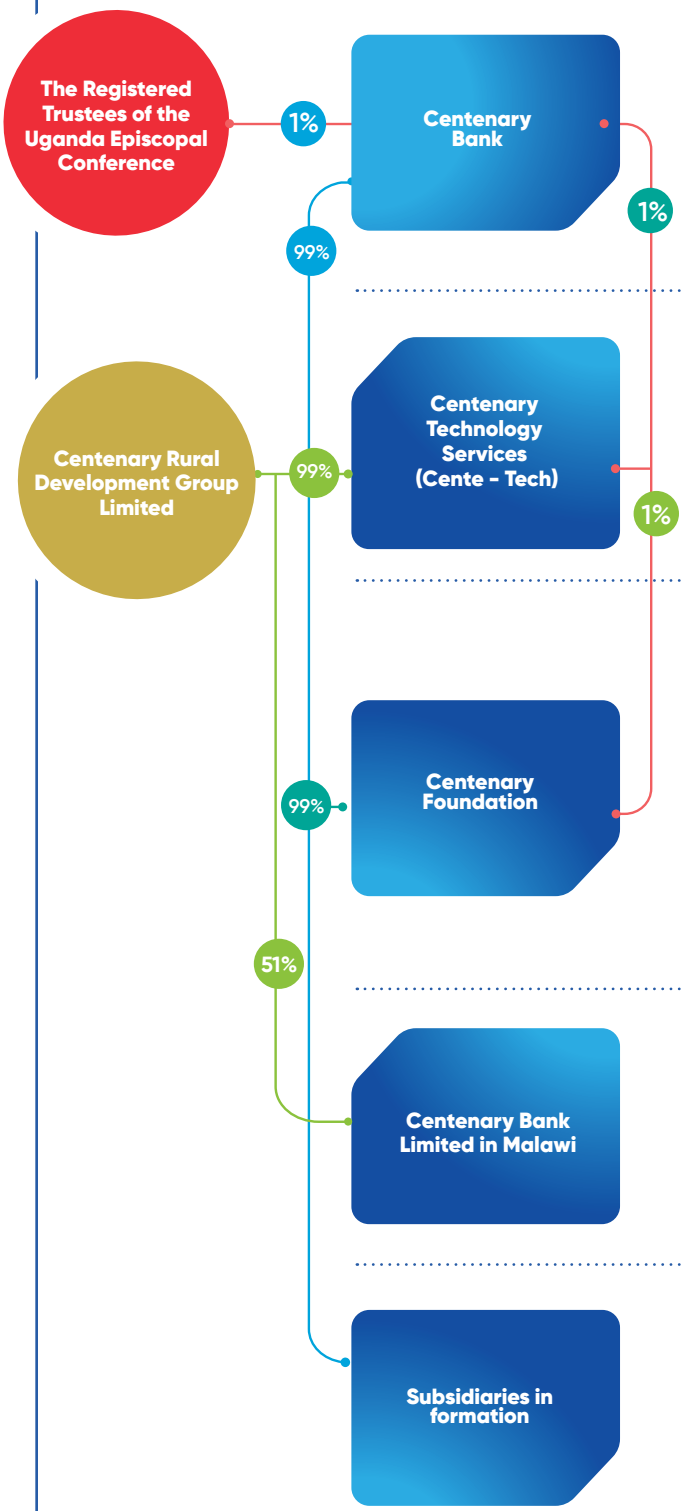




Centenary Group shareholders at AGM.

Centenary Group subsidiary structure

GRI (2-2)



Centenary Bank provides commercial banking services and is regulated by the Bank of Uganda. It is the main operational entity of the Centenary Group.

Centenary Technology Services is a non-banking company aimed at developing and implementing technological advancement strategies, managing market disruption through technology and providing Information Technology services for the Centenary Group and other companies in Uganda that are focused on transforming their communities.

The Centenary Group Foundation is a not-for-profit company limited by guarantee with no share capital.

The Foundation leverages funding from partners and social investors with a common social development purpose as Centenary Group. It focuses on implementing programmes that generally improve the social well-being of its communities.

All the social development activities of the Group are to be housed under the Foundation.

The group expanded in to the southern Region of Africa through the launch of Centenary Bank Limited in Malawi.

In fulfilling its objective of diversification and expansion, the Centenary Group intends to venture into other new business sectors like, Investments, Insurance and Real Estate.

Centenary Bank

A Member of Centenary Group

Redefining Custody

Secure. Compliant. Personalised.

We are the **safe guardian** of your investment assets, providing the **secure vault**, regulatory **compliance** and professional **oversight** you need to thrive.



For more information call our toll free line
0800 200555/0800 335344

Centenary Bank, a Member of the **Cente**Group. Regulated by Bank of Uganda A1.033.
Customer deposits are protected by the Deposit Protection Fund of Uganda up to UGX 10 Million.
Terms and Conditions apply. Centenary Bank is committed to transforming lives and conserving the environment.

Our 2025 performance at a glance

Key Financial highlights

Total Revenue

22.7%

2024	2025
Shs 1,321 Billion	Shs 1,622 Billion

Credit Loss Ratio

0.4%

2024	2025
1.1%	1.5%

Profit After Tax

23.7%

2024	2025
Shs 347 Billion	Shs 429 Billion

Cost to Income Ratio

1.5%

2024	2025
65.7%	64.2%

Deposits

26.6%

2024	2025
Shs 4,493 Billion	Shs 5,689 Billion

Investments in Government Securities

32.5%

2024	2025
Shs 2,104 Billion	Shs 2,787 Billion

Total Cost

20.0%

2024	2025
Shs 868 Billion	Shs 1,042 Billion

Net Interest Margin

0.6%

2024	2025
12.3%	11.7%

Core Capital Ratio (Bank Uganda)

0.3%

2024	2025
28.3%	28.6%

Core Capital Ratio (Bank Malawi)

3.2%

2024	2025
15.7%	18.9%

Non-Performing Loans to Total Loans

1.9%

2024	2025
3.6%	5.5%

Return On Equity

0.8%

2024	2025
19.6%	20.2%

See: '2025 ESG Performance at a Glance' on page 12 of the Environmental Social and Governance Report.

Business Model GRI (2-6)

Our business model creates value for stakeholders by providing, maintaining, and continually enhancing accessible, high quality financial services. By managing our banking and technology platforms throughout the customer and product lifecycle, The Group ensures reliability, inclusion, and long-term sustainability.

Inputs

Resources and relationships on which we rely

Financial Capital

Borrowings Shs 314 Billion (2024: Shs 377.3 Billion)
Customer deposits Shs 5.7 Trillion (2024: Shs 4.5 Trillion)
Owners' Equity Shs 2.1 Trillion (2024: Shs 1.77 Trillion)

Manufactured Capital

Shs 92 Billion directly held in property.
Market leading digital products, services and customer value proposition.
Physical presence of 103 outlets and 239 ATMS

Human Capital

3,889 staff employed by the Group.
Shs 284.4 Billion spent on total employee remuneration.
Shs 5.99 Billion allocated to learning and development.

Social and Relationship Capital

Strong key stakeholder relationships built on effective communication and collaboration.
Shs 7.3 Billion invested in corporate social investment.

Intellectual Capital

Appropriately skilled, diversified and independent board.
Group wide strategy and policy.
Group wide tacit knowledge.

Natural Capital

Electricity
Water
Fossil fuel
Trees

How we manage the availability and quality of the capitals

Our operating environment requires disciplined and responsible financial and liquidity management to safeguard stability, support inclusive growth, and ensure the Group's long-term resilience.

We balance strategic property investments with broader diversification opportunities to ensure optimal capital allocation and long-term resilience.

We face skills shortages, requiring strong investment in developing talent and supporting employee wellness.

The financial services sector operates in a low trust environment, requiring behaviours that consistently demonstrate and reinforce trust.

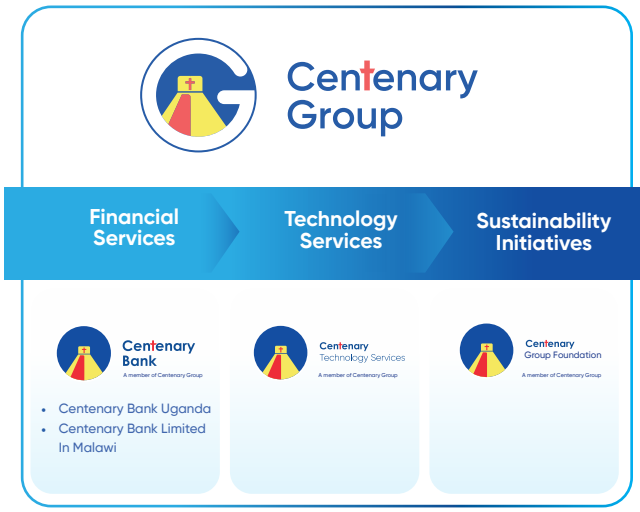
Innovation is a key differentiator, requiring continuous agility and a strong focus on rapid adaptation.

We face the challenge of scarce natural resources, requiring responsible stewardship and efficient resource use.

Business activities

What differentiates us

Business activities focus on securing long-term, high-quality client and partner relationships that generate stable cash flows and sustained value for stakeholders. As a purpose-driven financial services entity, there is a commitment to measuring and improving the ESG impacts of operations, investments, and strategic decisions to ensure responsible growth and long-term resilience.



Outputs

What we produce	Products	Emissions
Our core output is accessible, high quality financial services that support individuals, enterprises, and communities across Uganda.	» Financial services » Real estate » Technology services	Total GHG 6,734.53 tCO2e.

Outcomes

How value is created, preserved and eroded

- » Total revenue **Shs 1.6 Trillion.**
- » Profit after tax **Shs 429 Billion.**
- » Return on Equity **20.2%.**
- » **Shs 106.2 Billion** dividend declared.

- » **Shs 186 Billion** invested in property and equipment and **Shs 115.8 Billion** in Right of Use Assets.
- » IT systems uptime of **96.7%.**

- » **86.2%** staff satisfaction index.
- » **193** promotions.
- » **44,655** hours on training.

- » Sustainability index score of **86.5.**
- » Responsible use of natural resources.
- » 1,153 activities carried out.

- » **Shs 4.3 Trillion** in loans and advances as at 31 December.
- » **Shs 7.7 Billion** in revenue generated by Centenary Technology services.
- » Strong group brand.

- » **17,650,556 MWH** of electricity used.
- » **112,396 Kilo liters** of water used.
- » **748,112 liters** of fuel burned.
- » **156 tons** reams of paper.
- » **23,000 tons** of waste paper recycled.

Governance

Strong governance is the foundation on which Centenary Group continues to transform lives through innovative finance. In 2025, the Board remained steadfast in providing ethical, accountable, and transparent leadership, ensuring that our strategic decisions and oversight practices supported sustainable value creation across all our markets.



Centenary governance approach is anchored in the principles of King IV, emphasising responsible stewardship, stakeholder inclusivity, and long-term value. The Board sets the strategic direction, monitors performance, and ensures that risks are managed within a disciplined and well-defined framework. Through established committees, rigorous oversight is exercised over financial integrity, internal controls, risk governance, remuneration, and leadership succession.

Ethical and Purpose Driven Leadership

Governance at Centenary Group is rooted in values that have shaped identity for decades: fairness, integrity, and service. These principles inform the Board's oversight of strategy, performance, and risk.

A Diverse and Skilled Board

The Board draws its strength from a rich diversity of expertise and lived experience. Directors bring deep knowledge in banking, finance, economics, technology, governance, human development, and community service. This diversity enriches discussions and strengthens the ability to guide Centenary Group responsibly. More detail on Board composition and skills is provided on page 39.



A Culture of Integrity

The effectiveness of governance is ultimately reflected in behaviour. Centenary encourages a culture of openness and ethical conduct that continues to deepen across the organisation. Conflicts of interest were declared at every meeting, and the Code of Ethics remained a central guide for decision-making.

Subsidiary Boards in Uganda and Malawi exercised full accountability for their respective operations while remaining firmly aligned with Centenary Group's governance standards, oversight expectations, and strategic direction. Their structures and responsibilities are presented on pages 42 and 44.

Corporate Governance at Centenary Group GRI (2-9)

The Group's governance practices are guided by the principles and recommended practices of King IV, ensuring ethical leadership, effective control, and sustainable value creation. In the table below we summarize how the Board applies these principles in practice.

King IV Principle	Centenary Group Application	Outcomes
Ethical and Effective Leadership	The Board provides ethical, competent, and accountable leadership, acting in the best interests of the Group and its stakeholders.	Ethical Culture
Organisational Ethics	Directors adhere to the Group Code of Ethics; conflicts of interest are declared and recorded at every meeting.	Ethical Culture
Responsible Corporate Citizenship	The Board oversees responsible business conduct across subsidiaries, ensuring compliance with laws, regulations, and societal expectations.	Legitimacy
Strategy, Performance & Reporting	The Board approves strategy, monitors execution, and ensures transparent financial and nonfinancial reporting. Refer to page 76 on strategy and 4 on our reporting suite.	Legitimacy; Good Performance
Governance Roles, Responsibilities, Composition and Committees	The Board is the highest governing authority, supported by three Specialised committees operating under approved mandates. Refer to page 40 for details.	Ethical Culture; Effective Control
Performance Evaluations	The Board mandate is reviewed annually; regular evaluations inform continuous improvement in governance effectiveness. Refer to page 48 for details.	Effective Control
Appointment and delegation to management	Delegation to management is formalized through frameworks, management across the group remains accountable for execution.	Good Performance
Risk Governance	The Board sets the Group's risk appetite and ensures risks are identified, assessed, and managed to support sustainable growth. Refer to page 64 for more on Risk.	Effective Control
Technology & Information Governance	Oversight of technology and information management is embedded within Board and committee structures. Refer to page 41 for more information.	Good Performance
Compliance Governance	The Board ensures a structured and compliant governance approach guided by the Group's Regulatory Framework. Refer to page 45 for more information.	Effective Control
Remuneration Governance	Remuneration is overseen through approved frameworks that support fair, responsible, and transparent practices. Refer to page 50 for our remuneration report.	Ethical Culture
Assurance	The Board ensures integrity of reporting through internal controls, internal audit, and external assurance mechanisms. Refer to page 52 for the report from the Board Audit Committee.	Effective Control
Stakeholder Relationships	Stakeholder needs and expectations inform strategy, decision making, and value creation. Refer to page 60 on our stakeholder management activities.	Effective Control
Responsible investment	The Group ensures that investment decisions consider long-term value and responsible stewardship.	Good Performance

Group Governance response to trends in our operating environment

We continuously assess our operating context to identify the risks, opportunities, and emerging trends that shape the Group's performance and long-term prospects.

Strategic Pillar	Trend	Our Governance Response
Resource Mobilisation	**Macroeconomic volatility (inflation, FX, interest rates)**	The Group Board and EXCO regularly review macroeconomic scenarios, adjust risk appetite, and align capital, liquidity, and pricing decisions with approved risk management frameworks.
Governance & Management	**Tightening prudential and conduct regulation**	Governance structures ensure ongoing compliance with BoU, Malawi regulators, and group-wide policies through dedicated Board committees, regulatory dashboards, and periodic policy reviews.
Innovation	**Acceleration of digital financial services**	The Board approved digital transformation priorities, oversaw major IT investments, and monitors cyber, data privacy, and operational resilience risks through the risk, IT and assurance focused committees across the group.
Environment & Social Stewardship	**Rising expectations on ESG and sustainability**	The Group Board focused on integrating ESG into strategy, with Board level oversight of sustainability, climate related risks, and social impact, supported by group policies, targets, and transparent reporting.
Partnerships	**Financial inclusion and community impact**	The Group Board mandates inclusive finance and community investment priorities, established clear impact objectives, and oversaw delivery through Centenary Bank in Uganda, Malawi and the Foundation's programmes.
Environment & Social Stewardship	**Climate and environmental risk**	The Board considers climate risk in strategy and risk appetite, guiding portfolio diversification, green-finance initiatives, and resilience measures across key sectors.
Diversification & Expansion	**Regional and group expansion**	The group governance frameworks and Board approved mandates through harmonized policies guide subsidiary oversight, ensuring consistent standards, controlled growth, and clear delegation of authority.
Resource Mobilisation	**Talent, skills, and succession pressures**	The Group Board oversees leadership development, succession planning, and culture across the Group with Human Resource focused Board committees monitoring key people metrics and executive talent pipelines.
Innovation	**Cyber security and data privacy risk**	The board risk and IT focused committees receive regular cyber risk reports, approve information security policies, and oversee remediation and resilience testing across the Group's digital platforms.

Communicating with our shareholders

Highlights from our 2025 Annual General meeting.



Group board members consult at an AGM.



Mr. Nicolas Hereen a representative of SIDI at the AGM.

Who Governs Us - Centenary Group GRI (2-9, 2-11)

	Qualifications	Governance roles	Capitals



Prof. John Ddumba - Ssentamu
Chairman of the Board
Tenure: 5 years

- Ph.D. (Economics)
- MA (Economics)
- BA (Economics)
- Honorary Fellow of the Uganda Institute of Banking and Financial Services (FUIB, Hons)

- Executive Chairman

Member of:
- Finance and Investment Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Bishop Francis Aquirinus Kibira
Non-Executive Director
Tenure: 5 years

- Diploma in Philosophy
- Diploma in Philosophical and Religious studies
- Diploma in Theological and Pastoral Studies
- Diploma in Theological and Religious Studies
- Master's degree in sacred Scripture

Member of:
- Nominations, Remuneration and Governance Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Bishop Giuseppe Filippi
Non-Executive Director
Tenure: 5 years

- Study of Theology
- Diploma in Philosophy
- Bachelor's degree in mechanical engineering

Member of:
- Audit Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Bishop Severus Jjumba
Non-Executive Director
Tenure: 5 years

- Diploma in Philosophy
- Bachelor of Philosophy
- Diploma in Theological Studies,
- Bachelor's degree in theology
- Postgraduate Diploma in Education

Chair of:
- Finance and Investment Committee

Member of:
- Nominations, Remuneration and Governance Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. Michel Albert Dieudonne Jean Dubois
Non-Executive Director
Tenure: 1 year, 6 months

- Master's Degree -Political Studies
- Master's degree in law, specialisation in Public Law.
- Executive Management MBA
- GCSE in Arabic language

Chair of:
- Nominations, Remuneration and Governance Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14

	Qualifications	Governance roles	Capitals



Mrs. Agnes Tibayeita Isharaza
Non-Executive Director
Tenure: 4 years

- Executive MBA
- Post Graduate Diploma in Legal Practice
- Bachelor of Law Degree (Hons)
- Master Trustee Certification

Member of:
- Audit Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. Kimanthi Mutua
Non-Executive Director
Tenure: 4 years

- Bachelor of Commerce
- Certified Public Accountant

Chair of:
- Audit Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. Frank Streppel
Non-Executive Director
Tenure: 1 year, 6 months

- Masters in Commercial Economy - International Management
- Bachelor of Business Administration

Member of:
- Nominations, Remuneration and Governance Committee
- Finance and Investment Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Ms. Anne-Sophie Bougouin
Non-Executive Director
Tenure: 2 years

- Master's in economics - Economic strategies in Developing countries.
- Degrees in Economics, Mathematics and Econometrics.

Member of:
- Finance and Investment Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14

Our Governance Custodians

	Experience matrix
1	Assets and liability management
2	Financial accounting, reporting and taxation
3	Allocation of capital and investment management
4	Property management
5	Human capital management
6	Remuneration and rewards
7	Digital financial services

	Experience matrix
8	Information Technology
9	Risks and opportunities
10	Regulatory, legal and compliance
11	Corporate governance
12	Corporate social investment and transformation
13	Stakeholder engagement
14	Environmental sustainability and climate change

Who Governs Us

Centenary Bank in Uganda

	Qualifications	Governance roles	Capitals



Mr. Gustavio Orach Lujwero Bwoch
Chairman of the Board
Tenure: 7 years

- Master of Business Administration in Strategic Planning
- Fellow of the Institute of Association of Chartered Certified Accountants
- Member of the Institute of Certified Public Accountants of Uganda
- Chartered Accountant, Lesotho Institute of Accountants.
- Bachelor's degree in commerce

- Board Chairman

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. Tom Aliti Candia
Non-Executive Director
Tenure: 5 years

- Honorary PhD- Humanitarian and Social work
- Msc. Public Health
- PGD in Public Health
- Bsc. Economics
- Msc. Finance and Applied Economics
- Certified Public Accountant of Uganda

Chair of:
- Audit Committee

Member of:
- Human Resource Committee
- Assets & Liabilities Committee
- IT Strategy Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Ms. Vivian Ddambya
Non-Executive Director
Tenure: 5 years

- MSc. Information Systems
- BSc. Computer Applications,
- Certified ISO 27001 Lead Implementer
- Prosci Change Management Certified Practitioner
- Microsoft Certified Systems Engineer
- Cisco Certified Network Associate
- Cisco Certified Design Associate

Chair of:
- IT Strategy Committee
- Nominations, Remuneration and Governance Committee

Member of:
- Credit Committee
- Audit Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. Steven John Round
Non-Executive Director
Tenure: 5 years
(Retired June 2025)

- Masters, Business Administration.
- Fellow of Chartered Institute of Marketing
- DipM.MCIM. Chartered Institute of Marketing

Member of:
- Nominations, Remuneration and Governance Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. Chris M. Byaruhanga
Non-Executive Director
Tenure: 5 years

- MCIPS
- Two Graduate Diplomas in Purchasing & Supply
- Certificate in International Commercial Banking
- BA. Social Sciences

Chair of:
- Asset & Liability Committee
- Credit Committee

Member of:
- IT Strategy Committee
- Audit Committee
- Risk Management Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14

	Qualifications	Governance roles	Capitals



Dr. Mary Theopista Wenene
Non-Executive Director
Tenure: 9 years

- PhD – Human Resource
- Master of Management Studies
- BA Human Resource Management
- PG Diploma in Human Resource Management
- BA Econ & Social Administration

Member of:
- Audit Committee
- Human Resource Committee
- Risk Management Committee
- Nominations, Remuneration & Governance Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. Caspar Jan Frits Sprokel
Non-Executive Director
Tenure: 9 years

- Master of Business Administration
- Certificate in Banking & Finance
- Certificate in Corporate Law
- Cert. French Language & Literature

Member of:
- Nominations, Remuneration and Governance Committee
- Asset & Liability Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Archbishop Paul Ssemogerere
Non-Executive Director
Tenure: 3 years

- Master of Divinity
- Bachelor of Philosophy

Member of:
- Nominations, Remuneration and Governance Committee
- IT Strategy Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Bishop Callist Rubaramira
Non-Executive Director
Tenure: 6 years

- Master of Business Administration
- Diploma in Religious Studies
- Diploma in Philosophy

Member of:
- Risk Management Committee
- Human Resource Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. Francois Jacques Galland
Non - Executive Director
Tenure: 1 Year
(Appointed June 2025)

- Master of Arts in Economic and Social laws
- Graduate degree in Philosophy

Chair of:
- Risk Management Committee
- Human Resource Committee

Member of:
- Credit Committee
- Nominations, Remuneration & Governance Committee
- Assets & Liabilities Committee
- IT Strategy Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14

Who Governs Us

Centenary Bank in Uganda

Qualifications | Governance roles | Capitals



Mr. Fabian Kasi
Managing Director
Tenure: 15 years

- Fellow of the Institute of Association of Chartered Certified Accountants
- Masters of Business Administration
- Bachelor's degree in commerce

Member of:
- Board IT Strategy Committee
- Board Credit Committee
- Board Asset & Liability Committee
- Board Risk Management Committee
- Board Human Resource Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14





Mr. Joseph Kiwanuka Balikuddembe
Executive Director
Tenure: 5 years

Qualifications

- MBA (Finance and Strategy)
- Bachelor's degree in agriculture
- Certificate in Bank Management

Governance roles

Member of:
- Board IT Strategy Committee
- Board Credit Committee
- Board Asset & Liability Committee
- Board Risk Management Committee
- Board Human Resource Committee

Capitals

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Centenary Group shareholders at AGM.

Who Governs Us

Centenary Bank Limited in Malawi

	Qualifications	Governance roles	Capitals



Dr. Francis Pelekamoyo
Chairman of the Board
Tenure: 2 years

- Honorary Doctorate
- Master of Arts in Economics
- BSc. Chemistry and Economics
- Dip. Monetary Economics

- Board Chairman

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. John Salvator Biziwick
Non-Executive Director
Tenure: 1 Year

- LLM international Economic Law
- MSc Development Policy, Practice and Process
- PGDip. Management Practice (Trade Law and Policy)
- Bachelor of Social Sciences and Economics

Chairperson of:
- Audit Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. Dominique Lesaffre
Non-Executive Director
Tenure: 2 years

- Master of Business Administration - International Economics
- Master's in international economics
- Diplomas from the British, Franco German and Spanish Chambers of Commerce

Member of:
- Audit Committee Member

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Prof. Victor Murinde
Non-Executive Director
Tenure: Appointed during the year.

- PhD – Financial economics and banking
- MSc – Finance and Banking
- Doctoris Honoris Causa - Financial Economics & Banking
- Bachelors of Arts in Economics

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mrs. Alice Kilonzo Zulu
Non-Executive Director
Tenure: 1 year

- Masters Economics and Social Studies
- Bachelor's Degree Politics with International Relations

Chairperson:
- Credit Committee

Member of:
- Nominations, Remuneration and Governance

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14

	Qualifications	Governance roles	Capitals



Mr. Pempho Likongwe
Non-Executive Director
Tenure: 2 years

- Master of Business Administration
- Master of Laws – Commercial Law
- Bachelor of Laws
- Fellow Institute of Chartered Secretaries

Member of:
- Risk Management Committee Member

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mrs. Vivian Ddambya
Non-Executive Director
Tenure: 2 years

- MSc. Information Systems
- BSc. Computer Applications,
- Certified ISO 27001 Lead Implementer
- Prosci Change Management Certified Practitioner
- Microsoft Certified Systems Engineer
- Cisco Certified Network Associate
- Cisco Certified Design Associate

Chairperson of:
- Information, Communications and Technology Committee
- Risk Management Committee Chairperson

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. William Mwanza
Non-Executive Director
Tenure: 2 years

- MA (Economics)
- BA (Economics)

Member of:
- Audit Committee Member

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Ms. Linda Phiri
Non-Executive Director
Tenure: 2 years

- Master of Business Administration
- Bachelor's degree of Accountancy
- CPA Malawi
- Chartered Management Accountant-Associate

Chairperson of:
- Nominations, Remuneration and Governance

Member of:
- Credit Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Mr. Godfrey Byekwaso
Managing Director
Executive
Tenure: 2 years

- Master of Business Administration
- FCCA
- Bachelor of Commerce Degree

Member of:
- Credit Committee Member
- Nominations, Remuneration and Governance

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14



Ms. Beatrix Mosiwa
Executive Director
Tenure: 3 Months

- Fellow of the Association of Chartered Certified Accountants
- Fellow of the Institute of Bankers
- Institute of Chartered Accountants in Malawi Master of Business Administration

Member of:
- Risk Management Committee Member
- Information, Communications and Technology Committee

Diversity of expertise

1	2	3	4	5	6	7
8	9	10	11	12	13	14

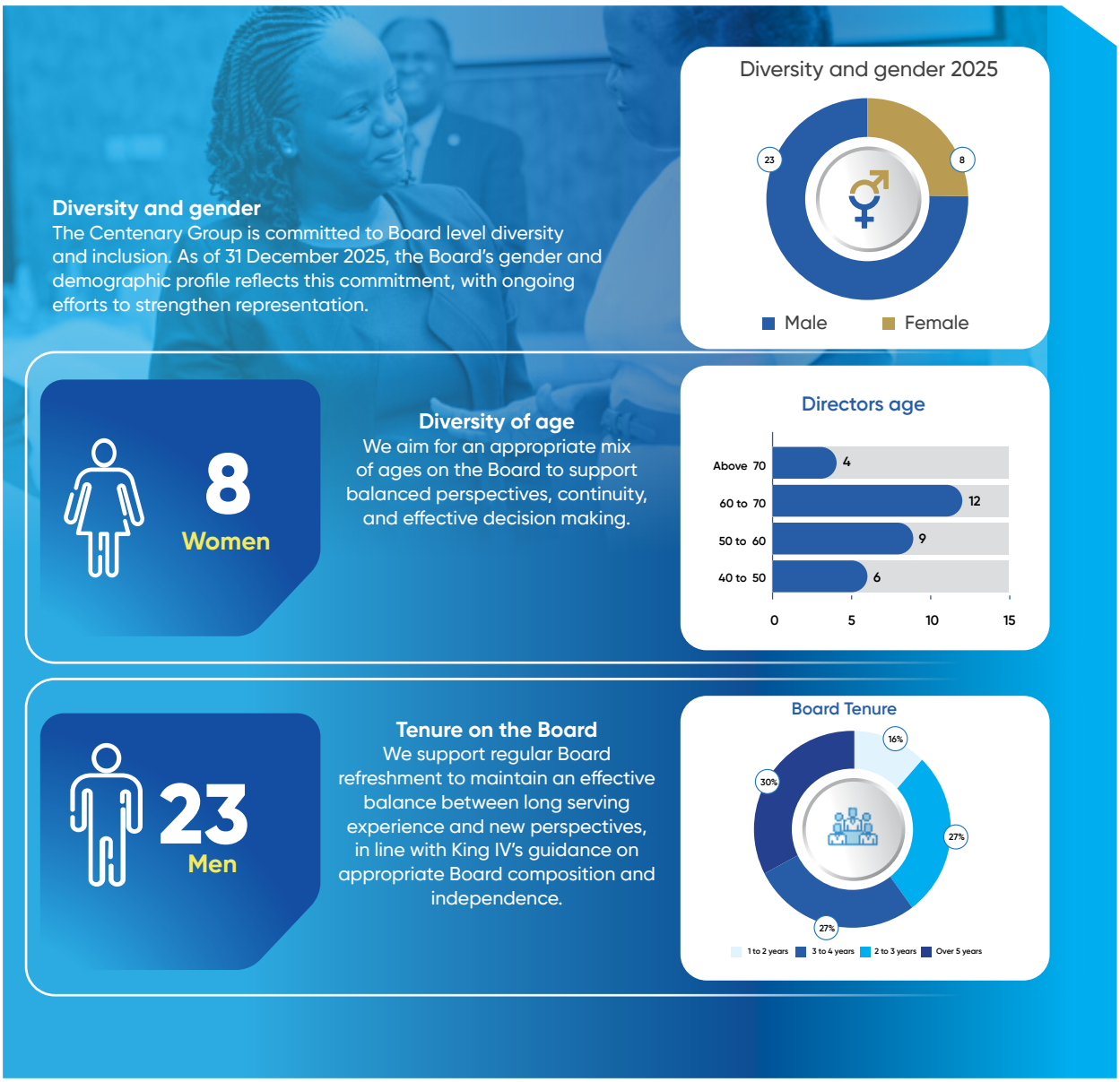
Independence

The Board is majorly independent, with most members serving as Independent Non Executive Directors. This composition supports objective oversight, mitigates conflicts of interest, and aligns with King IV's expectation that the governing body should comprise the appropriate balance of knowledge, skills, experience, diversity, and independence to discharge its governance role effectively.

20 Independent Non-Executive Directors (14 6)

6 Non-Independent Non-Executive Directors (5 1)

5 Executive Directors (4 1)



Diversity and gender
The Centenary Group is committed to Board level diversity and inclusion. As of 31 December 2025, the Board's gender and demographic profile reflects this commitment, with ongoing efforts to strengthen representation.

8 Women

Diversity of age
We aim for an appropriate mix of ages on the Board to support balanced perspectives, continuity, and effective decision making.

23 Men

Tenure on the Board
We support regular Board refreshment to maintain an effective balance between long serving experience and new perspectives, in line with King IV's guidance on appropriate Board composition and independence.

Knowledge, skills, and experience

GRI (2-17, 2-18)

how our value is preserved

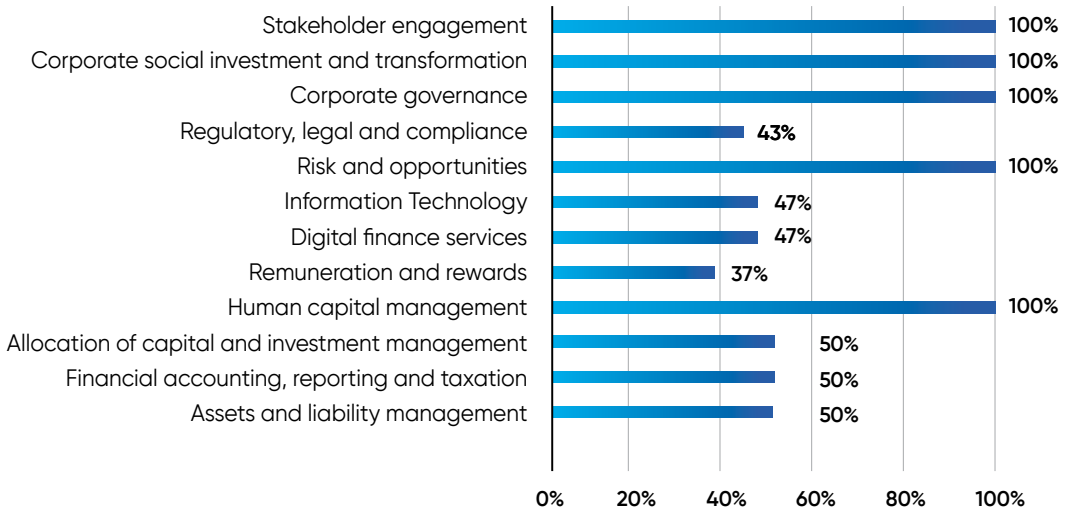
KING IV 7

The Board maintains a balanced mix of technical, financial, sectoral, and strategic expertise to support effective oversight and long term value creation.

As a financial services entity, high standards of integrity, governance competence, and sound judgement are upheld. Directors contribute a combination of financial and non-financial expertise, complemented by strong interpersonal and leadership capabilities.

Collectively, the Board brings experience across banking, finance, economics, strategy, IT and cybersecurity, humanities, management, administration, emerging market operations, and international relations, ensuring informed and effective decision making.

Combined board experience



Percentage of directors with specific experience

Board skills, size, and composition

Regular assessments are conducted to ensure the right mix of skills and experience is maintained to support strategic delivery and sustainable value creation. Composition is intentionally diverse across demographics, gender, nationality, professional background, tenure, and role, including both executive and non-executive representation.

During our formative years, the Chairman and CEO roles are combined to support unified leadership, with clear subsidiary level divisions of responsibility to prevent any concentration of authority.

Confidence is maintained that the collective expertise and diversity enable effective oversight and long-term value creation.

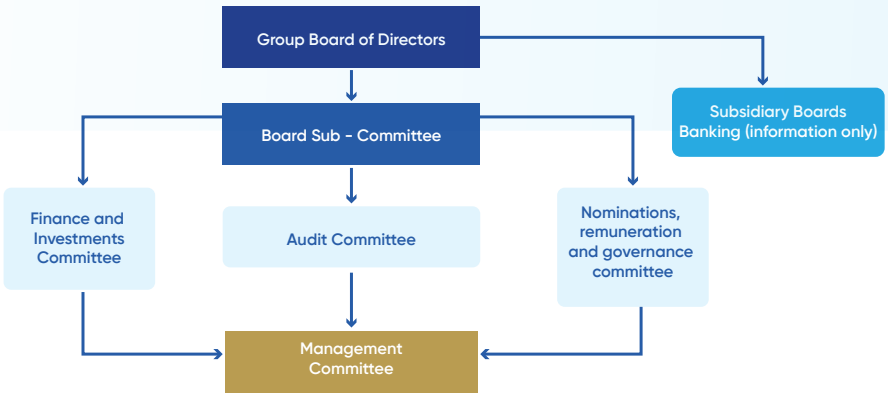
Group governance structure and delegation

KING IV 6 7 GRI (2-12, 2-13)

The highest governing authority provides strategic direction and oversight across all subsidiaries. While Centenary Bank Uganda and Centenary Bank Limited in Malawi operate with operational autonomy, alignment with enterprise-wide objectives is ensured through a structured reporting framework. Over time, each subsidiary will transition to full governance under its own respective governance structures.

The governance framework is aligned with the principles applied by regulated banking entities. Ultimate accountability is retained for performance, conduct, and ethical governance across all entities, ensuring adherence to high standards of integrity and responsible leadership.

Our Group Governance Structure and Delegation



Finance and Investment Committee

Role:

Provides oversight over the Group's financial plans and objectives and all investment proposals.

Members

- Bishop Severus Jjumba (Chair)
- Prof John Ddumba - Ssentamu
- Mr. Frank Streppel
- Mrs. Anne-Sophie Bougouin

Meetings held	4
Overall attendance	100%
Capitals governed	

Audit and Risk Committee

Role:

Assists the Board in fulfilling its oversight responsibilities for the Group's financial reporting process, the system of internal controls, the audit process and monitoring compliance with laws, regulations, and the code of conduct.

Members

- Mr. Kimanthi Mutua (Chair)
- Bishop Giuseppe Filippi
- Mrs. Agnes Tibayeita Isharaza

Meetings held	4
Overall attendance	100%
Capitals governed	

Nominations, Remuneration and Governance Committee

Role:

Assists the Board to discharge its human resource administration mandate including overseeing the remuneration of senior executives. It also advises on matters of corporate governance.

Members

- Michel Albert Dieudonne Jean Dubois (Chair)
- Bishop Francis Aquirinus Kibira
- Bishop Severus Jjumba
- Mr. Frank Streppel

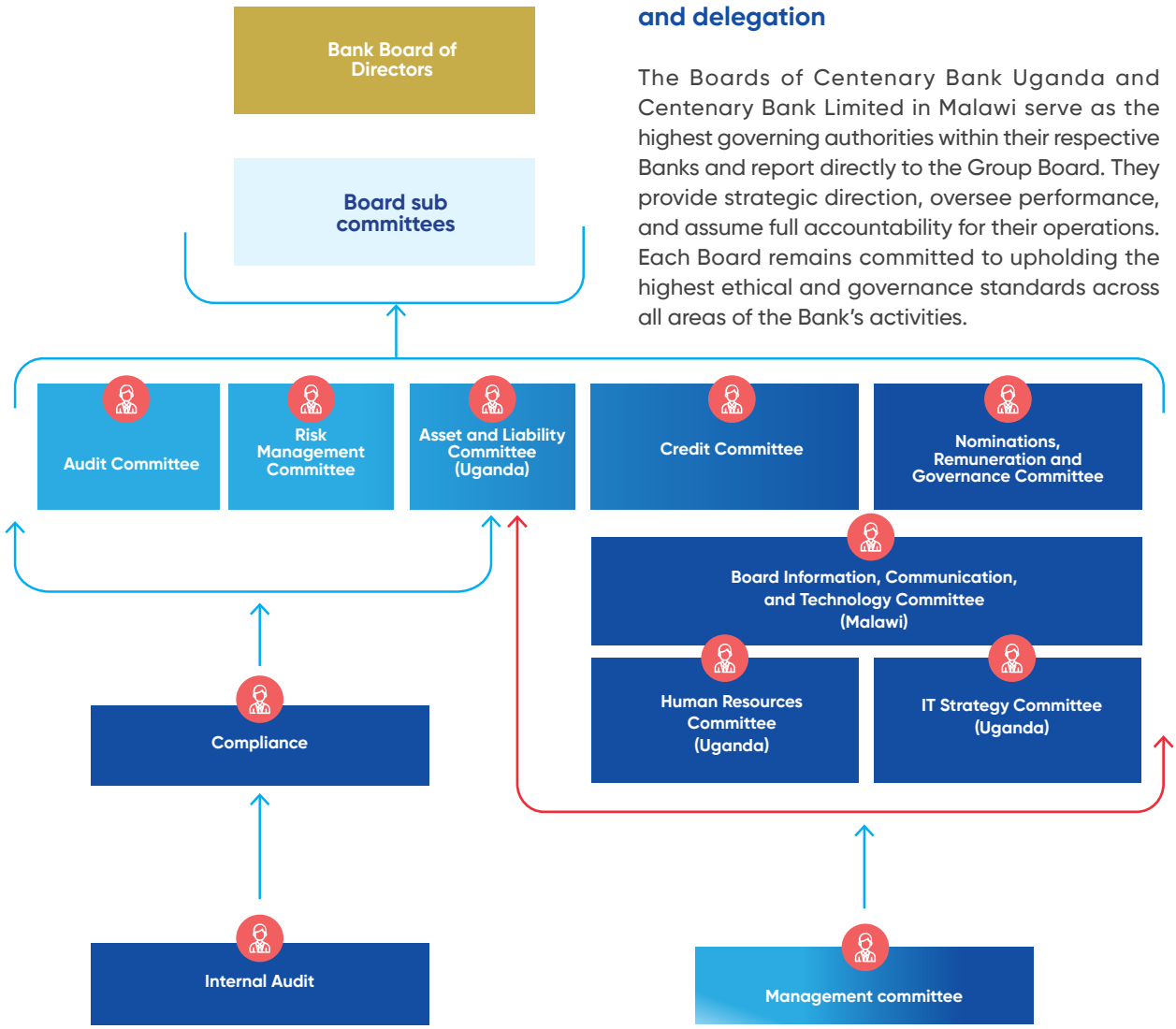
Meetings held	4
Overall attendance	100%
Capitals governed	



Group Board members.

Banking subsidiaries governance structure and delegation

The Boards of Centenary Bank Uganda and Centenary Bank Limited in Malawi serve as the highest governing authorities within their respective Banks and report directly to the Group Board. They provide strategic direction, oversee performance, and assume full accountability for their operations. Each Board remains committed to upholding the highest ethical and governance standards across all areas of the Bank's activities.



Centenary Bank in Uganda

Risk Management Committee

Role:

Oversees the Bank's risk management systems and practices to ensure effectiveness in risk management by the Bank's Board of Directors.

Members:

- Mr. Francois J. Galland (Chair)
- Mr. Joseph K. Balikuddembe
- Dr. Mary Theopista Wenene
- Bishop Callist Rubaramira
- Mr. Fabian Kasi
- Mr. Joseph K. Balikuddembe

Meetings held	4
Overall attendance	92%
Capitals governed	

Audit Committee

Role:

Oversees the Bank's financial reporting process, the system of internal control, the audit process, and the process for monitoring compliance.

Members:

- Mr. Tom Aliti Candia (Chair)
- Mr. Chris Byaruhanga
- Dr. Mary T. Wenene
- Ms. Vivian Ddambya

Meetings held	5
Overall attendance	95%
Capitals governed	

Assets and Liability Committee

Role:

Oversees the implementation of the Bank's asset and liability policy.

Members:

- Mr. Chris M. Byaruhanga (Chair)
- Mr. Tom Aliti Candia
- Mr. Caspar Jan Frits Sprokel
- Mr. Francois J. Galland
- Mr. Fabian Kasi
- Mr. Joseph K. Balikuddembe

Meetings held	5
Overall attendance	100%
Capitals governed	



Credit Committee

Role:

Oversees the Bank's credit policy and credit strategy. It also monitors the performance of the Bank's credit portfolio.

Members:

- Mr. Chris M. Byaruhanga (Chair)
- Ms. Vivian Ddambya
- Mr. Francois J. Galland
- Mr. Fabian Kasi
- Mr. Joseph K. Balikuddembe

Meetings held	4
Overall attendance	90%
Capitals governed	

IT Strategy Committee

Role:

Monitors the implementation of the Bank's IT Strategy.

Members:

- Ms. Vivian Ddambya (Chair)
- Archbishop Paul Ssemogerere
- Mr. Chris M. Byaruhanga
- Mr. Tom Aliti
- Mr. Fabian Kasi
- Mr. Joseph K. Balikuddembe

Meetings held	7
Overall attendance	97%
Capitals governed	

Nominations, Remuneration and Governance Committee

Role:

Helps the Board in reviewing the structure, size, and composition of the Board. It recommends to Shareholders candidates for directorship positions and advises on all governance matters.

Members:

- Ms. Vivian Ddambya (Chair)
- Mr. Francois J. Galland
- Dr. Mary Theopista Wenene
- Mr. Caspar Jan Frits Sprokel
- Archbishop Paul Ssemogerere

Meetings held	4
Overall attendance	100%
Capitals governed	



Centenary Bank Uganda, Mbale branch opening.

Human Resource Committee

Role:

Assists the Board to discharge its human resource administration mandate including overseeing the remuneration strategy of the Bank.

Members:

- Mr. Francois J. Galland (Chair)
- Dr. Mary T. Wenene
- Bishop Callist Rubaramira
- Mr. Tom Aliti Candia
- Mr. Fabian Kasi
- Mr. Joseph K. Balikuddembe

Meetings held	11
Overall attendance	98%
Capitals governed	

Centenary Group

Centenary Bank Limited in Malawi

Risk Management Committee

Role:

Oversees the Bank's risk management systems and practices to ensure effectiveness in Risk Management by the Bank Board of Directors.

Members:

- Mrs. Vivian Ddambya (Chair)
- Mr. Pempho Likongwe
- Mr. Godfrey Byekwaso

Meetings held	4
Overall attendance	81%
Capitals governed	



Audit Committee

Role:

Oversees the Bank's financial reporting process, the system of internal control, the audit process, and the process for monitoring compliance.

Members:

- Mr. Morgan Tembo (Chair)
- Mr. Dominique Lesaffre
- Mr. William Mwanza
- Mr. John Biziwick
- Mr. Godfrey Byekwaso

Meetings held	4
Overall attendance	76%
Capitals governed	



Nominations, Remuneration and Governance Committee

Role:

Helps the Board in reviewing the structure, size, and composition of the Board. It recommends to Shareholders candidates for directorship positions and advises on all governance matters.

Members:

- Mrs. Linda Phiri (Chair)
- Mrs. Alice Kilonzo-Zulu

Meetings held	4
Overall attendance	100%
Capitals governed	



Credit Committee

Role:

Oversees the Bank's credit policy and credit strategy. It also monitors the performance of the Bank's credit portfolio.

Members:

- Mrs. Alice Kilonzo-Zulu (Chair)
- Mrs. Linda Phiri

Meetings held	4
Overall attendance	100%
Capitals governed	



Information, Communication and Technology Committee

Role:

Reviews and monitors the Bank's technology strategy and significant technology investments in support of its evolving strategic business needs.

Members:

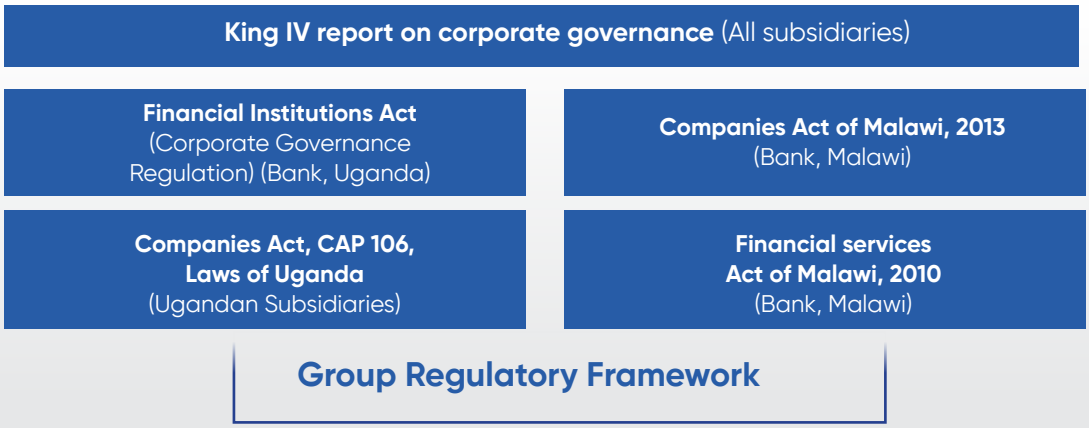
- Mrs. Vivian Ddambya (Chair)
- Mrs. Alice Kilonzo Zulu
- Mr. Godfrey Byekwaso

Meetings held	4
Overall attendance	100%
Capitals governed	



Our Group regulatory framework

Governance is integral to the operations of our subsidiaries, forming the foundation for building trust, strengthening our reputation, and driving sustainable value creation that positively impacts lives. Our governance structures are embedded at every level of the organisation, ensuring alignment and consistency across all operations. The Group's corporate governance framework is firmly rooted in the regulatory standards outlined below.



Delegation to Board Committees

Ultimate responsibility is assigned for overseeing all aspects of business operations. A structured framework for governance and control is maintained, ensuring the effective direction and execution of all functions across the organisation. To support independent judgement and enhance operational efficiency, authority is delegated through clearly defined governance structures and management functions. These operate under well-established mandates and responsibilities, with accountability reinforced through quarterly reviews and detailed reporting. Additional insights into the mandate and composition of these structures can be found on page 40 of this report.

When exercising delegated powers, fiduciary duties are upheld with care, competence, and integrity, consistently prioritising the best interests of the organisation. A formal commitment to fulfilling these obligations diligently has been declared by all individuals in governance roles. Specifically, expectations include:

1. Act in good faith towards their respective company;

2. Avoid and report any conflict between their personal interests and those of their company; and

3. In the case of the Banks, to place the interests of Centenary Bank Uganda and Centenary Bank Limited in Malawi and their depositors above all other interests.

Declaration of financial and economic interests and potential conflicts of interest

GRI (2-15)

Our Directors are legally obligated to avoid circumstances where their personal interests may conflict with those of the Centenary Group. To effectively manage actual or potential conflicts, the Board has implemented a comprehensive procedure supported by clear guidelines. At the beginning of every Board meeting, Directors must disclose any conflicts related to agenda items that could result in a potential clash of interests, ensuring transparency and accountability in governance practices.

Group conflict resolution status	2025	2024
% of meetings held for which conflicts of interest were declared	100%	100%

Director Induction and Board Skills Development

Attendance at Board meetings

The Group acknowledges the growing complexity of Director roles and prioritizes continuous professional development to enhance Board effectiveness. Regular domestic and international training sessions strengthen decision-making, while strategic discussions outside Board meetings focus on critical Group issues.

Comprehensive orientation programs introduce new Directors to the Group and its subsidiaries, with tailored sessions for Banking Directors to ensure familiarity with the sector and legal compliance. These programs foster interaction with senior management, enabling independent access to decision-makers.

The Board, in consultation with the Nominations, Remuneration, and Governance Committee, approves an annual training plan and budget. The Group Company Secretary oversees its implementation and reports progress to the Board.

Our Group Board convenes four times annually, with additional ad hoc meetings organized as needed. A quorum is established when a majority of Directors, representing at least 80%, is present. The Board is confident that its attendance levels have consistently supported the fulfilment of its responsibilities, aligning with its charter and applicable legal requirements.

Director	Board meetings	Independent	Committee meeting attendance		
			GAC (4)	FIC (4)	NRGC (4)
Prof. John Ddumba - Ssentamu	5/5	No	-	4	4
Bishop Francis Aquirinus Kibira	5/5	No	-	-	4
Bishop Giuseppe Filippi	5/5	No	4	-	-
Bishop Serverus Jjumba	5/5	No	-	4	4
Mrs. Agnes Tibayeita Isharaza	5/5	Yes	4	-	-
Mr. Kimanthi Mutua	5/5	Yes	4	-	-
Mr. Frank Streppel	5/5	No	-	4	4
Mr. Michel Albert Dieudonne Jean Dubois	5/5	No	-	4	4
*Ms. Anne-Sophie Bougouin	5/5	No	-	4	4

**Director Anne-Sophie Bougouin is a proxy for Director Michel Albert Dieudonne Jean Dubois*



Centenary Group Board Directors at AGM.

Group Governance in action

KING IV 1 4 6

Key areas of ethical leadership, strategy oversight, and effective control were the focus throughout the year ended 31 December 2025, supported by established governance structures and executive management in fulfilling the overall mandate.

Strategic priorities	Managements responsibility	How Governance enables our business	Outcomes expected from the board	Mindful Governance in 2025
Environment & Social Stewardship	Work with communities to identify priority needs and design responsive solutions.	Sound governance ensures that the Group engages communities to identify priority needs and develop solutions that are responsive, sustainable, and aligned with strategic objectives.	Efficient and effective interventions that are aligned with the group's sustainability agenda.	Invested Shs 7.3 Billion in CSI. Executed a total of 1,153 activities.
Innovation	Integrates the Cente clientservice portfolio across our digital platforms, ensuring clients can easily transact and access services from any subsidiary.	Effective governance fosters innovation by setting clear strategic priorities, ensuring disciplined investment, and overseeing the adoption of new technologies and practices.	Ensure that the group remains at the cutting edge of technology that constantly improves customer experiences and creates new possibilities to create value.	Oversaw the development and launch of new products and services aligned with group strategy. On going construction of Cente Tech Data center in Masaka. (To be completed in 2026)
Governance & Management	Implement governance directives and controls processes across the Group to enhance accountability and improve operational efficiency.	Clear directives and consistent oversight ensure that governance is implemented as intended.	Foster responsible and ethical stewardship.	Recruited new group EXCO member (GM Finance and Strategy). Ongoing consolidation and alignment of policies across the group. Continual evaluation of governance trends to monitor whether the Groups' governance approach remains relevant and responsive. Completed 2025 board evaluation.
Diversification & Expansion	Develop strategies for diversification and expansion into business ventures that support the Group's vision and mission.	The board continuously scans the horizon for new opportunities to diversify and expand the Group's reach and impact.	A well-diversified and stable group that creates sustainable value for generations to come.	Established new group subsidiaries that are expected to launch in 2026. Acquired 51% of the shares of an insurance company (transaction to be completed in 2026).
Resource Mobilisation	Sustainably seek the capital required to support the Group's strategic ambitions, including diversification, expansion, CSR, and innovation in digital financial services	Sound governance preserve the Group's legitimacy and competitive edge ensuring we attract investors and access broader funding sources.	Facilitate quick and responsive decision making that exploits opportunities as they arise.	Sourced and allocated the financial capital required to diversify and expand the Group.
Partnerships	Build strategic partnerships that broaden the Group's reach and strengthen future growth.	The Board ensures a responsive and agile approach towards developing and managing partnerships.	Continuous growth and impact as a result of effective and mutually beneficial partnerships.	Oversaw the monitoring and tracking of group-wide partnerships KPI's.

Group Board performance evaluation

The Centenary Group Board confirms its commitment to the principles and recommended practices of the King IV Report on Corporate Governance, applying them in a manner that is proportionate to the Group's size, structure, and strategic context. For the year ended 31 December 2025, the Board is satisfied that the Group substantially complied with King IV principles, demonstrating ethical and effective leadership, sound governance structures, and integrated thinking across the organisation.

The Board exercised ongoing oversight of the Group's strategic direction, performance, risk, opportunity, compliance, and sustainability matters in accordance with King IV's outcomes of ethical culture, good performance, effective control, and legitimacy. The annual Board evaluation, supported by the Group Company Secretary, confirmed that the Board, its committees, and the Chair continued to operate effectively, with governance practices that support long-term value creation for stakeholders.



Centenary Group Board Directors attending AGM.

Evaluation of overall Board effectiveness	Very Good
Evaluation of Effectiveness of Board Committees	Very Good
Evaluation of the Chairman	Very Good
Evaluation of Individual Board Directors	Very Good
Evaluation of Company Secretary	Very Good
Assessment of Directors' training needs	88% of Directors are satisfied

The Group Board and its committees undergo an externally facilitated evaluation every two years, in line with leading governance practice. For the most recent cycle, the evaluation was conducted by MAT Abacus Business School, whose independent assessment confirmed that the Centenary Group maintains a solid foundation of governance. The Board and its committees were found to be performing effectively, with scores consistently falling within the "Very Good" performance range, demonstrating a maturing level of governance capability and oversight.

The Board is satisfied that:

- Governance structures and delegations remain clear, appropriate, and effective. KING IV 10
- Risk, technology, and compliance oversight is robust and maturing, aligned with the Group's evolving strategy. KING IV 11
- Remuneration governance is fair, responsible, and aligned with performance and sustainability objectives. Refer to page 50 for more details. KING IV 14
- Assurance arrangements provide sufficient integrity and reliability of internal and external reporting. KING IV 15
- Stakeholder engagement is inclusive and responsive, supporting legitimacy and trust. KING IV 16



GRI (2-19, 2-20)

Board Nominations, Remuneration and Governance Committee, Chairman's Statement

The overarching objective of the Group's remuneration framework is to attract and retain executives and employees that ensure the continued long-term sustainability of the Group. We distribute the value created following a transparent evaluation of our performance against financial and non-financial metrics.

As Chair of the Nominations, Remuneration and Governance Committee, I am pleased to present the 2025 remuneration overview, which outlines how remuneration is applied across the Group and its subsidiaries in a fair, transparent, and sustainable manner.

Our Remuneration Philosophy

The Group's remuneration approach is designed to attract and retain capable people who can sustain long-term value creation. Our framework balances competitiveness with responsibility, ensuring that rewards reflect performance against both financial and nonfinancial measures.

Market aligned and performance driven remuneration

Remuneration decisions are informed by up to date market benchmarks and competitive data, assessed alongside Group and subsidiary performance. Individual contribution is then considered to ensure that compensation remains equitable and aligned with value delivered.

Employees

Employment terms across Uganda and Malawi comply with local laws and reflect our commitment to competitive, responsible pay. Employee remuneration typically includes:

- A competitive salary aligned with local market conditions.
- Benefits that exceed regulatory minimums.
- Performancebased bonuses that recognise exceptional contribution across financial and behavioural dimensions.
- Group supported Staff Defined Contribution Scheme.

Executive Directors and Senior Executives

Executive remuneration follows the same principles applied to all employees, with annual reviews ensuring alignment with performance and long-term sustainability. Packages generally comprise:

- Monthly salary
- Annual performance incentives
- Gratuity

Fees to non-executive Directors

8.3 Billion

7.3 Billion (2024)

NSSF contributions

23.2 Billion

21.6 Billion (2024)

Staff salaries

176.2 Billion

160.9 Billion (2024)

Retirement plan contributions

12.8 Billion

12.2 Billion (2024)

The Committee confirms that executive remuneration for 2025 was applied in accordance with approved policies and remained aligned with the Group's long-term objectives.

Non-Executive Directors GRI (2-10)

Non-Executive Directors are appointed by shareholders at the AGM and receive a retainer and meeting fees that reflect the scope and complexity of their responsibilities. Compensation is benchmarked against comparable organisations to ensure fairness and competitiveness. After careful consideration of confidentiality and market sensitivity, the Board resolved not to disclose individual director remuneration for the year ended 31 December 2025.

Succession Planning

The Committee prioritizes continuity and Board effectiveness by actively managing succession for directors and senior executives. This includes anticipating upcoming transitions and ensuring that the Board's skills remain aligned with the Group's evolving strategic priorities. The Board maintains oversight of the balance between executive and nonexecutive roles, tenure, and diversity of expertise.

Culture, Ethics and Values

The Group Board Chairman sets the tone for ethical conduct across the Group. Subsidiary leadership teams reinforce these values through daily operations. The Group Code of Ethics aligned with the policies of Centenary Bank Uganda, Centenary Bank Limited in Malawi, Centenary Technology Services and Centenary Group Foundation define expected behaviors and support the identification of ethical breaches. Through our committees, the Board reviews reports from management and assurance providers to ensure compliance with regulatory and legal obligations.



Michel Albert Dieudonne Jean Dubois
Chair, Group Board Nominations, Remunerations and Governance Committee



Board Audit and Risk Committee Report

In 2025, our focus was on maintaining the same tone at the top across our Group and its subsidiaries. We reviewed our Group wide regulatory framework, risks and opportunities and ensured that our internal control environment adequately safeguarded our interests and ensured sustained value creation.

Strengthening Assurance, Integrity and Control

In 2025, our focus remained on sustaining a consistent tone at the top across the Group and its subsidiaries. We reviewed our Group-wide regulatory framework, assessed emerging risks and opportunities, and ensured that our internal control environment continued to safeguard the Group's interests and support long-term value creation.

As Chair of the Audit Committee, I remain deeply committed to the principles of transparency, integrity, and accountability that underpin the Group's governance philosophy. The Audit Committees across the Group play a central role in overseeing financial reporting, internal controls, and assurance functions. I extend my appreciation to the Audit Committee Chairs of Centenary Bank Uganda and Centenary Bank Limited in Malawi, Mr. Tom Candia and Professor Victor Murinde for their unified oversight of our banking subsidiaries.

Our internal audit teams and external auditors worked diligently throughout the year, providing critical insights that strengthened our control environment and enhanced our risk mitigation practices.

Mandate of the Audit Committee

The GAC is responsible for oversight of financial reporting, internal controls, risk management, ethics, and internal and external audit arrangements. The Committee's Charter remained unchanged in 2025.

Composition and Reporting

- The GAC composition is presented on page 40.
- The compositions of the Uganda and Malawi Bank Audit Committees (BACs) appear on pages 42 and 44.
- Banking subsidiaries report quarterly to the GAC, which consolidates key insights for the Group Board.

2025 Highlights

Audit Committee

- Approved the Group's annual financial statements.
- Recommended the appointment of external auditors.
- Reviewed quarterly Group financial statements.
- Assessed the adequacy and effectiveness of internal controls across Centenary Bank Uganda, Centenary Bank Limited in Malawi, Centenary Foundation, and Centenary Technologies.

Bank Audit Committees (Uganda & Malawi)

- Reviewed half-year and annual financial results for FY 2025.
- Received confirmation of external auditor independence.
- Reviewed external audit conclusion reports and management letters.
- Ensured IFRS compliance of financial statements.
- Reviewed internal audit reports and management responses.
- Monitored implementation of significant audit recommendations.
- Ensured timely corrective action on control weaknesses and compliance issues.
- Approved external audit terms of engagement, audit plans, and recommended audit fees.
- Approved 2025 Internal Audit Plans and budgets.
- Reviewed internal audit progress reports and conducted performance appraisals of Chief Internal Auditors.
- Held closed sessions with CIAs on sensitive operational matters.
- Submitted quarterly reports to subsidiary Boards.
- Updated Boards on internal and external audit activities.
- Reviewed and updated BAC Terms of Reference to reflect regulatory changes.

Review of the 2025 Financial Results

At its June 2026 meeting, the GAC reviewed the consolidated financial statements for the year ended 31 December 2025 and recommended them for approval by the Board.

Legal, Regulatory and Compliance Oversight

The BACs reviewed compliance matters with management and monitored adherence to applicable laws and regulations. I am satisfied that the Group's compliance mechanisms remain adequate and aligned with our regulatory framework.

Internal Audit and Compliance Functions

The GAC reviewed the budgets, training plans, staffing, and resources of the internal audit and compliance functions and found them adequate. These functions performed effectively in 2025 and are well positioned to provide enhanced assurance in 2026.

External Auditor Independence

The GAC and BACs monitored the independence of external auditors. All auditors of the Group and its banking subsidiaries confirmed their independence and objectivity.

Closing Remarks

I look forward to guiding the Group's audit priorities in the coming year and ensuring that our assurance environment continues to support resilient performance and sustainable value creation.



Mr. Kimanthi Mutua Chair,
Board Audit Committee (GAC)

Other governance disclosures
Corporate Citizenship

KING IV 13

The Board oversees the Group's corporate citizenship commitments, ensuring that decisions balance the interests of shareholders, communities, wider stakeholders and the environment.



Shareholder Rights and Responsibilities

KING IV 16

The Group upholds transparent, fair and accountable engagement with shareholders, consistent with leading integrated reporting practices. The Board ensures that the rights of all shareholders including minority and non controlling shareholders are protected and that governance processes promote equitable treatment.

The Group commits to providing:

- Timely, accurate and comprehensive information on material developments.
- Clear disclosures that support informed decision making.
- Consistent communication on matters affecting value creation and long term sustainability.

Company Secretary

KING IV 10

The Group maintains the services of a full time, professionally qualified Group Company Secretary that supports the Board by ensuring unrestricted access to information, guidance and documentation required for effective oversight.

The Group Company Secretary works closely with subsidiary Company Secretaries to promote:

- Governance coherence across the Group.
- Alignment of practices and reporting.
- Effective coordination between Group and subsidiary boards.

Going-Concern Considerations

KING IV 5

Following a review of the Group's financial position, liquidity, capital adequacy and forward looking assumptions, the Board is satisfied that no material uncertainties exist that would cast significant doubt on the Group's ability to continue operating as a going concern in the foreseeable future. Refer to page 201 of the financial statements for more details.

Directors Report

KING IV 6

The Directors' Report, presented on page 200 of the audited financial statements, outlines the Board's statutory responsibilities under the Ugandan Companies Act, Cap 106, and other applicable legislation. The report confirms the Directors' duty to ensure that the financial statements:

- Present a true and fair view of the Group's financial position and performance.
- Comply with relevant financial reporting standards.
- Reflect the Board's obligation to act in the best interests of the Group and its stakeholders.

The Group Executive Team



Prof. John Ddumba-Ssentamu
Executive Chairman



Mrs. Brenda Magoba
Company Secretary & General Counsel

- M.Sc. Leadership and Governance
- MBA for in-house counsel
- Bachelor of Laws
- Post-Graduate Diploma, LDC



Mr. Henry Lugemwa Kyanjo
General Manager Finance, Strategy & Investments

- Bachelor of Science in Economics
- Masters Of Business Administration



Mrs. Caroline Nsangi Mpagi
Principal Finance Manager

- Fellow Certified Chartered Accountant
- Certified Public Accountant of Uganda (ICPAU)
- B. Sc. Quantitative Economics



Ms. Illona Ndagire
Administration & Corporate Affairs Manager

- Bachelor Of Arts in International Relations
- MBA, Entrepreneurship.



Mr. Joseph Kawuki
Manager Strategy & Planning

- BSc Economics and Statistics
- MBA, Global Business and Sustainability
- CCP (Certified Credit Professional)
- CAFP (Certified Adaptation Finance Professional)



Mr. Maurice Angumya
Property Manager

- BSc Civil Engineering
- MSc Construction Management
- Certificate in Property Management (GIPS)
- Member of the Uganda Institution of Professional Engineers (GMUIPE 1445)



Mr. Grace Isabirye
Risk Manager

- Bachelor of Commerce
- Master of Business Administration
- Certified Public Accountant Uganda (CPA)
- Certified BSP



Group Business in Context

3.

In this section.

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Integrated stakeholder management	60
Risks and opportunities	64
Our approach to risk management	67



Centenary Bank in Uganda Global Alliance for Banking on Values (GABV) team visit Math Science Technology (MST) School.

Operating environment

GRI (2-6)

Despite a challenging operating environment, confidence remains in the ability to deliver sustainable, organic growth by focusing on factors within our control. The operating context is shaped by a dynamic interplay of global and domestic forces, including macroeconomic shifts, regulatory developments, and evolving socio-political conditions. These trends are continuously monitored and interpreted to strengthen strategic resilience, identify innovative opportunities across priority sectors, and proactively mitigate emerging risks.

Key economic indicators

	GDP Growth	Inflation	CBR	FX (USD)
FY 2024/2025	6.3%	3.1%	9.75%	3,700-3,750
FY 2023/2024	6.1%	3.3%	9.75%	3,750-3,850

	GDP Growth	Inflation	CBR	FX (USD)
FY 2024/2025	2%	Elevated Double digit	26%	Severe depreciation and FX Shortages
FY 2023/2024	1.8%	Elevated persistent	26%	Severe depreciation

Macroeconomic Drivers

In 2025, Centenary Group's performance was shaped by a dynamic macroeconomic environment across its primary markets of Uganda and Malawi. Uganda sustained resilient growth, underpinned by robust domestic demand, stable monetary policy, and continued investment in infrastructure and financial inclusion. In contrast, Malawi experienced a modest recovery, reflecting gradual stabilisation after prior economic pressures, with cautious optimism emerging in its financial sector.

Inflation trends downwards globally, with mixed results across Africa

Global inflation declined from 5.8% in 2024 to 4.2% in 2025, reflecting a broad easing of global price pressures as projected by the IMF. Inflationary risks persisted during the period, driven by geopolitical tensions, supply chain disruptions, and shifts in global trade policy, all of which continued to influence cost structures and operating conditions across our markets.



Interest rates show stability, heading towards long-term averages

Globally, central banks reduced the cost of borrowing to support economic growth as inflation continued to ease. During the period, several jurisdictions lowered their medium-term inflation targets, reinforcing expectations of interest rates settling well below long term historical averages. These policy adjustments were intended to strengthen inflation anchoring frameworks and create a more predictable environment for investment, credit expansion, and sector recovery.

Improved Inflation Anchoring Reinforced Predictable Credit Conditions



Uganda's monetary policy stance eased during the period as inflation fell back within the target range. Headline inflation declined to 1% in 2024 and averaged 3.1% in 2025, enabling the Bank of Uganda to reduce the Central Bank Rate at 9.75%. This adjustment supported private sector credit expansion and reinforced the medium-term inflation target of 5% ± 2 percentage points. With the shilling stabilising around Shs 3,700–3,750 per USD, interest rate expectations shifted toward levels below long-term historical averages, improving planning certainty for businesses and investors. For more details refer to page 158 - 160.

Tight Monetary Conditions Maintained Amid Elevated Inflation



In Malawi, monetary authorities operated in a more constrained environment as inflation remained elevated. Headline inflation remained high in 2025, driven by food prices and persistent foreign exchange shortages. The Reserve Bank of Malawi maintained a tight stance, keeping the policy rate at 26% in 2025 after raising it from 24% in 2024. The kwacha experienced significant depreciation, trading between MWK 1,600–1,900 per USD, which continued to exert pressure on domestic prices. Despite these challenges, the gradual moderation in inflation supported expectations of a future shift toward more sustainable medium term interest rate levels. For more details refer to page 161 - 163.



Cente-Tech, Head of Product and Business Development and Customer Experience at the 7th FITSPA Annual Conference

How our strategy was affected

Primary Capitals affected

Material matters impacted

- Centenary Group engaged consistently with key stakeholders to ensure our strategy was clearly understood, responsive to their expectations, and aligned to long-term value creation.
- Centenary Group deployed and managed capital prudently to navigate macroeconomic conditions, safeguard operational performance, and enhance value for our stakeholders.
- To strengthen business resilience, we actively managed the variables within our control through disciplined asset, portfolio, and operational management.
- Centenary Group proactively managed liquidity while reducing exposure to interest-rate and currency volatility through targeted hedging strategies.

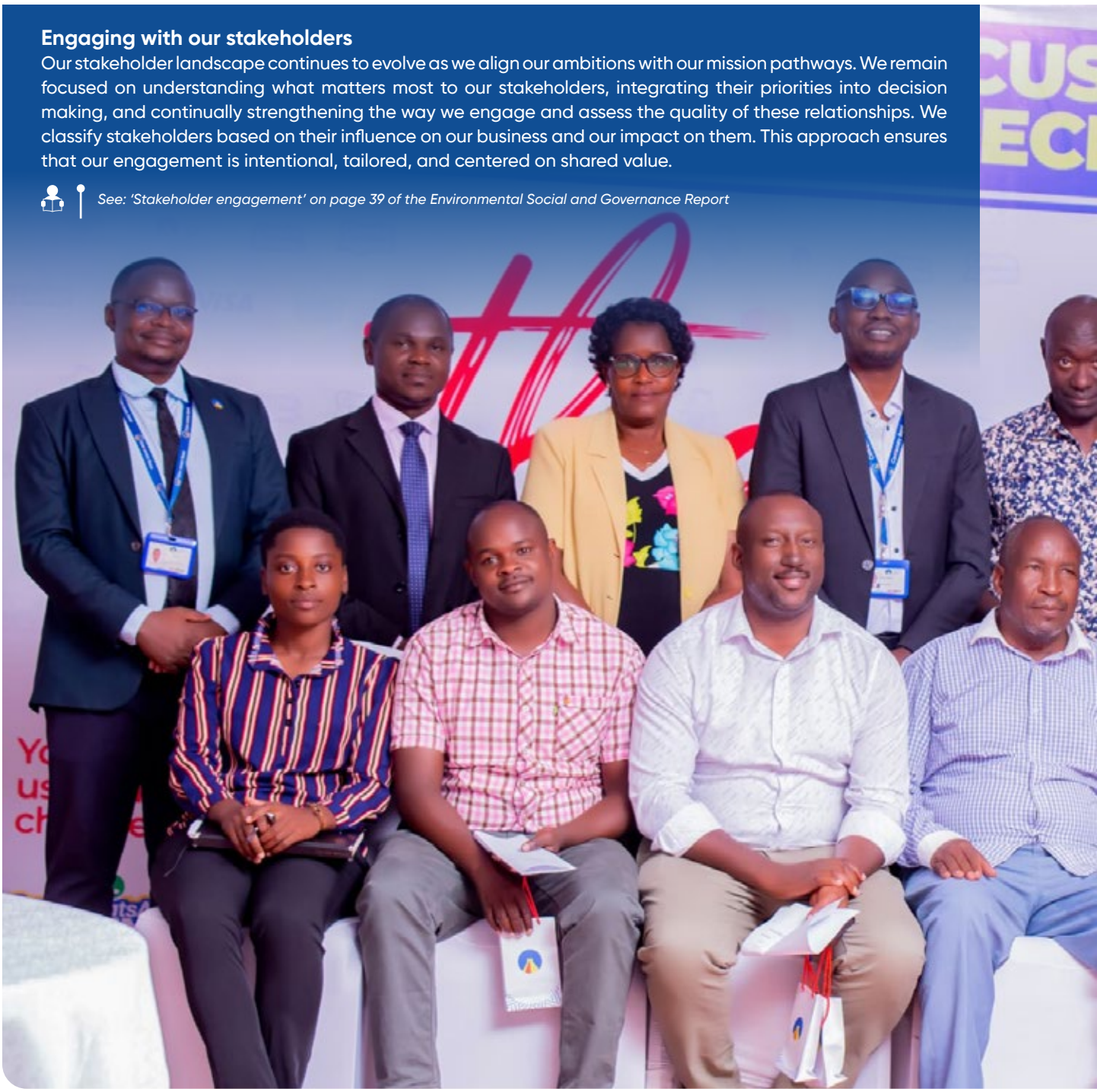
Integrated stakeholder management approach

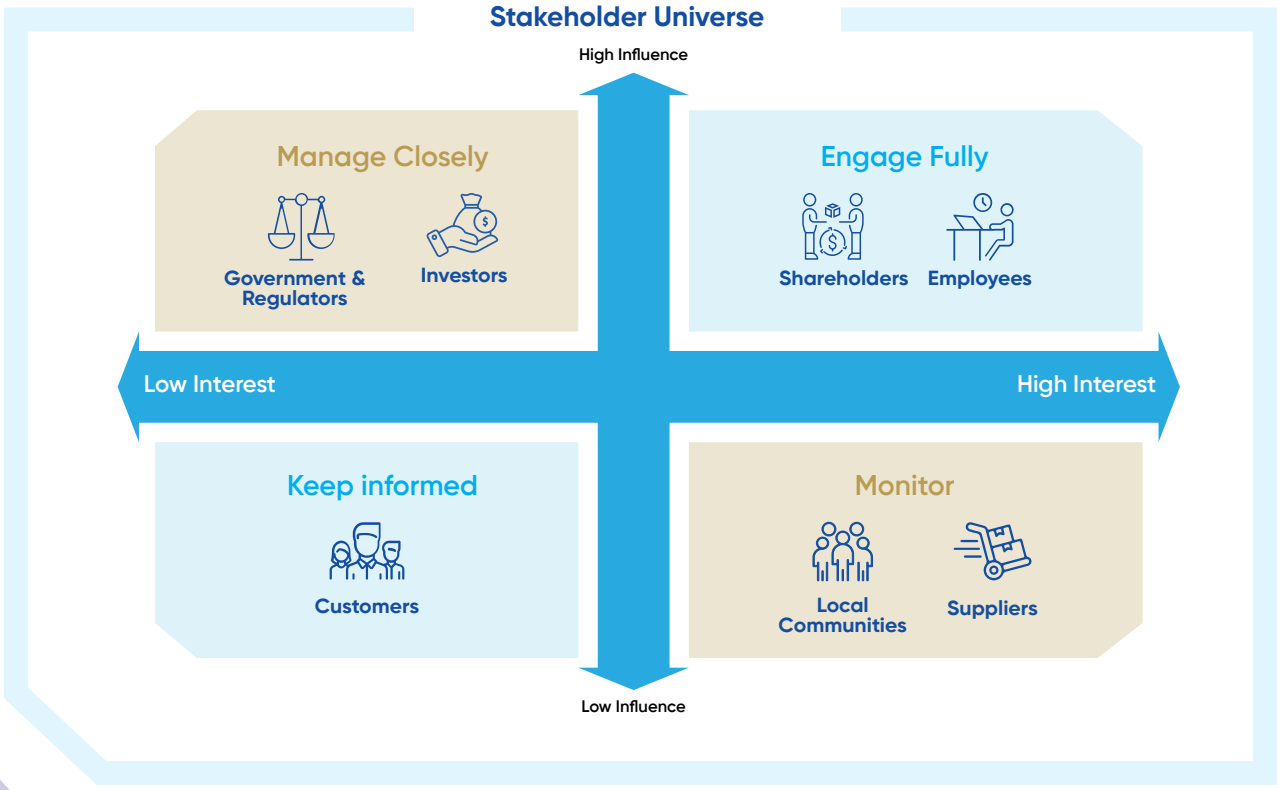
Stakeholders remain central to our mission of transforming lives. Through structured engagement and relationship building, we draw on insights to strengthen human, intellectual, and social capital. By listening and responding to stakeholder feedback, we refine strategies to deliver long-term value and sustained impact. This integrated approach ensures that material interests and shared concerns are addressed, even amid macroeconomic challenges, reinforcing resilience and collective commitment to positive transformation.

Engaging with our stakeholders

Our stakeholder landscape continues to evolve as we align our ambitions with our mission pathways. We remain focused on understanding what matters most to our stakeholders, integrating their priorities into decision making, and continually strengthening the way we engage and assess the quality of these relationships. We classify stakeholders based on their influence on our business and our impact on them. This approach ensures that our engagement is intentional, tailored, and centered on shared value.

See: 'Stakeholder engagement' on page 39 of the Environmental Social and Governance Report





Centenary Bank Uganda customer appreciation week 2025.

Our key stakeholders throughout our value chain

GRI (2-6, 2-29)

Upstream

Who they are

Key matters raised and our responses

Government and regulators

Includes the respective central banks and other relevant government bodies and departments in the jurisdictions in which we operate.

Needs:

- Full regulatory compliance.
- Responsible governance.
- Employment opportunities created.
- Strengthened internal controls.

Our response:

- We ensure full compliance with all regulatory requirements.
- We uphold responsible and transparent governance practices.
- We create employment through business growth and investment.
- We strengthen internal controls to safeguard operations.

Investors and development partners

Includes our various providers of capital and development partners.

Needs:

- Above average return on investment
- Sustainability and value creation
- Social transformation

Our response:

- We deliver competitive, above-market returns through disciplined capital allocation.
- We embed sustainability in our strategy to drive long-term value creation.
- We support social transformation through inclusive finance and community-focused programmes.

Shareholders

Includes all local and international group shareholders, such as the catholic dioceses and the Uganda episcopal conference.

Needs:

- Sustainable growth strategy
- Strong balance sheet
- Responsible governance
- Transparent reporting and disclosure
- Regulatory compliance
- Measurable social transformation

Our response:

- Timely and regular communication and updates.
- Engagements with providers of capital.

Customers

All current and future customers of our group-wide subsidiaries

Needs:

- Innovative solutions and services.
- Reliable customer service.
- Safe and convenient access to banking.
- Fair fees and commission costs.
- Responsive products.
- Responsible business practices.

Our response:

- Innovate continuously through digital platforms.
- Strengthen service reliability across branches, agents, and digital channels.
- Expand safe, convenient access through mobile banking, agency networks, and low-cost channels.
- Maintain fair, transparent pricing.



Centenary Bank Uganda Managing Director attends Masaza cup launch.

Centenary Group	Down stream

Employees

Includes the 3,889 staff that call the group or one or more of its subsidiaries homes.

Needs:

- Fair effort-based compensation.
- Transparent performance management.
- Safe, comfortable, and healthy working environment.
- Career development and advancement opportunities.
- Job security.
- Environment that embraces diversity and inclusivity.

Our response:

- Invested Shs 5.9 Billion in learning and development across the Group.
- Continue to track employee attrition and satisfaction metrics.
- Promote diversity and inclusiveness.

Suppliers

Providers of goods and services to group-wide subsidiaries.

Needs:

- Fair and transparent procurement processes
- Timely payments
- Long-term business opportunities
- Clear communication and expectations
- Ethical and responsible business conduct

Our Response:

- We apply transparent, competitive procurement practices.
- We ensure timely and predictable payment cycles.
- We support long-term supplier partnerships and local sourcing.
- We uphold strict ethical and responsible-business principles.

Local communities

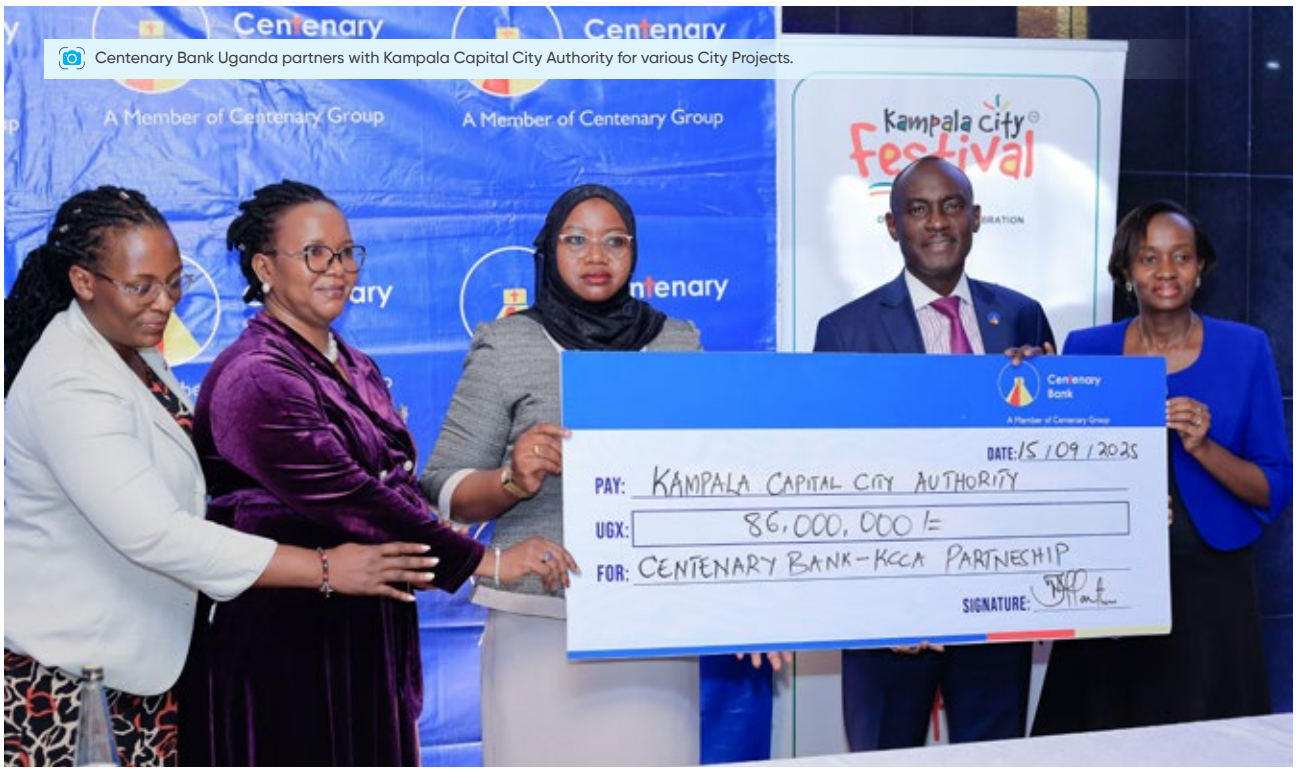
Includes the individual citizens, media, suppliers, communities, and the civil society organisations in the countries in which we operate.

Needs:

- Employment opportunities.
- Meaningful community engagement.
- Business opportunities.
- Partnerships on social and environmental issues.

Our response:

- We create jobs through growth and MSME support.
- We engage communities through targeted local initiatives.
- We expand opportunities by sourcing locally.
- We partner on social and environmental programmes.



Centenary Bank Uganda partners with Kampala Capital City Authority for various City Projects.

Risks and opportunities

2025, risk reflections



In 2025, Centenary Group operated in an environment marked by shifting economic conditions, tighter liquidity, and rising geopolitical uncertainty across the region. Malawi faced persistent foreign exchange shortages and inflationary pressure, which affected trade dependent sectors and increased credit stress, particularly in agriculture and commerce.

See: 'Sustainability Related Opportunities' on page 38 of the Environmental Social and Governance Report.

The temporary freeze in donor funding early in the year highlighted the vulnerability of dependent economies and reinforced the need for close monitoring of sovereign and sector exposures.

Uganda's operating environment was more stable, though elevated government borrowing and competition for deposits placed pressure on funding costs. Across the Group, subsidiaries responded with disciplined balance sheet management, stronger liquidity oversight, and enhanced stress testing practices.

Technology related risks continued to grow as digital adoption accelerated. Cyber threats became more sophisticated, with increased attempts at fraud and data compromise across the banking and technology businesses. Subsidiaries strengthened detection capabilities, tightened oversight of third-party providers, and expanded staff and customer awareness programs to reduce human factor vulnerabilities.

Operational resilience remained a priority. Occasional system interruptions and process failures reinforced the importance of strong controls, timely incident reporting, and continuous improvement. ESG considerations also gained momentum, with subsidiaries advancing environmental and social due diligence processes and integrating climate related risks into credit assessments, particularly in agriculture exposed markets.

People risk remained an emerging theme. Competition for digital, data, and risk talent intensified, prompting renewed focus on leadership development, succession planning, and culture strengthening across the Group.

Despite these pressures, the Group maintained a stable risk profile. Harmonized policies, a consolidated Group risk register, and stronger coordination across banking, technology, insurance, property, and the unit trust supported consistent risk practices and timely escalation of emerging issues.

As we move into 2026, the Group is better aligned, more forwardlooking, and increasingly resilient in managing a risk landscape that continues to evolve across our markets.



Launch of the Risk Month 2025.

Material matters

GRI (3-1, 3-2 ,3-3)

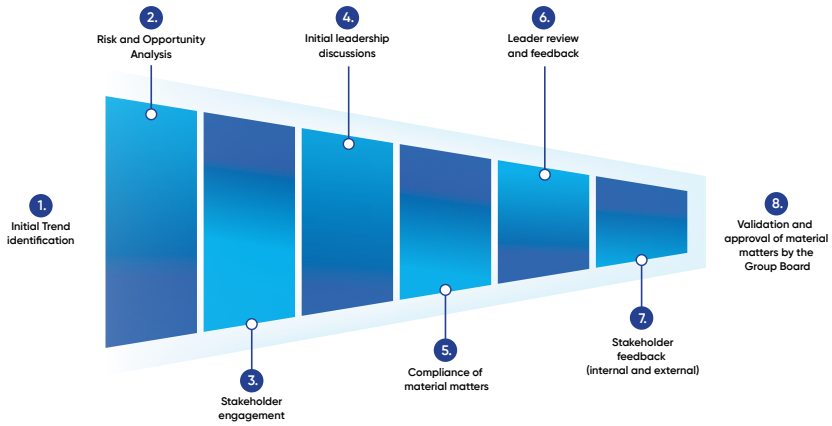
We define material matters as the issues that meaningfully influence our ability to create value over time. Applying the principle of materiality ensures that our integrated report focuses on the matters that shape our performance, affect our six capitals, and influence our long-term sustainability. Our aim is to create, preserve, and protect value for all stakeholders across the short, medium, and long term.

Identifying our material matters

Our material matters were identified through a Group-wide process involving all businesses and regions. This included assessing risks and opportunities in our operating environment, reviewing stakeholder feedback, and evaluating factors that influenced business performance during the year. These insights guide our strategy, inform the evolution of our business model, and shape our planning horizons.

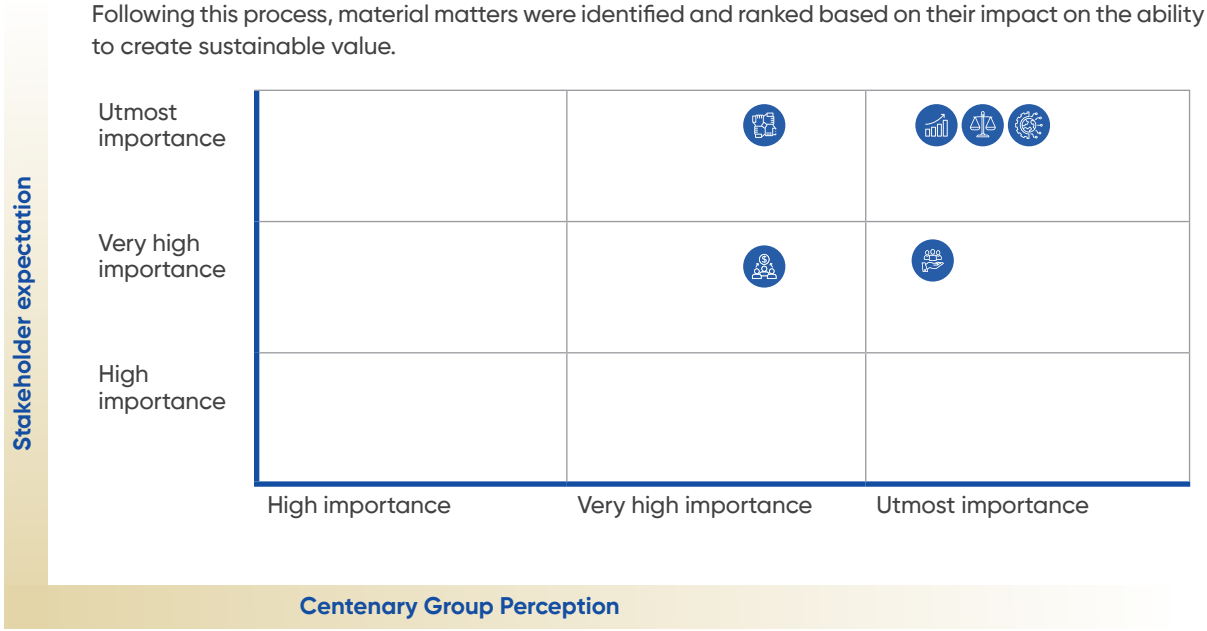
The assessment followed an eightstep process:

Identifying our material matters





Following this process, material matters were identified and ranked based on their impact on the ability to create sustainable value.

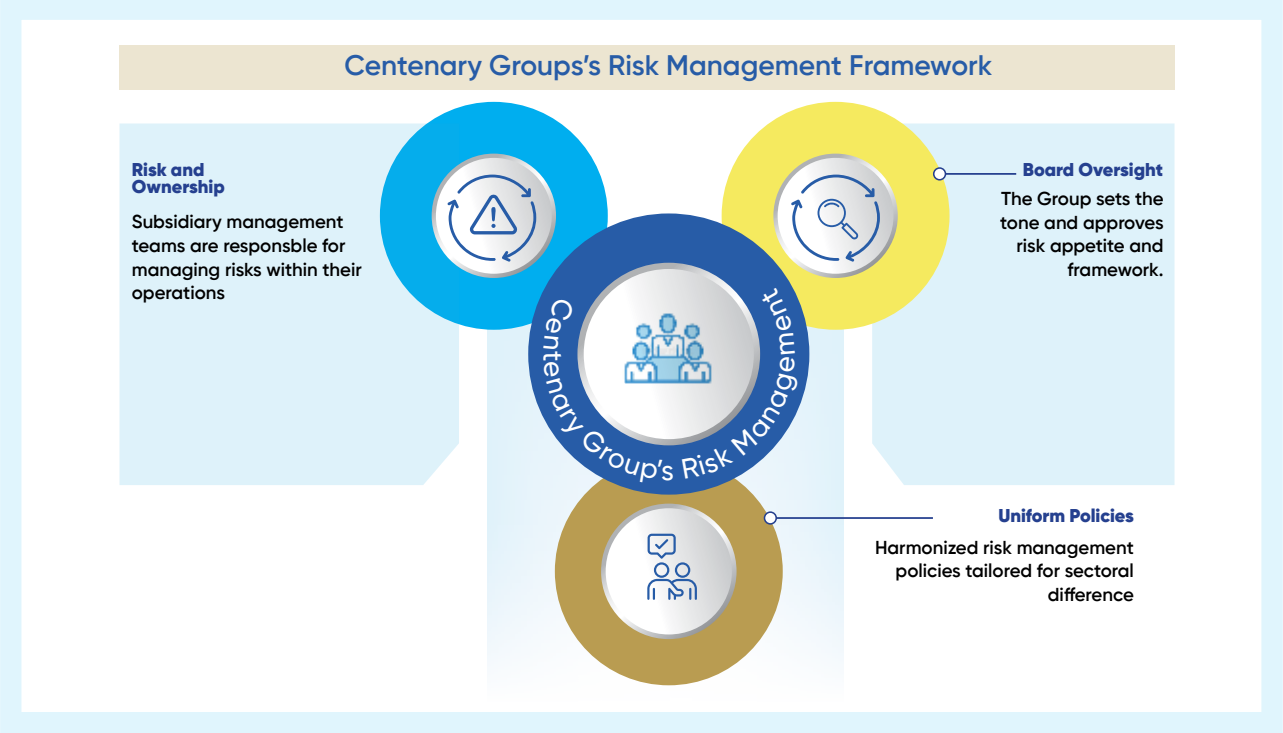


Material matter	Why it matters	Our response	Alignment with our strategic pillars (Icons)
Accelerating growth while enhancing returns	Expansion extends beyond banking into insurance, investments, wealth management, technology, and community services. These areas support changing customer needs and strengthen long-term impact.	See page 15 (outlook) for more information.	Innovation; Resource Mobilisation
Regulatory environment	We operate in highly regulated sectors where compliance requirements influence profitability, scalability, and service quality.	See page 45 for more information.	Governance & Management
Disruptive technologies	Digital innovation is reshaping financial services. Our ambition to become a smart Group requires investment in mobile solutions, fintech partnerships, AI, robotics, and biometrics.	See page 81 for more information.	Innovation
Our people	Delivering our strategy depends on skilled, diverse, and digitally capable teams. Building an agile and inclusive workforce is essential for innovation and service excellence.	See page 178 for more information.	Governance & Management
Competitive environment	As we grow, competition intensifies across all markets. We face pressure from established players and new entrants seeking to capture market share.	See page 82 for more information.	Diversification & Expansion
Community	Our purpose driven approach aligns business strategy with societal needs. Through CSI and Integral Ecology, we partner with likemind-ed organisations to improve livelihoods and support the SDGs.	See page 143 for more information.	Partnerships

Our approach to risk management

GRI (2-12)

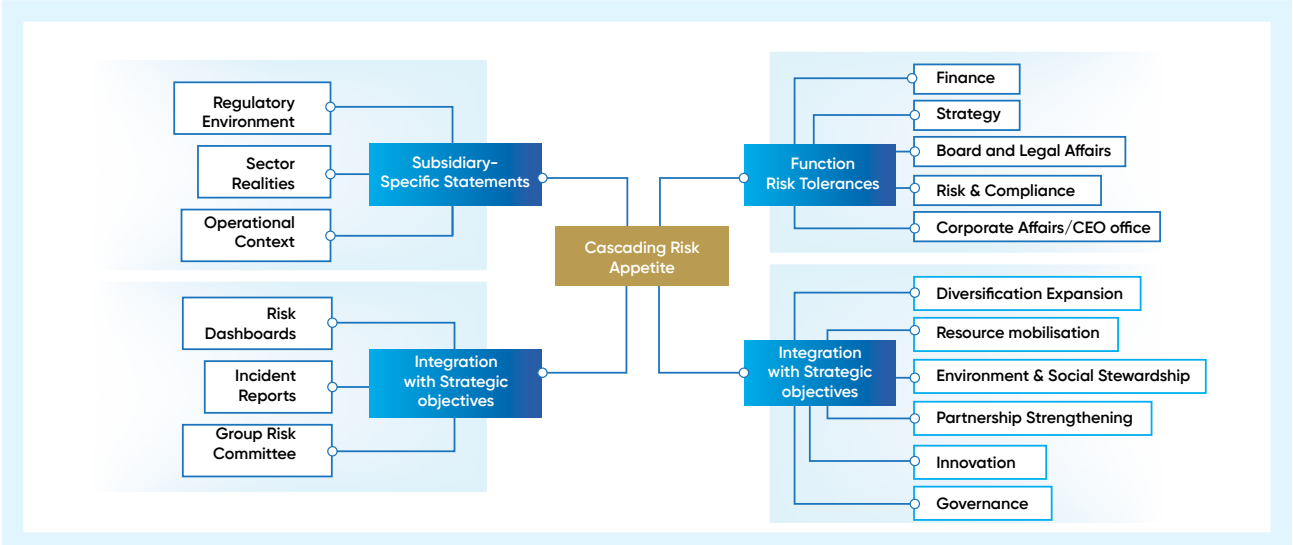
Centenary predominantly operates within banking and is set to expand into industries such as insurance and asset management. A robust, unified enterprise-wide risk management framework, anchored by a clear Risk Appetite Statement, is therefore essential to safeguard stakeholder interests, ensure sustainable growth, and support the achievement of strategic objectives.



Risk Governance

Risk governance is maintained through established structures that ensure accountability for risk management and approval of the risk management framework. Executive management across all subsidiaries is responsible for implementing this framework and ensuring that risk practices remain aligned with strategic objectives. Dedicated risk owners are appointed to manage specific risks and operate within the boundaries of the approved risk appetite.

A structured, top-down approach to risk management is applied, combining strong governance, harmonised policies, and clear local accountability across diversified business activities.



Group Risk Appetite Statement

Our Risk Appetite Statement is the cornerstone of our Group's Risk Management Framework, defining forward-looking risk profiles and outlining the primary considerations for risk-taking, mitigation, and avoidance. It establishes the level of risk we are willing to accept in pursuit of our objectives, aligning with business priorities and stakeholder expectations. Serving as a strategic guide, it ensures that our business activities achieve an optimal balance between risk and return while remaining within defined and acceptable risk thresholds.



Banking business in Uganda

Centenary Bank in Uganda remained within the risk appetite limits set for capital adequacy, liquidity, and leverage among other limits.

The risks we are monitoring	Appetite	Status as at 31 December
Liquidity Coverage ratio	>105%	Within limit
Non-Performing Ratio	<3.5%	Within limit
Capital adequacy (Tier 1)	>16.5%	Within limit
Capital Adequacy (Total Capital)	>18.5%	Within limit
Leverage Ratio	>7%	Within limit



Banking business in Malawi

Credit risk remained elevated due to inflationary pressure and FX shortages, while market risk exceeded limits amid continued currency volatility. Capital adequacy, liquidity, operational risk, and compliance stayed within approved thresholds, supported by strong oversight and disciplined risk management.

The risks we are monitoring	Appetite	Status as at 31 December
Credit risk	< 5%	Above limit
Capital adequacy	> 17%	Within limit
Liquidity Coverage ratio	>100%	Within limit
Market Risk – FX	Per RBM limits	Above limit
Operational Risk	Losses < 1% GI	Within limit
Regulatory and Compliance risk	Zero breaches	Within limit

Three Lines at Centenary Group

The Group applies the three lines model to manage risk across all subsidiaries. Under this model, the first line consists of teams that own and take risk in their day to day activities and are responsible for implementing effective controls. The second line provides independent oversight, guidance, and challenge to ensure risks are managed within the approved appetite. The third line, through internal audit, offers independent assurance that the risk management framework remains effective and is operating as intended.



Group enterprise risks

Credit risk | Material matters:

Credit risk remained a central priority as we worked to balance portfolio growth with prudent risk-taking. Throughout the year, we strengthened credit governance by consistently applying the Board approved Credit Policy and updating product guidelines to reflect market realities. Cross functional engagements improved oversight and enabled early identification of emerging risks, while the Risk Grading Model continued to support data driven decision making.

Looking ahead:
The group will maintain credit exposure within acceptable levels and refine credit strategies further in the coming year.

Money laundering and financial crime risk | Material matters:

Money laundering and financial crime risk required heightened vigilance as criminals continued to exploit financial systems through placement, layering, and integration activities. As a regulated Group, we reinforced our compliance programme in line with regulatory guidelines and circulars, ensuring robust controls across all business units. Our focus remained on safeguarding institutional integrity, supporting national enforcement efforts, and strengthening stakeholder confidence.

Looking ahead:
In 2026, we will continue enhancing monitoring capabilities and staff awareness to stay ahead of evolving threats.

Data privacy and data management | Material matters:

Data privacy and data management grew in importance as the Group handled increasing volumes of sensitive personal information. Protecting customer data and complying with data protection laws remained a core priority. During the year, we implemented a Group-wide data privacy policy, strengthened data management practices, and initiated actions to improve data quality and accuracy. These efforts support more reliable operations and better decision making.

Looking ahead:
We will deepen our investment in data governance and lifecycle management.



MD Mr. Fabian Kasi launches the Risk Month 2025.

Group enterprise risks - Continued

Cybersecurity risk | Material matters:

Cybersecurity risk intensified as digital adoption accelerated across our businesses. The rise in cybercrime, coupled with greater reliance on digital channels and personal devices, increased our exposure to potential attacks. We responded by strengthening our cybersecurity posture, enhancing detection capabilities, and conducting regular penetration testing and vulnerability assessments. Employee awareness programmes continued to build internal capability, while updates to the risk appetite statement ensured alignment with emerging technology risks.

Looking ahead:

In 2026, we will focus on further modernising our security infrastructure and improving third-party oversight.

Compliance risk | Material matters:

Compliance risk remained a key area of focus as regulatory expectations continued to evolve. We maintained a strong compliance framework supported by clear policies, systems, and oversight mechanisms. These structures helped ensure consistent application of laws and internal standards across the Group.

Looking ahead:

Our priority for the coming year is to deepen regulatory engagement and enhance automation within compliance processes to improve efficiency and accuracy.

Technology risk | Material matters:

Technology risk continued to influence operational stability, particularly as the Group expanded its digital footprint. We relied on a formal technology risk policy and a robust business continuity programme to manage disruptions and safeguard system availability. Business Technology teams were equipped with the skills and authority needed to maintain system stability and protect data integrity.

Looking ahead:

In the year ahead, we will focus on strengthening ICT governance and ensuring that technology investments support both resilience and strategic growth.

Reputational risk | Material matters:

Reputational risk remained an overarching consideration, given its potential to affect stakeholder trust and long-term value. We reinforced our culture through clear behavioral standards, a strong Code of Conduct, and competitive employee compensation. Social responsibility initiatives continued to strengthen community relationships and support our purpose driven identity.

Looking ahead:

As we move into 2026, we will continue prioritising consistent service delivery, transparent communication, and values driven leadership.

Environmental, Social and Governance (ESG) risk | Material matters:

Environmental, Social and Governance (ESG) risk remained a key focus as expectations around sustainability and ethical conduct continued to rise. Our ESG framework, built around environmental stewardship, social responsibility, and strong governance, guided how we managed our footprint and engaged with stakeholders. During the year, we embedded ESG considerations into existing risk and policy structures, ensuring that environmental and social impacts were assessed alongside financial risks. Staff across the Group received ongoing ESG training, and dedicated policies were implemented to guide consistent practice. These actions strengthened our culture, improved alignment with global standards, and enhanced stakeholder confidence.

Looking ahead:

Going into 2026, our priority is to deepen ESG integration into business processes and strengthen measurement and reporting.

Operational risk | Material matters:

Operational risk remained an inherent part of our day to day activities. The Group continued to manage this risk through independent control functions, daily monitoring, and systems that support incident reporting, risk registers, and control assessments. Adequate capital buffers were maintained to absorb potential losses, and staff received regular training to build awareness and capability. These efforts supported operational stability throughout the year.

Looking ahead:

Looking ahead, we will focus on enhancing automation, improving process efficiency, and strengthening resilience against external disruptions.

Strategic risk | Material matters:

Strategic risk was closely monitored as the Group pursued its growth ambitions across multiple sectors. Regular tracking of strategic initiatives, combined with quarterly reporting to the Board, ensured that execution remained on course. Comprehensive risk assessments were incorporated into the planning process, and the risk appetite statement continued to guide decision making. Strategic projects were monitored throughout their life cycle to support timely delivery and evaluate impact.

Looking ahead:

As we move into 2026, our focus will be on strengthening strategic agility, improving project governance, and ensuring that growth initiatives remain aligned with our long-term objectives.

Macroeconomic risk | Material matters:

Macroeconomic risk remained elevated due to global geopolitical tensions, supply chain disruptions, and economic pressures in Uganda and Malawi. These conditions influenced customer behaviors, sector performance, and credit dynamics. The Group maintained strong financial capacity to absorb shocks, supported by prudent loan loss provisioning and continuous monitoring of economic developments. This approach helped preserve portfolio stability during the year.

Looking ahead:

In 2026, we will continue to refine our stress-testing capabilities and strengthen early-warning mechanisms to respond more quickly to shifts in the economic environment.

Emerging risks

New technologies mean dealing with several new and emerging risks that threaten our business operations. As we move into 2026, our risk posture will adapt to the environment. Our risk management framework continues to identify emerging risks and develop measures to mitigate these risks.

Watch Level Key



		Applicable To					
Emerging Risk	Description and Potential Impact	Centenary Group	Centenary Group Foundation	Cente Tech	Centenary Bank (Uganda)	Centenary Bank Limited in Malawi	Watch Level
Climate-Related Financial Risk	Intensifying physical climate events — droughts, floods, and erratic rainfall — directly threaten the Bank's agricultural loan book, collateral values, and the repayment capacity of rural borrowers. Transition risks and evolving RBM expectations on climate disclosure and ICAAP integration are also increasing.					✓	
Macroeconomic and Fiscal Volatility	The post-election period is characterized by ongoing fiscal pressures and increased government borrowing, driven by major infrastructure and oil-sector commitments. This environment heightens concerns around debt sustainability and contributes to FX volatility, with potential implications for lending activity and customer repayment capacity. The bank continues to apply prudent balance-sheet management, scenario-based stress testing, and enhanced credit monitoring to navigate tightening liquidity and mitigate borrower-level vulnerabilities.				✓		
AI and Digital Disruption Risk	Rapid adoption of artificial intelligence, mobile money platforms, and fintech services is reshaping the competitive landscape. Failure to execute the Group's digital transformation strategy could result in loss of market share, declining fee income, and heightened exposure to technology-related operational failures.	✓	✓	✓	✓	✓	
Political and Geopolitical Instability	Regional instability—particularly in DRC and South Sudan—poses potential risks to cross-border trade, investment flows, and correspondent banking operations. At the global level, geopolitical tensions in the Middle East (Iran, Isreal & USA) and the ongoing Ukraine-Russia conflict continue to distort global supply chains, commodity prices, and trade routes. The Banks are closely monitoring geopolitical developments, incorporating regional risk assessments into strategic and credit decisions, and diversing exposures to mitigate spill-over risks.	✓		✓	✓	✓	

Emerging Risk	Description and Potential Impact	Applicable To: Centenary Group	Centenary Group Foundation	Cente Tech	Centenary Bank (Uganda)	Centenary Bank Limited in Malawi	Watch Level
Liquidity and Funding Pressures	Competition for deposits is intensifying as Fintechs, Unit Trusts, SACCOs, and informal financial providers expand their reach and value propositions. Coupled with global shifts in funding costs, these trends may pressure the Bank's ability to maintain a stable, low-cost deposit base. The Bank continues to prioritise funding diversification, strengthen customer value propositions, enhance digital deposit-mobilisation channels, and maintain rigorous liquidity buffers to ensure financial resilience.				✓		
Expanding Third-Party and Fourth-Party Risk	As the Bank advances its digital transformation agenda and SMART Bank aspirations, reliance on third-party providers continues to increase. These providers increasingly depend on fourth-party partners, creating additional layers of risk that may not be visible through traditional oversight mechanisms. The Bank has enhanced its Third-Party Risk Management (TPRM) framework, including stricter due diligence, improved contract governance, continuous monitoring, and enhanced oversight of subcontracting arrangements to ensure alignment with the Bank's control standards.				✓		
Geopolitical and Aid Dependency Risk	The Group's subsidiaries operate in economies that have high dependencies on donor funding and the risks associated with geopolitical shifts. The 2025 USAID funding freeze demonstrated the speed at which external financing can be withdrawn, with immediate knock-on effects on FX availability (Malawi), the fiscal balance, and the creditworthiness of donor-dependent sectors.	✓	✓		✓	✓	
Sovereign Debt and Fiscal Contagion Risk	Continued heavy domestic borrowing by Government risks crowding out private sector credit, sustaining elevated long-term interest rates, and concentrating banking sector balance sheets in sovereign exposures. A fiscal shock or debt restructuring event could transmit rapidly to the broader banking system.				✓	✓	
Talent & Succession Risk	Intensifying competition for skilled financial services professionals, combined with growing demand for digital and data capabilities, poses a risk to the Bank's ability to retain key talent and build the internal capacity required for strategic transformation and regulatory compliance initiatives.				✓	✓	

Translating insight into action

4.

In this section.

Strategy	76
Measuring the delivery of our intended outcomes	77
Trade offs	85





Centenary Group Board visit to Data Center in Masaka, Uganda.

Strategy

Managing the value drivers within our control GRI (3-3)

We are now at the tail end of our 2022–2025 strategic cycle, during which the Group has achieved a 80% implementation rate across the five original strategic pillars. In late 2025, a sixth pillar, Partnerships was introduced and will be fully tracked in the upcoming 2026–2030 strategic cycle. The Group is currently laying the groundwork for this next cycle, ensuring that the structures, capabilities, and insights gained over the past five years inform a stronger, more future focused strategy.

WHY

Our Vision

To be the preferred Group in innovative financial inclusion solutions.

Our Mission

To transform lives of the people and promote environmental conservation through financial inclusion and innovative business solutions to create sustainable shareholder value.

HOW

Strategic pillars

Our six pillars outline our strategic direction in the short to medium term (3 to 5 years)

Environment and social stewardship	Innovation	Governance and management	Diversification and expansion	Resource mobilisation	Partnerships *(To be measured in 2026 onwards)*
Our business resilience depends on the well-being of the planet and our communities. We integrate environmental and social considerations into capital allocation.	We embed innovation across our operations to enhance service delivery, strengthen efficiency, and create solutions that meet evolving client and community needs.	We uphold strong governance and disciplined management practices that safeguard our mission and ensure responsible value creation.	We pursue strategic diversification and expansion to broaden our impact and strengthen financial sustainability.	We mobilize resources efficiently to support growth, innovation, and missionaligned investments.	We cultivate partnerships that amplify our impact and accelerate shared value creation.

Long term targets (over 5 years and beyond)

Achieve Group ESG Score by 2030.	Fully functioning research and development unit.	Fully appointed and operational boards across group subsidiaries.	At least one new branch opened every year for all banks.	Fully diversified funding sources.	% of business supported by partnerships in our subsidiaries.

Capitals Deployed



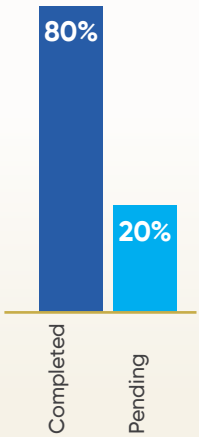
Measuring the delivery of our intended outcomes

Long term performance	Why it matters	Strategic initiatives	Targets
Environment & Social Stewardship Refer to page 79 for more details.	Centenary Group Foundation, the Group's social development arm, actively engages stakeholders to shape impactful community programs, leveraging available resources and institutional capabilities.	» Improvement in health and awareness. » Promote financial literacy. » Support environment management causes. » Support the social mission of the catholic church.	» Investment of at least 2% of Group profits towards impactful interventions i.e. health, poverty, hunger water and hygiene, etc through Centenary Foundation. » To increase the ESG index. » Reduced carbon emission. » Increased tree planting.
Innovation Refer to page 81 for more details.	To remain relevant and competitive in an everchanging market, the Group is advancing its digital transformation journey. By leveraging digital technologies and innovative solutions, the Group is enhancing operational efficiency, streamlining processes, and improving customer experiences.	» Establish Group Data Center. » Digitise processes in all subsidiaries. » Embrace emerging technologies.	» Complete construction of Group Data center. » Digitisation of processes in all group subsidiaries.
Governance & Management Refer to page 80 for more details.	As part of our strategic vision, the Group is reinforcing governance structures that promote coordinated decision making and effective oversight across all entities.	» Develop and implement policies and procedure manuals. » Develop a Corporate Governance Framework for the Group and its Subsidiaries. » Implement a Group-wide change management program.	» Complete current strategic cycle governance and management targets. » Enhanced compliance. » Aligned subsidiaries and increased synergies.

Achievements to FY2025

Overall, we have been able to achieve an implementation rate of 80%.

Strategic implementation 2022 to 2025



Long term performance	Why it matters	Strategic initiatives	Targets
Diversification & Expansion Refer to page 82 for more details.	Diversification remains a key driver of the Group's long-term resilience and value creation.	» Increase financial inclusion through expanding access to digital financial services. » Extend banking services beyond Uganda. » Diversify into new business opportunities in ICT, Insurance, and other Group aligned investments.	» Achieve agency banking and mobile banking targets. » Promote mission critical, Micro Finance, SME, and Agriculture. » Sustainable regional presence.
Resource Mobilisation Refer to page 83 for more details.	Resource mobilisation refers to the Group's deliberate efforts to secure and strengthen the financial, human, and material resources required to advance its mission. To enhance operational effectiveness, the Group will adopt a comprehensive approach to mobilising resources from both internal and external sources.	» Explore the prospects of partial listing on the stock exchange market (10-15%). » Identify strategic partners.	» Commence procedures to list the group on the Ugandan Stock Exchange. » Onboard partners across the group subsidiaries that can amplify impact.
Partnerships Refer to page 84 for more details.	We recognise that partnerships are essential to unlocking growth, efficiency, and meaningful impact across the Group. This pillar focuses on cultivating strong relationships with organisations, businesses, communities, and other stakeholders to drive innovation, extend market reach, and create sustainable value.	» Community engagement and Development Programs. » Identify strategic partners. » Market Expansion through Regional & » International Partnerships. » Technology Collaboration for digital growth.	» Achieve group wide partnership key performance indicators. » Increased partnership related revenues.

Achievements to FY 2025

- Developed comprehensive policies for the Group.
- Digitised processes across group subsidiaries.
- Continuously registering growth in digital financial services.
- Establishment of Centenary Foundation, Centenary Technology Services, a Regional Bank (Centenary Bank Limited in Malawi).
- Establishment of Centenary Property Development and Management Services.
- Ongoing process to acquire 51% shares of an Insurance Company (Transaction will be completed in January 2026).
- Ongoing process to operationalize Centenary Investments Limited starting with a Unit Trust.
- Refurbishment of the Group property in Arua, Uganda.
- Construction of a Group property in Mbale and Arua in Uganda.
- Construction of the Data Centre in Masaka, Uganda.



Centenary Bank Uganda Kumi branch donating bins.

Environment and social stewardship

We work with communities to identify their needs and co create solutions that respond directly to their core priorities. Our initiatives incorporate the UN Sustainable Development Goals and national development plans in all Group ecosystem operations, championed by the Centenary Group Foundation. This approach ensures that our community programmes are aligned, targeted, and able to deliver meaningful and sustainable impact.

Related material matters

Unpacking our progress

1,153 initiatives supported.	Invested Shs **7.3 Billion** in CSI related activities.	**1,958** green loans worth **Shs 9.9 Billion** disbursed.
74,729 trees planted in Uganda and Malawi.	Established Centenary Foundation to execute the Group's CSI strategy.	Promoted **21,513** financial literacy programs.

Refer to pages 148 to 151 for more details.

Related stakeholders

Local Communities | Investors | Government & Regulators

Resource allocation

We allocate financial, social, and natural capital to co-created community solutions that advance core SDG's and national development priorities. Resources are prioritised toward high-impact initiatives delivered through the Centenary Foundation to maximise shared value for communities and partners.

Affected Core UN SDGs

1 NO POVERTY
4 QUALITY EDUCATION
7 AFFORDABLE AND CLEAN ENERGY
13 CLIMATE ACTION

Capitals employed

Looking ahead

- Integrate ecological standards across new subsidiaries, especially property development and insurance.
- Expand community centred programmes aligned to SDGs through strengthened Centenary Foundation capacity.



Centenary Group EXCO and Senior management team.

Governance and management

The Group policies and procedures were updated to enhance governance and management.

Related material matters

Unpacking our progress

All policies have been developed and in place as of December 2025.	A Group wide Corporate Governance Framework was developed and is in place.
A change management program and branding and communication strategy have been developed and in place as of December 2025.	Achieved good feedback from the most recent Board Evaluation.

Related stakeholders

Shareholders | Investors | Government & Regulators

Resource allocation

We deploy financial, intellectual, human, and social capital to strengthen governance systems that ensure disciplined execution and regulatory alignment. Resources are directed toward oversight structures, risk management, and performance systems that safeguard value creation.

Affected Core UN SDGs

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Capitals employed

Looking ahead

- Strengthen governance frameworks for new subsidiaries and regional bank structures.
- Prepare for multimarket listing requirements across USE, NSE, and JSE.





Centenary Bank Board visit to Data Center in Masaka, Uganda.

Innovation

Through digital services, we integrate the Cente client service portfolio and support clients across the Cente Ecosystem by making it easier for them to engage with any of our subsidiaries by leveraging emerging technologies. This seamless digital experience enables clients to conduct business more efficiently and strengthens connectivity across the Group.

Related material matters

Unpacking our progress

Constructing a three-tier data Center in Masaka Uganda.

Embedded digitisation into our processes and strategies.

Related stakeholders

Shareholders | Investors | Government & Regulators

Resource allocation

Investment is directed towards financial, intellectual, human, and manufactured capital to scale digital platforms that unify the Cente ecosystem and enhance client experience. Capital allocation prioritises technologies that deepen connectivity, improve service efficiency, and strengthen long-term competitiveness.

Affected Core UN SDGs

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

Capitals employed

Looking ahead

- Deploy advanced digital platforms across new subsidiaries (investment, insurance, regional banks).
- Strengthen cybersecurity, data governance, and AI enabled service delivery.



Centre Dr. Aminah Zawedde, Permanent Secretary, Ministry of ICT & National Guidance, during an 'AI in Banking' workshop hosted by the Board and Management of Centenary Bank Uganda. Also pictured are members

Diversification and expansion

We continue to develop strategies for diversification and expansion into business ventures that advance our vision and mission. This approach enables the Group to pursue new opportunities, strengthen long-term resilience, and broaden the value we create across our markets.

Related material matters

Unpacking our progress

Refurbishment and construction of new buildings in Uganda.

Related stakeholders

Shareholders | Investors | Employees

Resource allocation

We allocate financial, human, intellectual, and manufactured capital to strategic ventures that broaden our market presence and futureproof the Group. Investment decisions are guided by stakeholder expectations and long-term value potential across emerging and high growth sectors.

Affected Core UN SDG's

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Capitals employed

Looking ahead

- Launch new subsidiaries: Asset management, general insurance, life insurance, property development.
- Establish regional bank subsidiaries across Africa using the Centenary microfinance model.





Centenary Bank Uganda, Mbale branch.

Resource mobilisation

We will continue to sustainably raise the capital required to deliver our strategic ambitions, which include diversification and expansion, corporate social responsibility, and innovation in digital financial services. This disciplined approach to capital mobilisation ensures that the Group can fund priority initiatives while maintaining long-term financial resilience.

Related material matters

Unpacking our progress

The group continues to explore alternative funding sources.

The Group's subsidiaries have strategically aligned with partners that amplify their impact and reach.

Related stakeholders

Shareholders

Investors

Resource allocation

We strategically deploy financial, human, social, manufactured, intellectual, and natural capital to secure sustainable funding for our growth, CSR, and digital ambitions. Capital is mobilised through diversified sources and partnerships to maintain resilience while enabling priority investments.

Affected Core UN SDG's

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Capitals employed

Looking ahead

- Mobilise long-term funding for regional expansion, insurance acquisitions, and digital infrastructure.
- Strengthen capital planning to support new subsidiaries and cross border operations.





Partnerships
We will continue to build strategic partnerships that broaden our horizons and open new avenues for growth, innovation, and impact.

Related material matters

Unpacking our progress
The group will begin tracking performance under this pillar in 2026.

Related stakeholders

Resource allocation
We invest financial, human, social, manufactured, intellectual, and natural capital in partnerships that unlock new opportunities for innovation, impact, and shared growth. Resources are directed toward collaborations that enhance capability, extend market reach, and amplify value for investors and communities.

Affected Core UN SDGs

Capitals employed

Looking ahead

Build strategic alliances to support regional bank expansion and insurance sector entry. Deepen collaborations with regulators, investors, and development partners to support multimarket listing and sector diversification.



Trade Offs

Strategic pillar	Trade offs – the tough choices we made	Value created/preserved
	We prioritised long-term community and ecological investments even when this required slowing discretionary spending in other areas. This meant directing capital toward programmes with enduring social value rather than short term financial returns, ensuring alignment with SDGs and stakeholder expectations.	Strengthened social and natural capital, enhanced trust, and reinforced alignment with SDGs and national priorities.
	We channelled significant resources into digital transformation, accepting short-term operational constraints to accelerate ecosystem integration and future competitiveness. This required deferring selected non-critical upgrades and reallocating talent toward high-yield digital initiatives. In parallel, we intensified product development efforts to ensure our solutions remain responsive to rapidly evolving customer needs and continue to deliver meaningful value across the Cente ecosystem.	Built long-term competitiveness, improved client experience, and enhanced intellectual and human capital.
	We strengthened governance, compliance, and oversight structures, even when this required diverting resources from growth oriented activities. The trade off ensured disciplined execution and regulatory alignment but limited the pace of expansion in selected business lines.	Preserved licence to operate, improved risk management, and strengthened institutional integrity.
	We redirected capital from mature, stable segments to emerging ventures with higher long-term potential but greater short term volatility. This required accepting temporary margin pressure to secure resilience, market relevance, and future growth pathways.	Broadened revenue streams, enhanced resilience, and positioned the Group for future growth.
	We opted for sustainable and diversified funding sources, which sometimes carried higher costs, to protect balancesheet strength and long-term liquidity. This meant foregoing cheaper but riskier capital options that could have boosted short term profitability.	Protected financial stability, liquidity, and long-term investor confidence.
	We will prioritise partnerships that align with our long-term strategy, even when this requires declining opportunities that offer quick wins but limited strategic fit. This approach will ensure that collaborative investments strengthen capability, drive innovation, and enhance shared value creation.	Enhanced capability, innovation potential, and shared value creation across the ecosystem.

Insights from our subsidiaries 5.

In this section.

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Centenary Group
Centenary Bank
A Member of Centenary Group
DATE:
SIGNATURE:



Centenary Bank in Uganda

2025 Performance highlights

Centenary Bank is Uganda's largest indigenous bank and the flagship subsidiary of Centenary Group that is transforming lives through inclusive, innovative, and sustainable financial solutions. Our mission critical focus on microfinance, agriculture, SME, and rural outreach continues to anchor our leadership in financial inclusion.

2025

Customers and reach

3.4 million+ Customers

82 Branches

7,773 Agents

293 Merchant POS locations.

1,026,667 youth, **1,270,495** women, **13,175** refugees on boarded.

77.6% of customers are women, youth, refugees, or smallholder farmers.

Customer interactions with our banking services

53.4% of all transactions executed through agent banking.

20.9% through mobile banking.

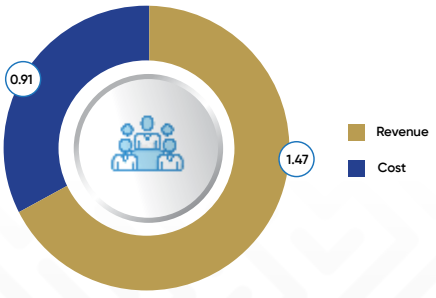
15.2% through ATMs.

9.7% through banking halls.

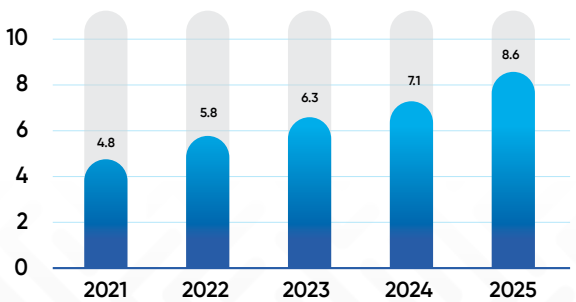
21.8% growth registered in active CenteMobile users.

19.3% growth registered in internet banking users.

Revenue to Cost Shs Trillion



Total assets Shs Trillion





Key Financial highlights

Total Revenue — 20.5%

2025	2024
Shs 1.47 Trillion	Shs 1.22 Trillion

Credit Loss Ratio — 0.2%

2025	2024
2.86%	2.65%

Profit After Tax — 23.9%

2025	2024
Shs 424.2 Bn	Shs 342.3 Bn

Cost to Income Ratio — 2.0%

2025	2024
61.6%	63.6%

Deposits — 24.2%

2025	2024
Shs 5.2 Trillion	Shs 4.2 Trillion

Core Capital Ratio — 0.3%

2025	2024
28.6%	28.3%

Total Cost — 16.3%

2025	2024
Shs 900.5 Billion	Shs 773.9 Billion

Total Assets — 21.0%

2025	2024
Shs 8.6 Trillion	Shs 7.1 Trillion

Net Loans and Advances — 11.8%

2025	2024
Shs 4.2 Trillion	Shs 3.7 Trillion

Investments in Government Securities — 26.5%

2025	2024
Shs 2.4 Trillion	Shs 1.9 Trillion

Chairman's Perspective on 2025 and the Path Ahead

GRI (2-22)

Centenary Bank Uganda



Mr. Gustavio Bwoch,
Chairman, Board of Directors
Centenary Bank Uganda

On behalf of our Board of Directors, I am pleased to present our 2025 Integrated Report. From my perspective, 2025 reflected steady performance, strong governance, and continued progress in delivering value across our financial, social, human, and intellectual capitals. Despite a dynamic operating environment, we remained focused on our strategic priorities and delivered outcomes that reinforce our long term resilience.

Our loan quality remained sound, closing with an NPL ratio of 2.86%, compared to 2.65% in 2024. Our balance sheet grew by 21%, supported by an 11.8% increase in our net loan book and a 24.2% rise in customer deposits. Profit After Tax peaked at Shs 424.2 billion, up from Shs 342.3 billion, resulting in a Return on Equity of 22.9%. These results reflect prudent risk management, customer focused growth, and the effective execution of our strategy.

Sustainability and ESG Commitment

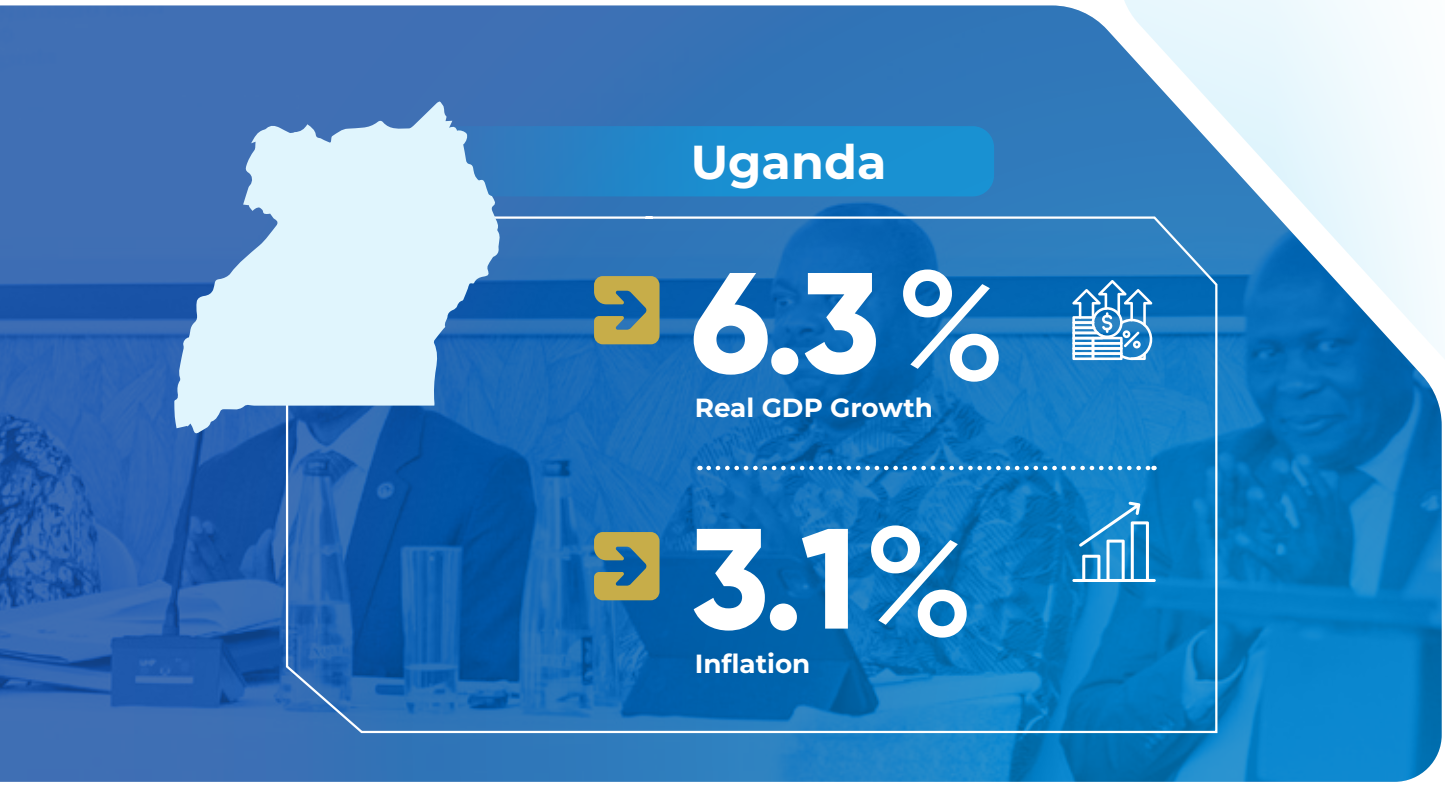
Sustainability continues to guide how we operate and create value. In 2025, we strengthened the integration of Environmental, Social, and Governance considerations across our decision making and operations, achieving an ESG performance score of 86.5%. We also enhanced our transparency and accountability by publishing our inaugural half-year and full-year sustainability reports, marking a significant milestone in our impact reporting journey.

Board Developments and Governance

Our Board continued to enhance its effectiveness through targeted capacitybuilding in areas critical to our future, including technology, sustainability, risk, and regulatory developments. These efforts ensure that we remain wellequipped to provide strategic oversight for a systemically important institution operating in a rapidly evolving environment.

Economic Outlook for 2025

Uganda's economy maintained positive momentum, with real Gross Domestic Product (GDP) growth estimated



at 6.3% in FY2024/25 and projected to approach 7% in FY2025/26, supported by agriculture, services, and public investment. Inflation remained moderate at around 3.1%, aided by stable food and energy prices. Fiscal pressures persisted due to higher debt servicing needs, though external conditions gradually improved as exports strengthened. Overall, the operating environment remained supportive of credit growth and financial sector stability, while still requiring cautious risk management given global and climate related uncertainties.

Outlook

Our key activity in 2026 will be the implementation of the new core banking system by end of quarter two, improvement in staff productivity and operational efficiency. We remain confident in our direction and our ability to sustain performance. Our priorities include balance sheet optimisation, cost and risk discipline, improved loan quality, and growth in non-funded income. We will continue advancing digital transformation, strengthening system stability, enhancing project execution, and deepening financial inclusion. These efforts directly support Uganda's National Development Plan (NDP) IV agenda, particularly in expanding access to finance, strengthening enterprise development, and enabling productivity across key sectors. We are also aligning our growth pathways to contribute meaningfully to the Government's TenFold Growth Strategy, especially through increased support to SMEs, agriculture value chains, and digital financial services that unlock scale and competitiveness. Investments in staff capability and robust management systems will reinforce operational efficiency and strengthen our market position. We remain committed to maintaining a cost to income ratio below 60.8% as part of our efficiency agenda.

With a clear strategy, strong leadership, and a commitment to sustainable value creation, we are well positioned to meet and exceed our 2026 goals and longterm objectives.

Appreciation

We extend our sincere appreciation to our shareholders for their trust, to our customers for their loyalty, to the Uganda Banker's Association (UBA) for its continued collaboration, to our regulators for their guidance, and to our Management and staff for their dedication throughout 2025.

Mr. Gustavio Bwoch,
Chairman, Board of Directors
Centenary Bank Uganda

Message from the Managing Director



Dr. Fabian Kasi
Managing Director
Centenary Bank Uganda

I am pleased to present our performance for the year ended 31 December 2025. This was a year in which we continued to strengthen our role as a purpose driven financial institution, advancing inclusive growth while maintaining operational resilience and disciplined risk management. The operating environment remained fluid, shaped by shifting macroeconomic conditions, regulatory adjustments, and rising customer expectations. Throughout the year, we remained committed to transforming lives through accessible financial services, responsible banking, and sustainable value creation.

Responsible banking

In 2025, we deepened our commitment to Environmental, Social, and Governance principles as we prepared our first Sustainability Report, reflecting our alignment with global standards and our ambition to embed sustainability across our business model. Our membership in the Global Alliance for Banking on Values continues to guide how we serve people, communities, and the planet. During the year, our recycling initiatives yielded over 6,000 tons of recycled material, we planted 69,729 trees nationwide, and extended 1,958 green loans worth Shs 9.9 billion.

Social impact remained central to our mission. We expanded financial inclusion through digital solutions tailored for underserved communities, registering 1,026,667 youth, 1,270,495 women, and 13,175 refugees. We invested over 1% of the previous year's net profit to support 1,153 community initiatives valued at Shs 5.1 billion. On governance, we strengthened our cybersecurity capabilities and reinforced our culture building agenda to enhance staff productivity and ethical conduct.

Accolades and Recognitions

Our commitment to excellence and impactful service delivery has been honored through multiple prestigious awards in 2025, demonstrating our leadership and dedication in the banking sector.

- Outstanding Banking Institution of the Year 2025 – National Entrepreneurs and Traders Association (NETA).
- Overall, Winner, Athletics and ShortSkills Programs – Annual Bankers Gala (UIBFS).
- Best Retail Bank in Uganda 2025 – Global Banking and Finance Awards
- Overall, Winner for Timely and Full Payment of Loans under SBRF (Bank of Uganda).
- 1st RunnerUp, Best Performing Financial Institution under ACF (Bank of Uganda).

> “...my colleagues and I delivered strong results supported by investments in technology, staff capability, and customer centric innovation.

Financial Inclusion and Digital Transformation

Expanding outreach through digital channels remained a core priority. By year end, 53.4% of customer transactions were conducted through agent banking, 20.9% via mobile banking, 15.2% through ATMs, and 9.7% in banking halls. We introduced merchant POS services and enrolled 293 merchants, with additional uptake continuing into early 2026. Our focus on business transformation and digitisation resulted in a 1.2% increase in active agents, 21.8% growth in Cente Mobile active users, and 19.3% growth in internet banking users. These gains strengthened our digital footprint and enabled us to reach more rural and vulnerable communities.

Financial Performance

Despite competitive pressures, rising sector wide fraud risks, and evolving customer needs, my colleagues and I delivered strong results supported by investments in technology, staff capability, and customer centric innovation. Mission critical portfolios grew to 57.1% of the total loan book, with agriculture contributing 17.7%, microfinance 38.1%, and SME 1.0%.

Profit after tax increased by 23.9% to Shs 424.2 billion. This performance was supported by strong credit underwriting, which kept PAR below 3.0%, and a well-managed NPL ratio of 2.86%.



Prudent cost management, higher investments in government securities, and mark-to-market gains from easing interest rates further strengthened results. Non-funded income also continued to grow, contributing to an improved cost-to-income ratio of 61.6%.

The loan book expanded from Shs 3.7 trillion to Shs 4.22 trillion, supporting topline momentum. Total assets rose 21% to Shs 8.6 trillion, driven by an 11.8% increase in net loans. Investments grew 27% to Shs 2.4 trillion, while deposits increased 24.2% to Shs 5.2 trillion, reflecting strong customer confidence. Operating income rose 18.1%, supported by loan growth and improved trading performance.





Centenary Bank in Uganda MD shares a light moment with Directors at the AGM.



Centenary Bank Uganda Financial literacy for refugees.



Looking Ahead

In 2026, as part of the way forward, the Bank will put more energy and efforts to emphasize and ensure successful implementation of the new core banking system by the end of second quarter of 2026. We will continue executing our strategic objectives, with emphasis on balance sheet optimisation, risk management, non-funded income growth, cost efficiency, mission critical portfolios, outreach expansion, digital transformation, project execution, staff engagement, and sustainability. Our priorities are aligned with the Government of Uganda's Ten Fold Growth agenda, particularly in expanding access to finance, strengthening enterprise development, and supporting productivity in agriculture, microfinance, and SMEs.

We plan to open three rural branches, install fourteen offsite ATM recyclers and eleven cash deposit machines, and scale our digital ecosystem to reach 1.5 million active card users, 1.2 million CenteMobile users, 11,291 active agents, 5,000 internet banking users, and 1,000 merchant POS locations. Our staff engagement and culture building initiatives will continue to drive innovation, accountability, and productivity.

As we look ahead, we remain confident in our strategic direction and our ability to deliver long-term sustainable value for all our stakeholders. Our strong capital base, disciplined risk culture, customercentric approach, and dedicated workforce position us well to navigate the evolving environment and support Uganda's economic development.

I extend my sincere appreciation to our customers, our shareholders, our regulators, our Board, and our staff for their resilience and commitment throughout 2025.

Dr. Fabian Kasi
Managing Director
Centenary Bank Uganda

Who leads Us

Centenary Bank - Uganda



Mr. Fabian Kasi
Managing Director

Tenure in EXCO: 15 Years

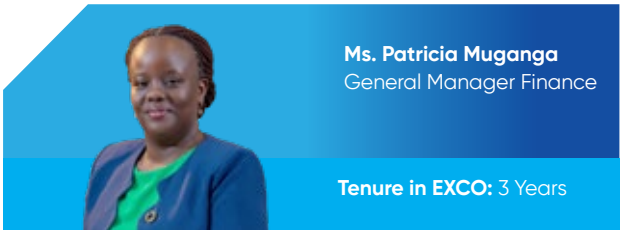
- Master's in business administration.
- Bachelor of Commerce.
- Fellow of the Association of Chartered Certified Accountants.
- Honorary Fellow of The Institute of Banking and Financial Services of Uganda.



Mr. Joseph Kiwanuka Balikuddembe
Executive Director

Tenure in EXCO: 5 Years

- Master's in business administration
- Bachelor of Agriculture



Ms. Patricia Muganga
General Manager Finance

Tenure in EXCO: 3 Years

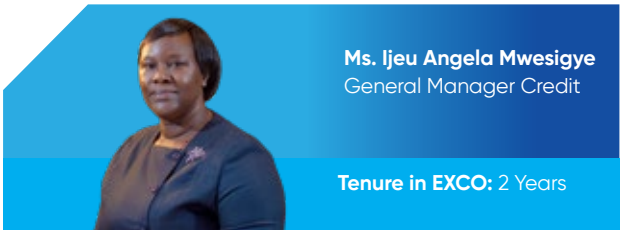
- Bachelor of Commerce (Accounting)
- Master of Business Administration (MBA)
- ACCA (UK), CPA Uganda
- Graduate, Strathmore Leadership School



Mrs. Beatrice Lugalambi
General Manager Corporate Communication & Marketing

Tenure in EXCO: 14 Years

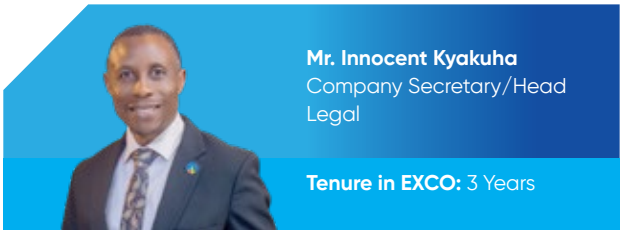
- MBA Business Administration
- Bachelor of Arts (literature and political science)
- Postgraduate diploma in management.
- Diploma in project management



Ms. Ijeu Angela Mwesigye
General Manager Credit

Tenure in EXCO: 2 Years

- Master's in management studies (Business Administration)
- Post Graduate Diploma in Business Administration
- BCom (Finance)-Hons
- Alumni of Strathmore Business School
- Certificate in Banking and Development (Dublin/London)



Mr. Innocent Kyakuha
Company Secretary/Head Legal

Tenure in EXCO: 3 Years

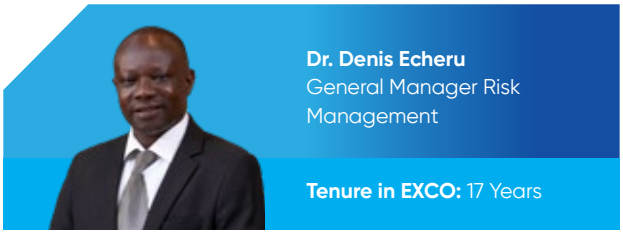
- Master of Laws
- Graduate member, Corporate Governance Institute



Mr. Frank Kabagambe
General Manager Compliance

Tenure in EXCO: 7 Years

- Bachelor of Commerce
- Bachelor of Laws
- Certified Anti-Money Laundering Specialists- CAMS
- Certified Compliance Specialist- CCS
- CEO Apprenticeship Leadership Development Programme
- Fellow of the International Compliance Association of the UK- FICA (UK)



Dr. Denis Echeru
General Manager Risk Management

Tenure in EXCO: 17 Years

- Master of Business Administration
- Master of Finance, Control and Management
- Bachelor of Commerce
- Fellow of Chartered Certified Accountants
- Certified in Quantitative Risk Management

Who leads Us
Centenary Bank - Uganda



Mr. Benoni Okwenje
General Manager Financial Markets

Tenure in EXCO: 6 Years

- Master of Business Administration
- Bachelor of Science (Finance & International Business)
- ACI – The Financial Markets Association Dealing Certificate



Mr. Nzokire Ivan Bushaija
General Manager Business Technology

Tenure in EXCO: 2 Years

- Master's in Business Administration.
- PGD in Information Technology
- BSc. Computer Science
- Togaf Enterprise Architecture
- Microsoft & Linux + Certifications



Mr. Katantazi Patrick
General Manager Corporate Services

Tenure in EXCO: 3 Years

- Master of Arts in Development Studies.
- Bachelor of Arts in Social Work & Social Administration



Mr. Andrew Ssemaganda
General Manager Strategy and Research

Tenure in EXCO: 7 Years

- Bachelor of Commerce
- Fellow of Chartered Certified Accountants



Mr. Michael Nyago
General Manager Audit

Tenure in EXCO: 15 Years

- MA Development Economics
- Bsc Economics
- Fellow of Chartered Accountant and Certified Auditor
- Certified Public Accountant of Uganda
- Certified Fraud Examiner Certified Internal Auditor
  Certified Enterprise Governance



Ms. Edith Kababure
General Manager Centralized Back Office

Tenure in EXCO: 4 Years

- Masters in Information Technology
- Master of Business Administration
- Bachelor of Information Science
- Alumnus of Strathmore Business School



Mr. Michael Jjingo
General Manager Commercial Banking

Tenure in EXCO: 7 Years

- Master of Business Administration
- BA (Finance)
- BA(Social Sciences)- Economics
- Fellow of Uganda Institute of Banking and Financial Services
- Certificate of Proficiency (Insurance)



Ms. Solomy N. Luyombo
General Manager Human Resource

Tenure in EXCO: 3 Years

- Master of Business Administration
- Bachelor of Arts in Social Work & Social Administration



Centenary Bank Uganda women event.

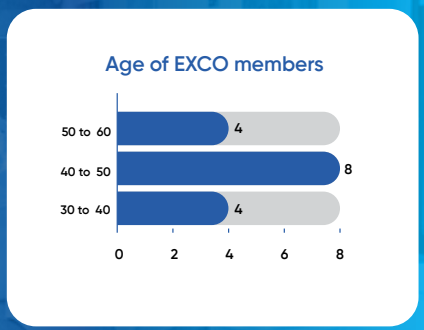
Diversity and gender

Centenary Bank Uganda regards executive level diversity as integral to governance and long-term value creation, prioritising the advancement of women into senior leadership. As at 31 December 2025, our Executive Committee (EXCO) demographic profile was as follows.

11 **5**

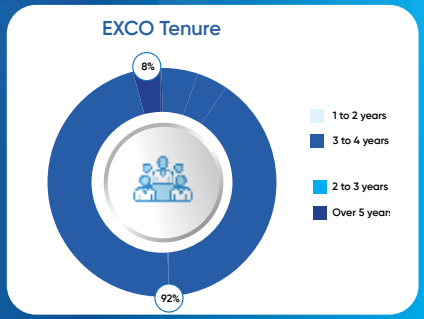
Diversity of age

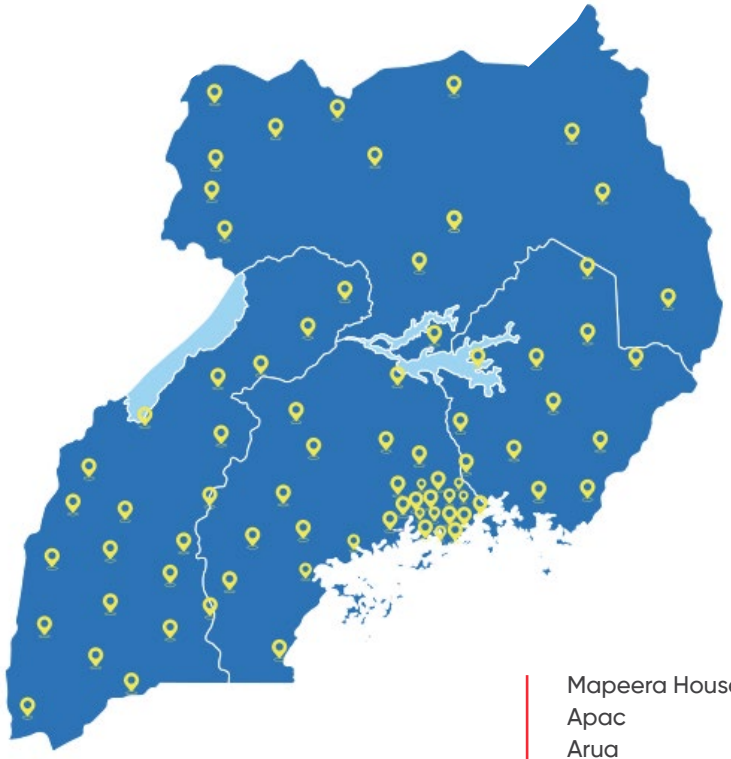
Centenary Bank Uganda's Executive team comprises vibrant, dynamic leaders whose ages are distributed as follows.



Tenure on the EXCO

We maintain stability at the Executive level by attracting and retaining the best leaders that the financial services industry has to offer. As at 31 December 2025, our EXCO tenure was as follows.





Where we Operate

Centenary Bank offers various products and services through a network of 82 branches 7,773 Bank agents and 209 ATMs.

82
Branches (2024: 81)

209
ATMs (2024: 209)

7,773
Agents (2024: 8,000)

Mapeera House
Apac
Arua
Adjumani
Amolatar
Bugiri
Bundibugyo
Bwaise
Bwera
Bulisa
Busia
Bugembe
Bweyale
Bweyogerere
Dokolo
Entebbe Road
Entebbe Road Corporate
Entebbe Road
Fort Portal
Gayaza
Gulu
Gulu Market
Hoima
Ibanda
Iganga
Isingiro
Ishaka
Jinja
Kabalagala
Kabale
Kabwohe
Kagadi
Kamuli
Kanungu
Kasese
Kapchorwa
Kawuku
Kawempe
Kayabwe
Kayunga
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Kitgum
Kisoro
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Kotido
Kumi
Kyenjojo
Kyotera
Lira
Lugogo
Lyantonde
Makerere
Masaka
Mbale
Mbarara
Masindi
Mityana
Moroto
Mpigi
Mubende
Mukono
Najjanankumbi
Nakivubo Road
Namirembe Road
Nansana
Nateete
Ntinda
Ntungamo
Nebbi
Paidha
Pallisa
Rubaga
Rukungiri
Soroti
Tororo
Wakiso
Wobulenzi
Yumbe

Operating environment and strategic response

Centenary Bank operated in a dynamic and evolving environment in 2025. Uganda's macro economic conditions remained broadly supportive, with stable inflation, continued recovery in agriculture and services, and rising digital adoption across the financial sector. At the same time, our operating context was shaped by tightening regulatory expectations, intensifying competition from Fintechs and non bank players, climate related shocks affecting rural livelihoods, and heightened cybersecurity risks. Refer to page 58 for a detailed macro economic analysis.

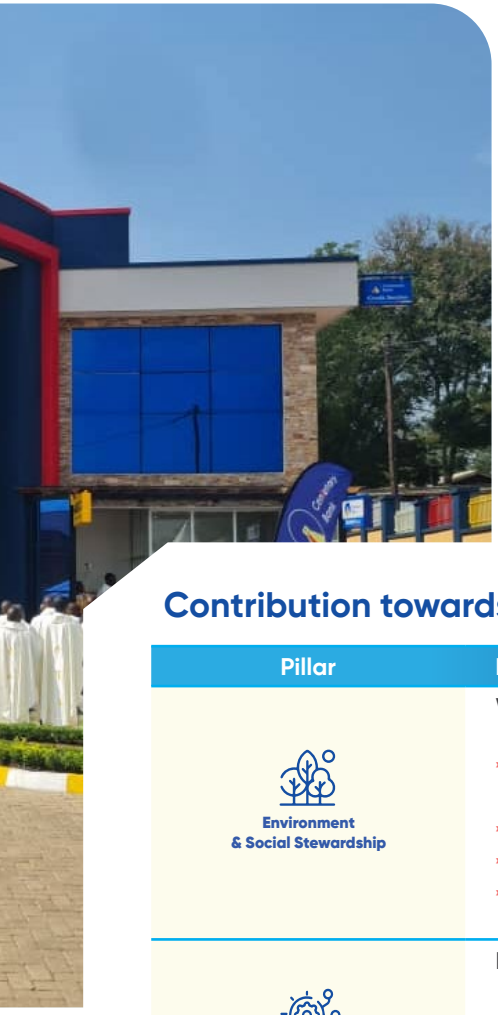
Despite these pressures, the Bank demonstrated resilience through disciplined execution. Our balance sheet expanded by 21.0%, customer deposits grew by 24.2%, and the loan book increased by 11.8%, supported by strong liquidity and prudent risk management. Loan quality remained sound, with the NonPerforming Ratio within appetite.

We anchored our strategic direction and response towards the Group's ambition of transforming lives through inclusive and innovative finance. Key actions included.



Centenary Bank Uganda Kasese branch.

Area	Response
Deepening financial inclusion	Our mission critical, microfinance, agriculture, and SME portfolios now contribute 57.1% of our loan book (up from 46.8%).
Accelerating digital transformation	Agent banking now accounts for 53.4% of all customer transactions, mobile banking stood at 20.9%, and ATMs at 15.2%.
Strengthening operational resilience	We have focused on system stability initiatives, cybersecurity enhancements, and process digitisation to bolster operational resilience and improve customer experiences.
Embedding sustainability and ESG	We are proud to have achieved an ESG score of 86.5% as we advance our climate risk management initiatives. In 2025, we planted 69,729 trees.
Investing in people	We maintained a staff satisfaction index of 86.2%, and strengthened leadership, culture, and productivity. Refer to page 178 for more details.



Strategic Priorities and Performance for 2025

Our group strategy is anchored on six pillars (refer to group strategy on pages 76 to 85). In 2025, performance against these pillars is summarised below.

Contribution towards group strategic priorities

Pillar	Response
Environment & Social Stewardship	We advanced inclusive growth and environmental responsibility through: » **1,153 CSR initiatives** across health, education, environment, and community support. » **33,341 beneficiaries** reached through financial literacy. » **69,729 trees** planted across Uganda. » **Strong inclusion outcomes:** women, youth, refugees, and smallholder farmers now represent 77.6% of the Bank's customer base.
Innovation	Digital transformation remained central: » System uptime improved to 96.7%, with major upgrades underway. » Digital channels handled over 89% of customer transactions. » Merchant POS rollout commenced, with **293 merchants** onboarded by year end. » Continued progress toward becoming a "smart bank" by 2026.
Governance & Management	Strengthened Board oversight and ESG governance. » Full Board ESG training completed. » Risk appetite maintained across capital, liquidity, and credit metrics. » IFRS S1/S2 readiness advanced through gap analysis and sustainability governance enhancements.
Diversification & Expansion	» Mission critical portfolios grew strongly, especially agriculture (+18%). » Continued expansion of digital and agent banking footprint. » Strengthened partnerships with development partners (UECCC, aBi, AGF, UN agencies).
Resource Mobilisation	» Strong deposit mobilisation (+21.5%). » Improved cost discipline, with cost to income ratio at 62%. » Staff costs managed within budget (3% below plan).
Partnerships	» Expanded collaborations with NGOs, government agencies, fintechs, and value chain actors. » Strengthened refugee segment partnerships (UNHCR, IRC, Caritas). » Enhanced SME support through AGF and other partners.

Performance Against Key Focus Areas

Our Bank's performance against our 11 strategic focus areas is summarised below:

Pillar	Strategic Focus Area	Link to group strategy	2025 Target	2025 Actual	Outcome
Financial	Cost to income ratio	» Resource Mobilisation » Governance & Management	<62%	61.6%	Achieved
	Non-funded income	» Diversification & Expansion	>17.5%	17.4%	Not achieved
	Non-performing ratio	» Governance & Management	<3%	2.9%	Achieved
	Profit after tax	» Resource Mobilisation	>Shs 396.1 Billion	Shs 424.2 Billion	Achieved
	Deposits	» Governance & Management	>Shs 5.1 Trillion	Shs 5.3 Trillion	Achieved
	Gross loans		>Shs 4.16 Trillion	Shs 4.2 Trillion	Achieved
Customer	Customer satisfaction	» Governance & Management	>92%	88.5%	Not achieved
	Mission critical portfolio	» Diversification & Expansion	>57.2%	57.1%	Not achieved
Internal processes	Digitize the bank to become smart by 2026	» Innovation	Strategy tracking	74%	Achieved
	Stabilize system up time	» Innovation	>98.6%	96.7%	Not achieved
	Emphasise alternative channels	» Innovation	Channel targets	Met	Achieved
Innovation, learning and growth	Staff satisfaction index	» Governance & Management	>89%	86.2%	Not achieved
ESG and sustainability	Sustainability Index	» Environment & Social Steward-ship » Governance & Management » Partnerships	>84%	86.5%	Achieved

Overall, the Bank delivered a strong performance, meeting or exceeding most financial and sustainability targets, while customer experience, staff satisfaction and system stability remain priority improvement areas for 2026.

Responding to our customer's needs

GRI (418 - 1)

Centenary Bank continued to deliver meaningful value to customers in 2025 by strengthening accessibility, responsiveness, service quality, and operational efficiency across all service channels. Our customer experience agenda remained focused on delivering a seamless, reliable, and human Centred service experience.

Overall interactions

We registered

727,536

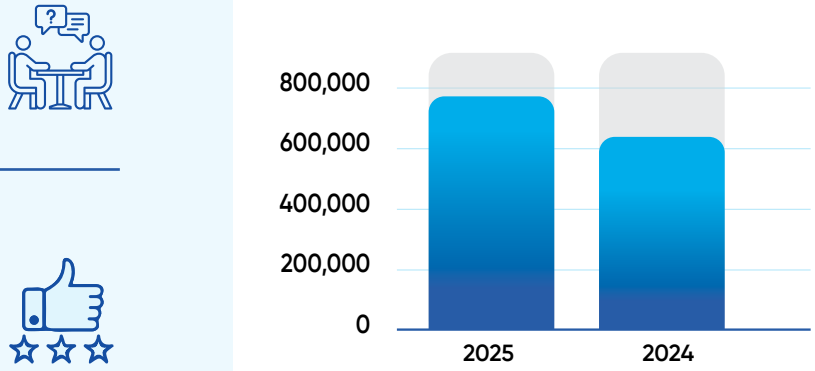
interactions in 2025

(2024: 665,696).

Complements

2,600

(2024: 0.1%/976)



Enhancing customer experience in 2025

	Target	2025	2024	2023
Customer satisfaction index	85%	88.5%	91.6%	89%
Complaints resolution rate	98%	99.7%	95%	99%
Customer time at counter	3 mins	2:11	2:28	2:36
Customer average wait time	20 mins	18:18	21:25	20:58



Centenary Bank Uganda Cancer Run.

Key Drivers of Customer Engagement

Transaction-related inquiries remained the leading driver of customer interactions, reflecting customers' need for clarification and support in day-to-day banking transactions. Other drivers included:

1. Digital banking support
2. Account inquiries
3. Loan-related queries
4. Service requests
5. Complaint follow ups

Key focus areas include:

- Improving digital platform reliability.
- Enhancing complaint management analytics.
- Reducing service turnaround times.
- Promoting a strong culture of service excellence across all customer touch points.

Going forward, the Bank will continue to prioritize investments in digital banking stability, operational efficiency, staff training, and customer feedback management to further enhance service delivery and strengthen customer trust.

Operating Segment performance

Creating impact through credit

The Bank's credit portfolio continued to demonstrate deliberate alignment with the Group's intent to transform lives through inclusive and innovative finance. We closed 2025 with a Shs 4.2 trillion loan book, up from Shs 3.71 trillion in 2024. This expansion directly supported Uganda's Ten fold Growth Strategy, which prioritises agricultural productivity, SME competitiveness, urbanisation, and financial sector deepening as engines of national transformation.

Portfolio growth in 2025 was driven by deliberate shifts into high impact sectors, including

- **Average loan size increase (+Shs 20.8 million),** reflecting deeper customer engagement and improved credit structuring.
- **Construction and real estate (+Shs 279.1 billion),** supporting the national infrastructure expansion and urban development priorities under the Ten fold agenda.
- **Personal and household loans (+Shs 136.9 billion),** reinforcing our role in stabilising household consumption and enabling financial resilience.
- **Agriculture (+Shs 86.3 billion),** advancing rural transformation, climate smart production, and value chain financing, which are the core pillars of Uganda's growth strategy.
- **Trade and SME lending (+Shs 489.3 billion),** catalysing enterprise growth, job creation, and market linkage development.

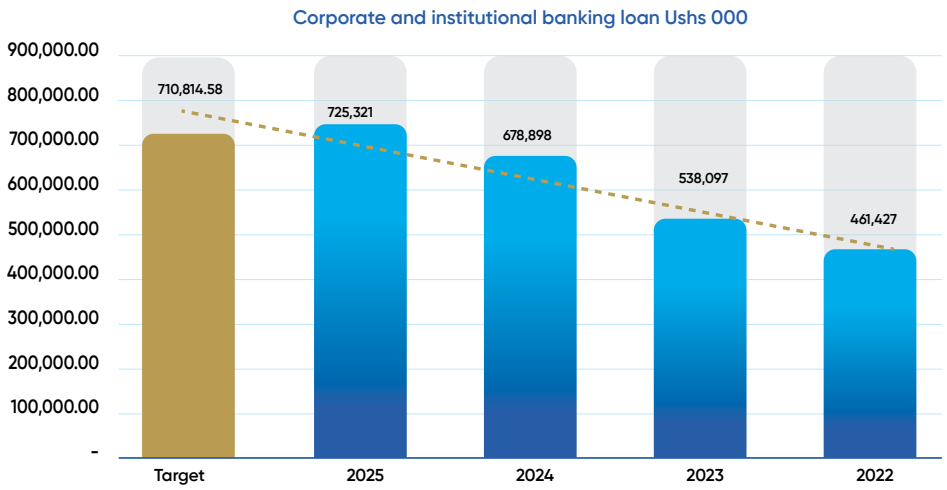
	2025	2024	2023
Sector	Amount Shs 000	Amount Shs 000	Amount Shs 000
Agriculture, fishing and forestry	558,487,097	471,819,764	408,450,137
Construction and real estate	663,314,679	517,314,148	494,933,016
Business Services	136,331,790	133,541,378	106,421,062
Community, Social, Other Services	277,557,361	344,702,619	238,602,999
Electricity and Water	5,386,625	4,918,098	5,061,858
Manufacturing	66,154,786	47,778,772	44,718,118
Mining and Quarrying	7,591,609	7,907,932	2,799,686
Personal and Household Loans	1,906,105,505	1,769,128,111	1,601,995,424
Trade including SME's	489,260,285	428,865,487	379,322,970
Transport and Communication	71,230,265	133,735,680	171,805,184

Corporate and Institutional Banking

The Corporate and Institutional Banking (CIB) segment serves Centenary Bank's non personal clients with deposit or credit relationships of Shs 700 million and above, including corporations, limited liability companies, partnerships, clubs, associations, and institutional entities with complex financial needs. The segment provides tailored credit, cash management, trade, and digital solutions that support organisational growth and national development priorities.

Loan Portfolio Trend and Performance

The CIB loan book continued its upward trajectory, reflecting strong institutional demand and the Bank's disciplined credit growth strategy. The portfolio expanded from Shs 461.4 billion in 2022 to Shs 725.3 billion in 2025, surpassing the 2025 target.



Public Sector Performance and Strategic Alignment

The public sector segment focuses on clients with deposit or credit relationships of Shs 500 million and above, while government institutions are served irrespective of size, reflecting the Bank's mandate to support national development and public sector efficiency.

CIB is structured around five priority growth areas that anchor our contribution to Uganda's socio economic transformation including; public Sector, Church and Faith-Based Organisations, Non-Governmental Organisations, Corporate Trade and Commerce Businesses and Financial and Technology Institutions.

In 2025, the Bank strengthened its role as a trusted financial partner to government ministries, departments, agencies, and local governments. Our Public Sector Strategy remained closely aligned to the National Budget 2024/2025, which prioritised ATMs.

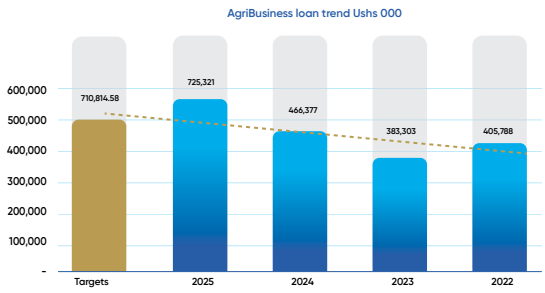
- Agro industrialisation
- Tourism development
- Mineral based industrial development
- Science, technology, and innovation

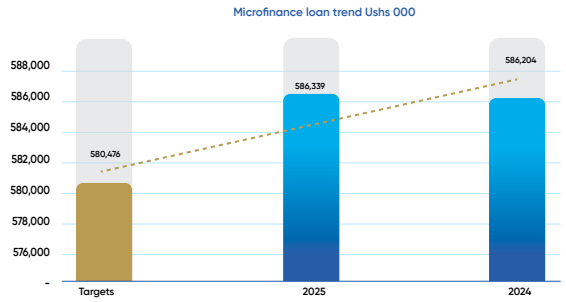
By aligning our solutions to these national priorities particularly in payments, collections, liquidity management, and advisory support the Bank enhanced service delivery for public institutions while supporting Uganda's broader development agenda.

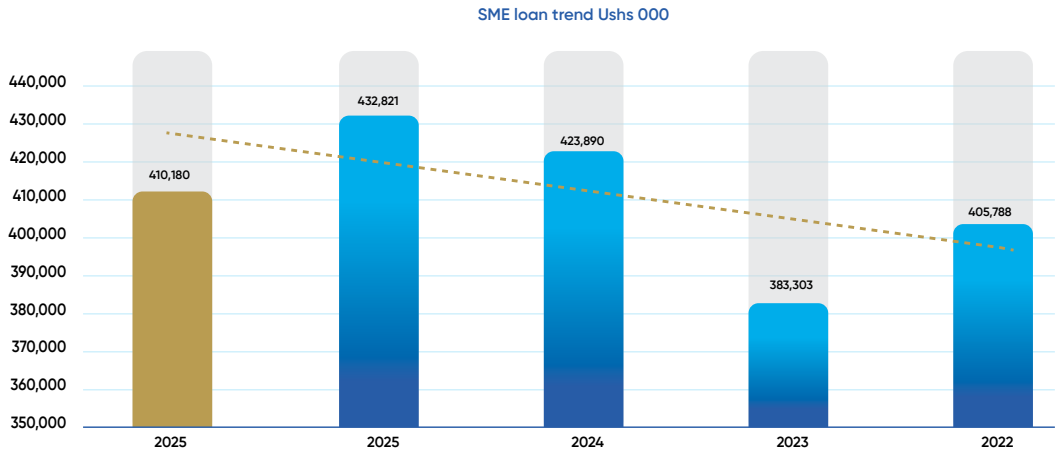
Mission Critical Portfolios (Agriculture, Microfinance, SME)

In 2025, the Agriculture, Microfinance, and SME Division remained the cornerstone of Centenary Bank's mission-critical portfolio, advancing inclusive finance, rural livelihoods, and sustainable economic transformation.

Segment	2025 Shs 000	2024 Shs 000	% Change	Outcomes
Agribusiness	550,000	466,377	18	Directly supported 58,519 smallholder farmers, with 14,080 supported despite inadequate collateral challenges.
Microfinance	586,339	586,204	0.02	Reached 122,833 clients through various products, demonstrating the segment's capacity to serve the mass market. Of these, 29,633 were digital loans.
SME	432,821	423,890	2.1	Served 89,893 cumulative clients, with the VSLA segment alone reaching 71,741 members and SACCOs growing to 17,409 clients.







Capacity building and financial literacy

Capacity building and financial literacy remained central to the mission critical agenda in 2025.

15 trainings across **12 districts**	**2,773 participants** (41% women, 25% youth)
Engaged **679 entrepreneurs**	**541 SACCO** and VSLA sessions conducted for **14,721** participants

Key successes and strategic initiatives

Partnerships led to reduced SACCO lending rates (15% → 13%)

The year delivered strong strategic impact. The DREAMS and GOAL projects supported 166 groups and 2,652 beneficiaries in refugee and host communities. Microfinance innovations included the Kwata Sente initiative for unbanked clients and an Ebike financing partnership promoting clean mobility, alongside targeted mobilisation for women and youth through Grow, Supawoman, Cente Youth, and NYVCF loans.

Green and climate smart financing accelerated, with 1,904 green loans disbursed across solar, clean energy, water, sanitation, and irrigation solutions, complemented by the planting of over 78,000 trees. Product enhancements included a new SACCO loan product, reduced SACCO lending rates (15% → 13%), and a charge free tiered interest bearing account to boost deposits. The Bank was also named Business Community Banking Institution of the Year for the third consecutive year.

Looking ahead to 2026, the Division will scale climate smart and green financing, strengthen digital credit ecosystems, develop more competitive SME products, deepen value chain partnerships, expand outreach to women and youth, and enhance impact measurement to better demonstrate social and economic value.

Women, youth and diaspora

The Bank sustained strong momentum in advancing financial inclusion for women, youth, refugees, and the diaspora communities, segments that are central to the Bank's missioncritical agenda.



Women Entreprenuers trained in Financial Literacy in Alebtong District.

11,959 women, 10,000 youth and **1,500+ refugees** empowered.

118,766 loans disbursed to women entrepreneurs (38.8% of all borrowers).

100+ refugee led businesses.

118,000 previously excluded women now included.

87 women employed as local agents.

63 financial literacy sessions conducted, reaching **97,300 participants.**



Photography and Videography Skilling Class for Adolescent Girls and Young Women.

Strong Growth Across Priority Segments

- Women: Accounts grew from 903,124 to 1,334,627, now representing 43% of all deposit accounts. Growth stabilised in 2025 as financial literacy deepened account quality and engagement.
- Youth: Accounts increased from 720,313 to 1,023,058, with the highest growth between 2022–2024. A slight 2025 dip signals the need for stronger retention strategies.
- Refugees: Accounts rose steadily from 8,837 to 12,620, reflecting consistent inclusion progress supported by tailored products and agent banking expansion.
- Diaspora: Accounts grew from 2,917 to 5,410, demonstrating loyalty, relevance of digital onboarding, and rising engagement through webinars, events, and media outreach.

Key Drivers of Growth

- Extensive financial literacy, product sensitisation, and community outreach.
- A strong agentbanking network, including a 17% expansion in refugee settlements.
- Tailored products such as Refugee Savings Accounts, GROW loans, Supawoman, and youth focused offerings.
- Digital adoption through CenteMobile, simplified KYC, and flexible lending models.

GROW Project Achievements

- 1,300 low cost loans worth Shs 29B disbursed at 10% p.a.
- Reached hard to access districts with no branch presence.
- Supported 40+ women to formalise their businesses.
- Strengthened visibility through 16 networking and media events.
- Improved household welfare, food security, and business stability.
- Enhanced collaboration with District Local Governments.
- Delivered indirect benefits including GBV reduction, environmental awareness, and stronger community cohesion.

Partnerships Strengthening Inclusion

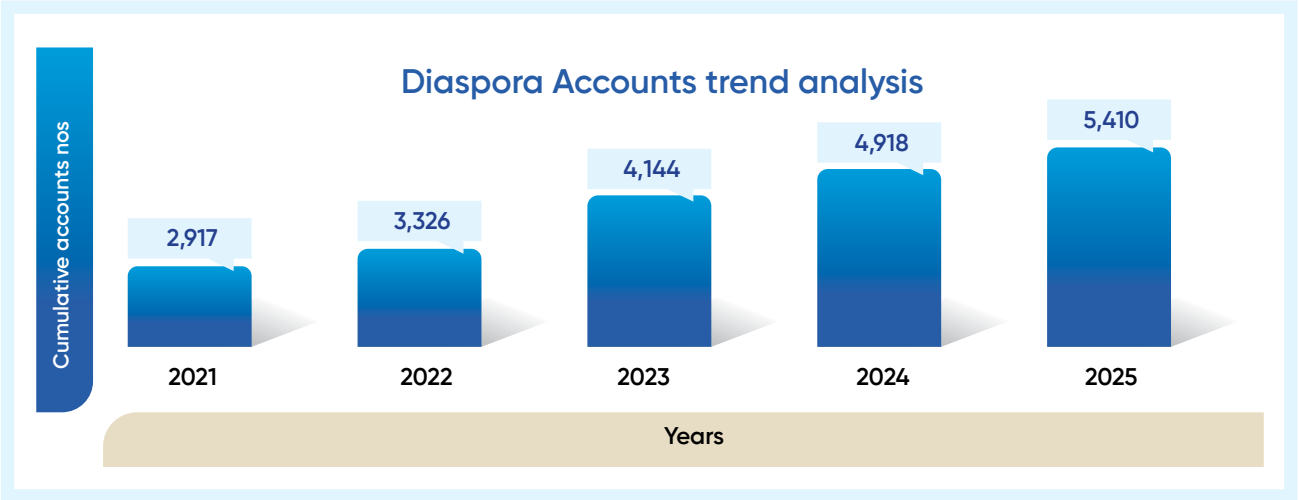
Collaborations with UNHCR, UNDP, IRC, GOU, PSFU/GROW, FIDA Uganda, and faithn based institutions expanded reach, technical support, and product innovation.

Diaspora banking

The diaspora accounts portfolio continues to demonstrate strong performance, with cumulative accounts rising steadily from 2,917 in 2021 to 5,410 in 2025, reflecting sustained retention and growth within the existing customer base.

Engagements

- Multiple webinars, radio interviews, media sensitisation, and skilling events strengthened trust and awareness.
- Digital onboarding reduced paperwork and improved convenience.
- Opportunities emerging from fintech remittance partners.
- Challenges remain around ID verification and dual citizenship perceptions.



Looking ahead to 2026 and Beyond

- Impact 30,000+ women, youth, and refugees through literacy and skilling.
- Expand partnerships, including UN Women, NGOs, and academic institutions.
- Scale digital financial services (ewallets, self service tools).
- Strengthen segmented financing for refugee led MSMEs.
- Deepen funding partnerships (e.g., ABI Trust).
- Broaden diaspora engagement through global events, digital campaigns, and enhanced remittance partnerships.
- Launch improved digital platforms and customised diaspora mortgage products.

Centenary Bank Uganda 2026 Outlook

The Bank enters 2026 with strong momentum and a clear strategic agenda. Key priorities include:

- Balance sheet optimisation and disciplined cost management.
- Strengthening system stability, cybersecurity, and digital channel reliability.
- Scaling mission critical portfolios, especially microfinance, SME, and agriculture.
- Expanding outreach, including three new rural branches, 14 ATM recyclers, 11 cash deposit machines, and growth in active digital users.
- Advancing sustainability, including solarising more branches, expanding green finance, and maturing IFRS S1/S2 reporting.
- Deepening staff engagement and culture transformation to drive productivity and service excellence.
- Enhancing customer experience, with a focus on reducing service downtime and improving CSI scores.

Centenary Bank remains well positioned to deliver sustainable growth, deepen financial inclusion, and create long-term value for all stakeholders.



Centenary Bank Limited in Malawi

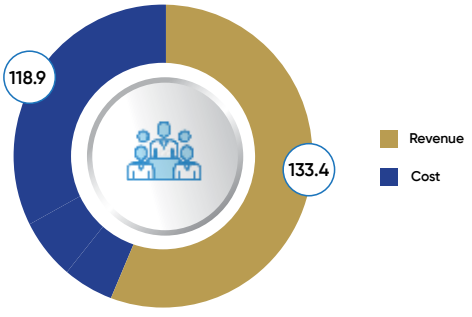
2025 Performance highlights

Centenary Bank Limited in Malawi is a fast growing, mission driven commercial bank within Centenary Group, committed to transforming lives through inclusive, convenient, and sustainable financial solutions. The Bank's mandate is anchored in expanding access to finance for underserved communities, deepening rural outreach, and supporting Malawi's productive sectors particularly microfinance, agriculture, SMEs, and community based enterprises.

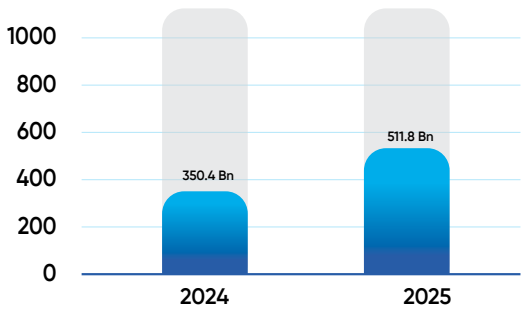
2025

Customers and reach	Customer interactions with our banking services
143,792+ customers served across Malawi.	CenteFees launched in partnership with Airtel Money, enabling digital school fee payments.
16 branches across key commercial and peri urban centres.	PayChangu integration enabled instant online payments via bank to bank transfers.
Over 500 Banki Pakwathu agents nationwide.	Agency banking continued to expand, improving convenience and reducing cost to serve.
MK 5.1 Billion Net Profit After Tax	Customer Service Week and branch level engagements strengthened service culture and responsiveness.
8.0% Non-Performing Loan (NPL) ratio	

Revenue to Cost Shs billion



Total assets Shs billion





Centenary Bank in Malawi staff event.

Key Financial highlights (Uganda shillings equivalent before hyper inflation adjustment)

Total Revenue — 52.0%

2025	2024
Shs 133.4 Billion	Shs 87.8 Billion

Credit Loss Ratio — 22.0%

2025	2024
8.0%	30.0%

Profit After Tax — 156.9%

2025	2024
Shs 10.6 Billion	Shs 4.3 Billion

Cost to Income Ratio — 3.2%

2025	2024
92.0%	95.0%

Deposits — 52.9%

2025	2024
Shs 433.1 Billion	Shs 283.3 Billion

Core Capital Ratio — 3.2%

2025	2024
18.9%	15.7%

Total Cost — 40.4%

2025	2024
Shs 118.9 Billion	Shs 84.7 Billion

Total Assets — 44.0%

2025	2024
Shs 507.0 Billion	Shs 352.1 Billion

Net Loans and Advances — -4.2%

2025	2024
Shs 117.3 Billion	Shs 122.5 Billion

Investments in Government Securities — 127.4%

2025	2024
Shs 291.6 Billion	Shs 128.2 Billion

BOARD CHAIRMAN'S STATEMENT

GRI (2-22)

Centenary Bank Limited in Malawi



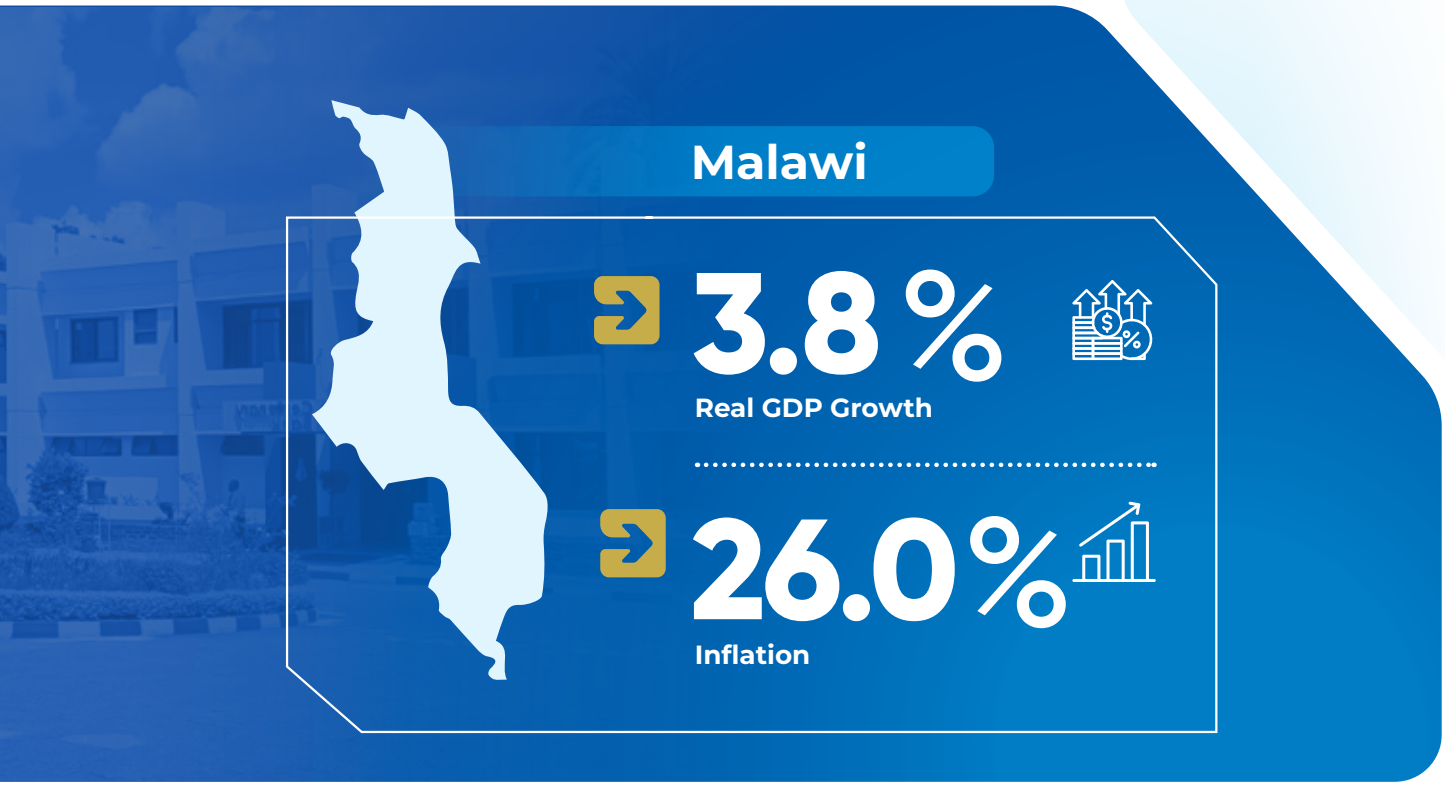
Dr. Francis Pelekamoyo
Chairman of the Board
Centenary Bank Limited in Malawi

Dear Shareholders, Regulators, Customers, and Partners, the strength of a financial institution lies not only in its financial performance, but in the discipline, governance, and integrity that sustain it over time.

In 2025, Centenary Bank Limited delivered measurable progress in restoring stability, strengthening resilience, and positioning the Bank for long-term growth. Guided by disciplined oversight and close collaboration with Management, the Board ensured rigorous execution of the recovery strategy, reinforced governance structures, enhanced risk management frameworks, and embedded prudent cost control across the institution.

These results reflect our disciplined execution and a strengthened balance sheet. What distinguishes this year is not only improved performance but renewed institutional maturity.

Beyond financial metrics, we deepened leadership capacity, strengthened internal controls, embedded our Culture Code, and enhanced coordination within the Centenary Group. Governance, accountability, and risk discipline are now more firmly institutionalized.



Following the recovery phase, the Board has approved a five-year strategic plan (2026–2030) that transitions the Bank from stabilisation to responsible expansion and long-term value creation. Our strategy is anchored on five integrated pillars:

Digitalisation, Innovation and Use of Data

Modernize core systems, expand digital channels, strengthen analytics capabilities, and enhance data governance to support smarter decision-making, improved risk management, and superior service delivery.

Governance, Controls, Procedures and Security

Maintain strong capital and liquidity buffers, elevate compliance standards, enhance cybersecurity resilience, and continuously strengthen internal control frameworks.



Centenary Bank in Malawi Board Chairman presents cheque to newly installed Bishop..

Environmental, Social, and Governance (ESG) principles are embedded across all five pillars, ensuring that growth is responsible, ethical, and aligned with Malawi's national development priorities and long-term vision. Our mission remains closely aligned with the country's long-term aspirations, reinforcing our role as a partner in national transformation.

We remain deeply grateful for the continued support and stewardship of our shareholders the Centenary Group and the Archdiocese of Lilongwe – whose values of integrity, service, and social impact continue to shape the Bank's direction.

The Board remains vigilant in its oversight responsibilities. Sustainable banking requires continuous improvement in credit portfolio quality, customer protection, regulatory compliance, capital resilience, operational security, and ethical conduct. These will remain central to our governance agenda.

On behalf of the Board, I extend sincere appreciation to the Managing Director, the Management team, and all staff for their professionalism and resilience throughout the year. I also thank our regulators, customers, partners, and communities for their continued trust.

The recovery phase has strengthened our foundation. The next five years will define our trajectory and deepen our impact.

We move forward with disciplined ambition, clear strategic priorities, and unwavering commitment to transforming lives through responsible and inclusive banking.

Dr. Francis Pelekamoyo
Chairman of the Board
Centenary Bank Limited in Malawi

Centenary Bank

A member of Centenary Group



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Centenary Bank is regulated by the Registrar of financial services. Deposits are protected by the Deposit Insurance Corporation.

Message from the Managing Director

Centenary Bank Limited in Malawi



Godfrey Byekwaso
Managing Director

Dear Shareholders, Board Members, Customers, Partners, and Colleagues. Every year tells a story. In times of uncertainty, institutions either retreat or rise.

For Centenary Bank Limited in Malawi, 2025 marks the year we chose disciplined progress over hesitation, execution over intention, and long-term value over short-term comfort.

Following a challenging period across 2023 and parts of 2024, we entered 2025 with clarity of purpose. We recommitted to the fundamentals that define resilient banks: sound governance, disciplined credit management, cost efficiency, customer-centric innovation, and a performance-driven culture. That reset has reshaped our trajectory.

Our financial results demonstrate tangible progress. Customer deposits increased from MK 135 billion to MK 209.6 billion. Total assets increased from MK 168 billion to MK 245 billion. Profit after tax grew from MK 1.9 billion to MK 5.1 billion. Our cost-to-income ratio improved from 95% to 92%.

Beyond the numbers, these outcomes reflect restored stakeholder confidence, improved liquidity positioning, strengthened balance sheet resilience, and tighter operational discipline. During the year, we enhanced credit oversight, reinforced portfolio monitoring, and sharpened risk governance structures to ensure growth remains responsible and sustainable. Our focus remains clear: growth with quality, profitability with prudence, and expansion with control.

The year was not only about improved performance; it was also about institutional strengthening. We launched our

Key Metric	2024 Results		2025 Results	
	MK	Shs	MK	Shs
Profit After Tax (PAT)	1.9 Bn	4.1 Bn	5.1 Bn	10.6 Bn
Customer Deposits	135.2 Bn	283.3 Bn	209.6 Bn	433.1 Bn
Total Assets	168.1 Bn	352.1 Bn	245.5 Bn	507.0 Bn
Cost-to-Income Ratio (CTI)	95%		92%	

> Internally, we invested in leadership depth, succession planning, and capability development to ensure that growth is supported by strong institutional capacity.

Culture Code, clearly articulating the values and behaviors that define how we serve, lead, and deliver results. Culture is not a slogan; it is a competitive advantage.

We accelerated digital transformation through innovations such as Cente Fees and our Pay Changu partnership, enhancing convenience for customers while advancing financial inclusion. Agency banking expansion further deepened our reach, bringing accessible banking services closer to undeserved communities.



Banki Pakwathu Agents with Centenary Bank staff after the training session

Our commitment to sustainability advanced meaningfully. Through environmental initiatives, including the planting of over 5,000 trees, we reinforced our responsibility to operate with long-term societal impact in mind.

Internally, we invested in leadership depth, succession planning, and capability development to ensure that growth is supported by strong institutional capacity. Collaboration with our sister bank in Uganda and the wider Centenary Group strengthened knowledge sharing, risk alignment, and strategic coordination across the region. During the year, our brand and institutional credibility continued to strengthen. We were recognized among Malawi's leading brands at the Super brands Awards organized by the Institute of Marketing Malawi, reflecting growing public trust in our franchise. Our teams also demonstrated regional competitiveness at the Battle of the Banks Africa Finals, reinforcing that our standards are aligned with continental benchmarks. Several of our colleagues assumed leadership roles in national and industry professional bodies, affirming the increasing influence of our institution within the financial ecosystem. While progress has been significant, we remain focused on areas requiring sustained attention. Improving customer experience consistency, strengthening loan portfolio quality, deepening digital adoption, and reinforcing credit discipline remain strategic priorities.



Centenary Bank in Malawi MD delivers keynote address.



Centenary Bank MD Godfrey Byekwaso and PayChangu MD Morgan Tembo exchange the signed partnership papers.



We are embedding stronger data-driven decision-making, refining risk-adjusted performance measurement, and enhancing service delivery standards to ensure that growth translates into enduring value.

Our ambition is not simply to grow bigger. It is to grow stronger, smarter, and more resilient. In 2026, we will deepen our mission critical portfolio through responsible agriculture, microfinance and SME market penetration, further improve asset quality and credit governance, accelerate digital adoption and process automation, continue driving cost efficiency toward sustainable targets, and strengthen capital and liquidity buffers to support prudent expansion.

With the continued guidance of the Board, the support of the shareholder (Centenary Group and the Archdiocese of Lilongwe) and the Reserve Bank of Malawi, we are building an institution grounded in integrity, disciplined execution, and long-term impact.

2025 laid a solid foundation.
2026 will accelerate the momentum.
Together, we rise.

Regards,

Godfrey Byekwaso
Managing Director

Who leads Us

Centenary Bank Limited in Malawi



Mr. Godfrey Byekwaso
Managing Director

Tenure in EXCO: 3 Years

- MBA & BCom (Makerere University)
- FCCA
- Member of ICPAU
- Leadership programs (Strathmore University Business School)



Ms. Beatrix Mosiwa
Deputy Managing Director

Tenure in EXCO: 3 months

- Master of Business Administration
- Fellow, Association of Chartered Certified Accountants (FCCA)
- Fellow, Institute of Bankers in Malawi
- Member, Institute of Chartered Accountants in Malawi (ICAM)
- Chevening Scholar (Alumna)



Mr. Jim Kalua
Head of Treasury

Tenure in EXCO: 1 Year

- MBA (Guglielmo Marconi University, Italy),
- Global Business Management PG Diploma (GMU),
- ACCA Part II,
- PAEC Diploma, Certified Treasurer (ACI),
- Pursuing Doctor of Business Administration & second Master's



Mr. Hilarious Nampota
Chief Finance Officer

Tenure in EXCO: 1 Year

- Master of Business Administration
- Postgraduate Certificate in Management
- Chartered Accountant (FCCA)
- Member, Institute of Chartered Accountants in Malawi (ICAM)
- Member, Malawi Accountants Board



Mr. Blazius Kwakwala
Head of HR & Admin

Tenure in EXCO: 1 Year

- Master of Finance and Banking
- Master of Human Resources Management
- Bachelor of Arts in Public Administration



Mr. Joseph Kandeya
Company Secretary

Tenure in EXCO: 1 Year

- Bachelor of Laws (LLB Hons)
- Bachelor of Education
- Currently pursuing Master of Laws (LLM)



Mr. Damiano Bindili Kamanga
Head of ICT

Tenure in EXCO: 6 months

- Master of Business Administration
- Master of Engineering in Telecommunications
- Bachelor of Science in Electrical Engineering



Mr. Stephen Mangwaya
Head of Partnerships &
Strategy

Tenure in EXCO: 1 Year

- MSc in Banking Practice & Management (London Institute of Banking & Finance)
- BSc (Hons) (LIBF), Higher Diploma in Financial Markets & Management (University of Kent)
- Chartered Fellow (LIBF)

Who leads Us

Centenary Bank Limited in Malawi



Ms. Chifundo Ngoma
Head of Operations

Tenure in EXCO: 1 Year

- Master of Commerce in Development Finance
- Master of Business Administration
- Bachelor of Accountancy
- Chartered Certified Accountant (ACCA)
- Member, Institute of Chartered Accountants in Malawi (ICAM)



Mr. Lawrence Chinjala
Head of Risk

Tenure in EXCO: 1 Year

- Master of Quantitative Finance
- Bachelor of Business Administration
- Certified Risk Management Professional (CERM)
- Certified Financial Markets Dealer (ACI FMA)



Mr. Felix Chitera
Head of Alternate Channels

Tenure in EXCO: 1 Year

- Master of Commerce in Development Finance
- Master of Business Administration
- Bachelor of Accountancy
- Chartered Certified Accountant (ACCA)
- Member, Institute of Chartered Accountants in Malawi (ICAM)



Ms. Metrina Lapukeni
Head of Compliance

Tenure in EXCO: 1 Year

- BBA (University of Malawi),
- Pursuing MBA (University of South Wales)



Mr. Mayamiko Kalizang'oma
Head of Retail & SME Banking

Tenure in EXCO: 1 Year

- Master of Business Administration
- Bachelor of Commerce (Marketing & Business Management)



Ms. Ndindase Mhango
Head of Credit

Tenure in EXCO: 7 Months

- Bachelor of Commerce (Banking & Finance) – MUBAS
- Currently pursuing Master in Business Leadership – MUST



Mr. Tasokwa Mchawe
Head of Corporate & Investment Banking

Tenure in EXCO: 1 Year

- Bachelor's Degree in Finance & Investment Analysis
- Associate, Institute of Bankers in South Africa (CAIB SA)



Mr. Zeyn Ali
Head of Micro-Finance

Tenure in EXCO: 1 Year

- Bachelor of Technology in Strategic & Financial Management
- National Diploma
- Currently pursuing MBA in Finance

Centenary Bank

A member of Centenary Group

TEAM CENTENARY

STARTING 11 FOR 2026



1. Linga Savings Account (GK)
2. Motor Vehicle Insurance (DF)
3. Health Insurance (DF)
4. Tsogolo Savings Plan (DF)
5. Mlera Life Cover (DF)
6. Banki Pakwathu (MF)
7. CenteMobileMw App (MF)
11. USSD *632# (MF)
8. CenteFees (FW)
9. PayChangu (FW)
10. Debit Card (FW)

#SIZONIYANU

www.centenarybank.co.mw | info@centenarybank.co.mw | Call 358 toll free

Centenary Bank is regulated by the Registrar of financial services. Deposits are protected by the Deposit Insurance Corporation.



Centenary Bank in Malawi EXCO

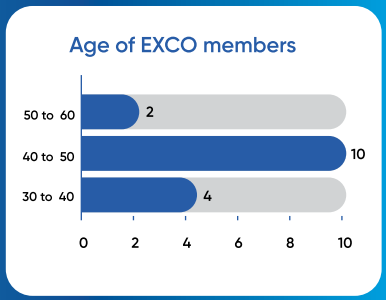
Diversity and gender

We prioritize diversity at the Executive level, with a focus on promoting female representation. As of December 31, 2025, the demographics of our Executive Committee (EXCO) were as follows.

12 **4**

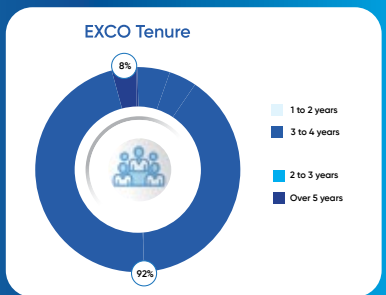
Diversity of age

Our executive team consists of vibrant and dynamic individuals that are diversified by age as follows.



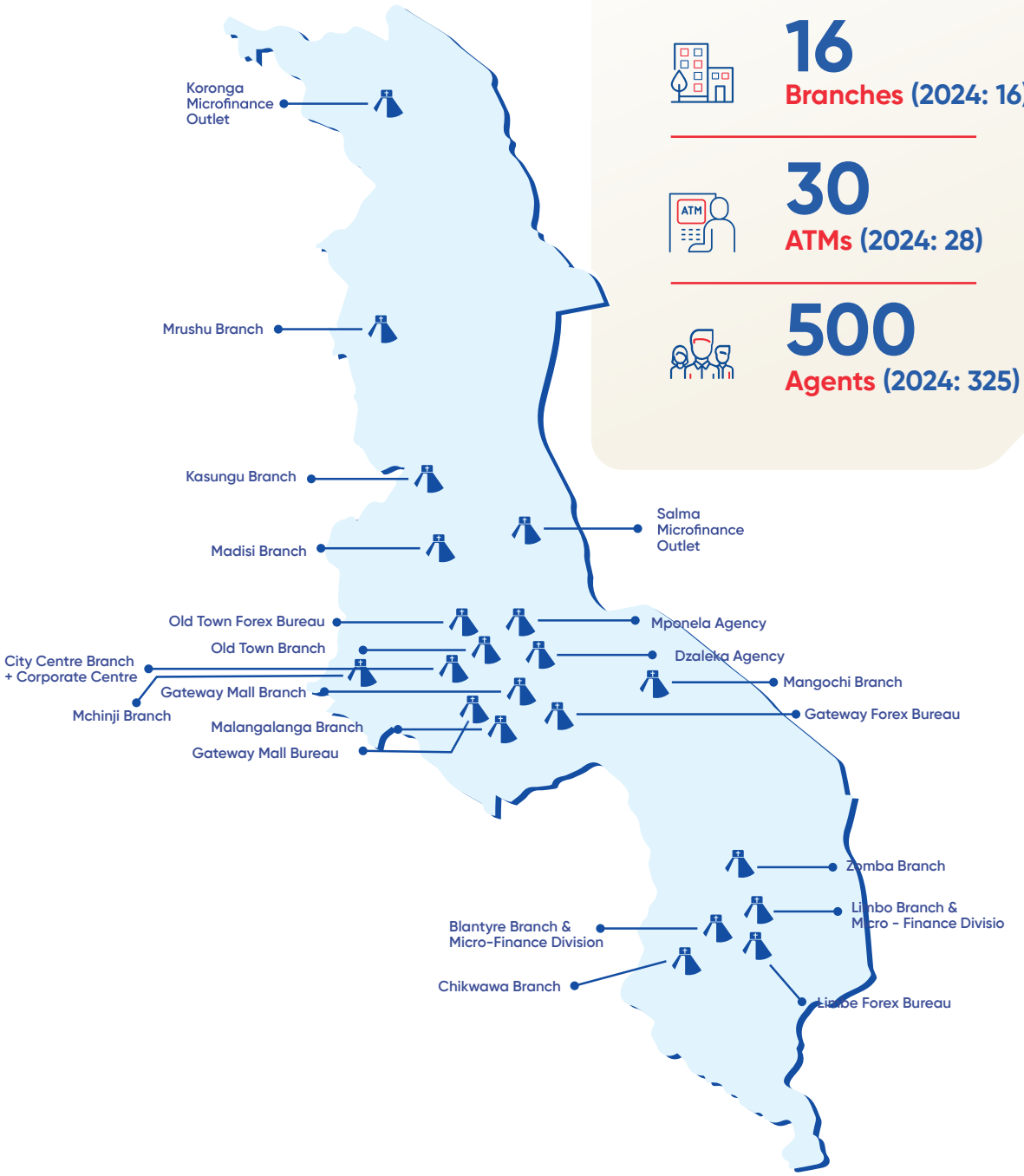
Tenure on the EXCO

We ensure stability at the Executive level by continuously attracting and retaining top talent from the financial services industry. With the addition of new EXCO members to strengthen our team, we are well-positioned to drive success. As of December 31, 2025, the tenure of our EXCO members was as follows.



Where we Operate

The Bank's distribution network comprises 16 branches, 3 forex bureaus, and microfinance service outlets embedded within the branch network, in addition to 2 standalone microfinance outlets in Salima and Karonga.



16
Branches (2024: 16)

30
ATMs (2024: 28)

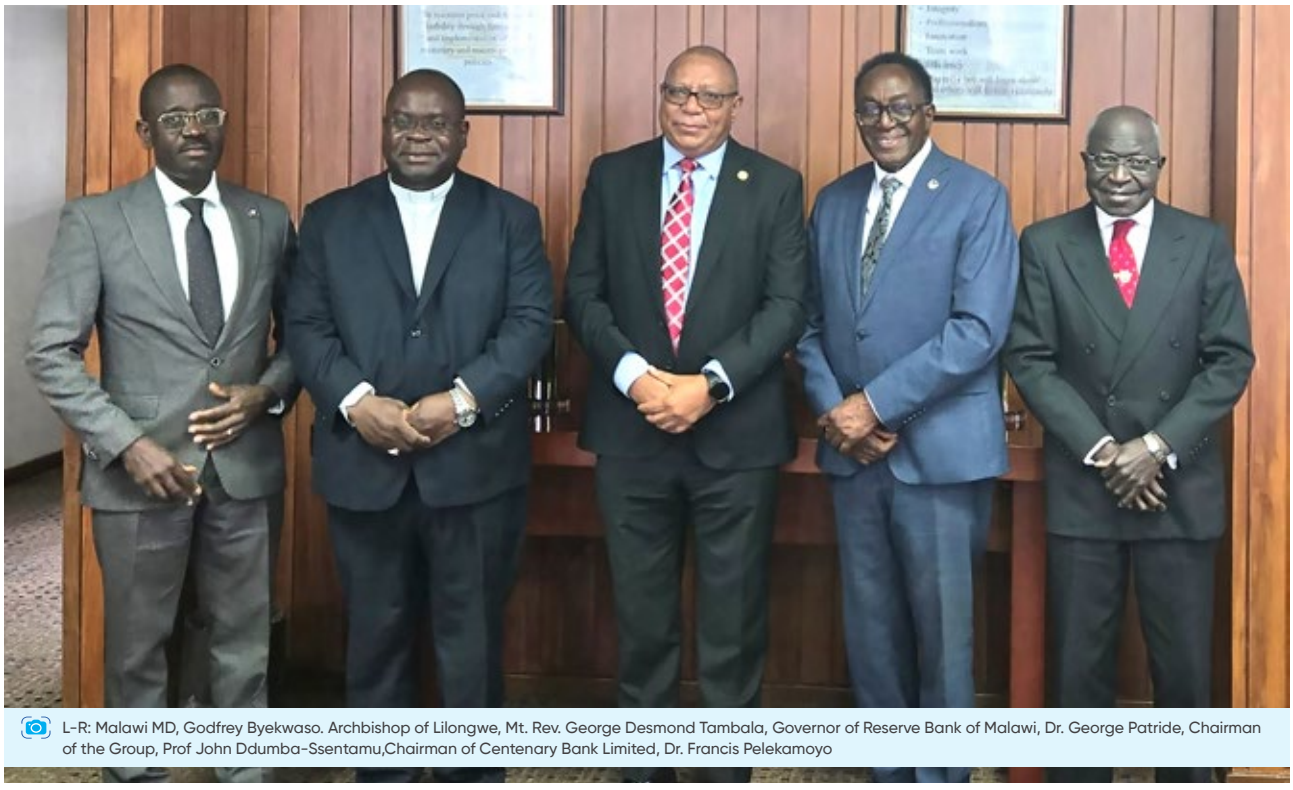
500
Agents (2024: 325)

Operating environment and strategic response

Malawi's operating environment in 2025 remained challenging, shaped by persistent macroeconomic volatility, elevated inflation, tight foreign exchange conditions, and weather related shocks affecting agricultural output. GDP growth remained subdued, with forecasts ranging between 1.6% and 4.3%, driven largely by expectations of improved weather patterns and a modest agricultural rebound. Inflation averaged 28.3%, reflecting continued food price pressures and currency weakness following the 2024 depreciation of the Kwacha and constrained donor inflows, including the freeze of USD 284.7 million in U.S. foreign assistance. The monetary policy stance remained tight, with the policy rate at 26% and liquidity conditions influenced by heavy government domestic borrowing ahead of the 2025 elections. FX shortages persisted, constraining trade finance flows and heightening liquidity and market risk pressures across the sector.

The Bank responded with disciplined execution through effective governance, risk discipline, and operational efficiency. Key actions included:

Area	Response
Strengthening credit oversight	We bolstered credit oversight through effective portfolio monitoring, reducing the NPL ratio from 30% to 8% and restoring asset quality to within Group tolerance levels.
Management of capital and liquidity	Maintained strong capital and liquidity buffers, with CAR at 18.7% and liquidity above prudent thresholds.
Sound risk governance	Enhanced risk governance through tighter controls, improved KRI monitoring, and strengthened cyber and fraud risk management in line with the Bank's ERM framework.
Accelerated digital transformation	Accelerating digital transformation through CenteFees, PayChangu integration, and agency banking expansion to deepen financial inclusion and we reduce cost to serve.
Culture transformation	Reinforcing culture, leadership, and staff capability through the launch of the Culture Code and establishment of the Bank's first Training Centre.



L-R: Malawi MD, Godfrey Byekwaso. Archbishop of Lilongwe, Mt. Rev. George Desmond Tambala, Governor of Reserve Bank of Malawi, Dr. George Patride, Chairman of the Group, Prof John Ddumba-Ssentamu,Chairman of Centenary Bank Limited, Dr. Francis Pelekamoyo



Centenary Bank in Malawi MD and Airtel Malawi MD launch partnership.

Strategic Priorities and Performance for 2025

Our group strategy is anchored on six pillars (refer to group strategy on pages 76 to 85). In 2025 performance against these pillars is summarised below.

Contribution towards group strategic priorities

Pillar	Response
Environment & Social Stewardship	» Planted 5,000+ trees across Lilongwe and Blantyre, reinforcing climate stewardship and community engagement. » Supported Likuni Mission Hospital with cervical cancer screening, dental care, eye tests, and NCD management. » Delivered food relief to hunger affected families in Dowa and festive season support to prisons in Lilongwe, Mzuzu, and Zomba. » Strengthened financial inclusion through school engagements (#60MinutesWithABanker), rural outreach, and agency banking expansion. » Embedded ESG thinking across operations, including environmental initiatives and community partnerships.
Innovation	» Launched CenteFees, enabling digital school fee payments via Airtel Money. » Introduced PayChangu integration, enabling instant online payments via bank to bank transfers. » Expanded agency banking to 500 agents, deepening reach and improving convenience. » Strengthened digital ecosystem management through structured collaboration with Centenary Bank Uganda. » Increased mobile and online banking adoption through targeted onboarding and customer education.
Governance & Management	» Reduced NPL ratio from 30% to 8%, reflecting strengthened credit governance. » Maintained CAR at 18.7%, above regulatory requirements. » Improved cost to income ratio from 95% to 92% through disciplined cost control. » Enhanced ERM practices, including KRIs, stress testing, and scenario analysis. » Embedded the Culture Code, reinforcing accountability, ethics, and performance. » Strengthened internal controls and exited staff involved in misconduct or fraud.
Diversification & Expansion	» Customer deposits grew from MK 135 Billion to MK 209 Billion (Shs 283.3 Billion → Shs 433.1 Billion). » Total assets increased to MK 245.5 Billion (Shs 507 Billion). » Deepened SME, micro-finance, and agriculture lending supported by improved credit oversight. » Strengthened cross border collaboration with Centenary Bank Uganda across credit, risk, operations, and digital innovation.
Resource Mobilisation	» Improved liquidity positioning through disciplined treasury management. » Benefited from high yielding government securities amid elevated domestic borrowing. » Strengthened capital buffers to support prudent expansion. » Migrated the Staff Provident Fund to a stand alone restricted fund, improving staff financial security.
Partnerships	» Supported national development platforms including: • SACCO Lakeshore Conference • ARMA Conference • MCCCI Business Leaders' Summit » Deepened partnerships with the Catholic Church through community events, diocesan engagements, and the Tiwale Limodzi Foundation.

Performance Against Key Focus Areas

The Bank's performance against its 6 strategic focus areas is summarised below.

Strategic Priority	2025 score	Key Achievements	Opportunities for Improvement
Environmental & Social Impact	**89%**	» Planted 5,000+ trees across Lilongwe and Blantyre. » Supported Likuni Mission Hospital with cervical cancer screening, dental care, eye tests, and NCD management. » Delivered food relief to hunger affected families in Dowa and festive season support to prisons. » Strengthened financial inclusion through youth and school engagements (#60Minutes WithABanker).	» Expand structured CSR programmes with measurable KPIs. » Strengthen climate risk integration and environmental reporting. » Increase scale and consistency of ESG initiatives.
Business Growth & Financial Impact	**92%**	» PAT increased from MK 1.92 Billion to MK 5.1 Billion. » Deposits grew from MK 135.2 Billion to MK 209.7 Billion. » Total assets increased to MK 245.5 Billion. » NPL ratio reduced from 30% to 8%. » Cost to income ratio improved from 95% to 92%.	» Loan book growth below potential due to risk tightening. » CASA ratio requires improvement. » Further diversification of earning assets needed.
Customer Experience	**85%**	» Expanded Banki Pakwathu network to 500 agents. » Strengthened customer engagement through Customer Service Week. » Ranked Second Best Microfinance Institution at the Super brands Awards.	» Improve service consistency across branches and agents. » Reduce turnaround times for key customer journeys. » Strengthen customer feedback analytics.
Governance, Controls & Security	**94%**	» Strengthened ERM, KRIs, stress testing, and scenario analysis. » Maintained CAR at 18.7% and strong liquidity buffers. » Embedded Culture Code and strengthened internal controls. » Exited staff involved in misconduct and fraud.	» Internal audit rating below target; requires deeper remediation. » Strengthen cybersecurity resilience.
Digitalisation, Innovation & Data Use	**82%**	» Launched CenteFees and PayChangu integration. » Increased digital adoption through customer education. » Strengthened digital ecosystem management via collaboration with Centenary Bank Uganda.	» Budget constraints delayed some ICT projects. » Need to accelerate automation and data driven decision making. » Improve system reliability and user experience.
Capacity Building & Culture	**78%**	» Established the first Training Centre for in house capability development. » Launched the Culture Code. » Strengthened cross border learning with Centenary Bank Uganda.	» Staff satisfaction at 59.03% and NPS at –23 require deeper engagement. » Succession planning and leadership pipeline need strengthening. » Staff to income ratio remains above optimal levels.

Operating Segment performance

Transforming lives through credit

In 2025, our lending activity continued to reflect the Group's mission of transforming lives through accessible and inclusive finance. We disbursed MK 29.36 billion (Shs 60.97 billion) across 13,401 loans, supporting households, small businesses, and public sector partners across Malawi. Where our lending made the most impact;

Government payroll lending

MK 14.24 billion (Shs 29.56 billion);

11,671 loans Strengthening public sector liquidity and service delivery.

SMEs

MK 7.85 billion (Shs 16.31 billion);

180 loans Enabling business growth, jobs, and value chain activity.

Consumer loans

MK 2.58 billion (Shs 5.36 billion);

443 loans Helping households manage essential needs and build resilience.

Staff loans

MK 2.58 billion (Shs 5.35 billion);

630 loans Supporting employee welfare and productivity.

Group loans

MK 1.40 billion (Shs 2.90 billion);

381 loans Expanding access for women, youth, and informal sector entrepreneurs.

MFI Loans

MK 675 Million (Shs 1.3 billion)

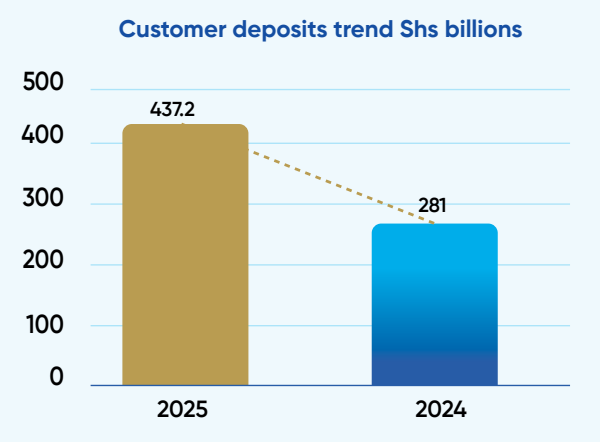
to **87 businesses** expanding access to capital.

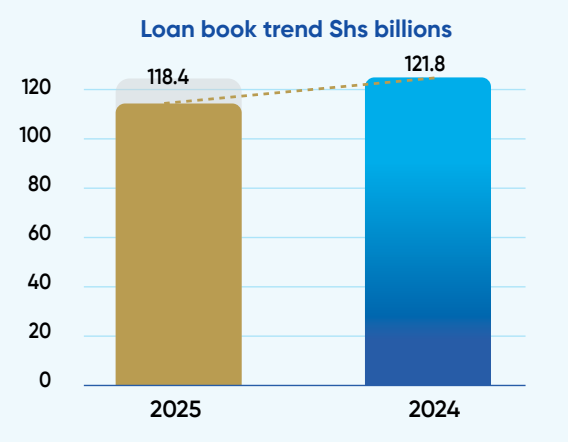
Loan Product	Total Disbursement (MK)	Total Disbursement (Shs)	Number of loans
Government payroll	14,236,814,340	29,564,168,659	11,671
Group loans	1,397,066,214	2,901,147,700	381
Staff loans	2,575,936,277	5,349,189,273	630
Consumer Loans	2,581,653,385	5,361,061,419	443
SME	7,851,803,896	16,305,055,970	180
MFI Business loans	675,315,000	1,402,359,129	87
Group Agriculture and Micro credit	43,320,500	89,959,350	9
	29,361,909,612	60,972,941,500	13,401

Operating Segment performance

Retail and SME banking

Retail and SME Banking were central to the Bank's recovery, contributing to deposit growth, customer acquisition, and improved liquidity. Customer deposits increased reflecting renewed confidence and stronger engagement across branches and agency banking. Retail and SME customers also supported the expansion of the loan book, which grew in 2025, driven by improved credit discipline and strengthened monitoring. Customer experience initiatives, including Customer Service Week and expanded outreach, reinforced the Bank's commitment to accessible and responsive service.





Corporate and institutional banking

Corporate and institutional clients played a key role in strengthening the Bank's balance sheet and supporting asset growth. Total assets driven in part by corporate deposits and trade related activity. Despite persistent foreign exchange shortages affecting the wider sector, the Bank maintained stable corporate relationships and supported institutional clients through improved liquidity management and targeted engagements such as business forums and customer appreciation events.



Centenary Bank in Malawi supporting business growth through partnership.

Microfinance

Microfinance remained a mission critical segment, aligned with the Bank's purpose of transforming lives through inclusive finance. Strengthened credit oversight and disciplined lending practices contributed to a dramatic improvement in asset quality, with the non-performing loan ratio reducing from 30% to 8%. Microfinance lending supported rural households, youth, and micro entrepreneurs, while financial literacy initiatives expanded access and improved repayment behavior.

Digital banking and customer service

Digital adoption continued to accelerate in 2025 as more customers shifted to convenient, low cost channels. Mobile and internet banking usage increased, agent banking expanded significantly, and card adoption strengthened across the network. These gains were supported by a renewed customer service agenda focused on accessibility, faster resolution, and proactive engagement across branches and digital touchpoints.



Growth in Digital Banking uptake and Customer service agenda

Channel	2023	2024	2025	Growth %
Mobile Banking	91,656	134,152	110,314	(18%)
Internet Banking	5,330	6,317	7,801	23%
Agent Banking	280 agents	323 agents	500 agents	55%
Cardholders	19,755	32,131	42,623	33%

Looking ahead

The Bank enters 2026 with renewed momentum and a strengthened foundation.

Key priorities include:

- Deepening responsible lending to agriculture, SMEs, and microfinance.
- Further improving asset quality through enhanced credit analytics.
- Accelerating digital adoption and automation.
- Strengthening capital and liquidity buffers.
- Advancing ESG commitments, including climate risk integration.
- Embedding culture, leadership development, and succession planning.

Our Products GRI (2-6)

Deposit accounts

Cente Ordinary Savings Account

- Cente Junior Account
- Cente Volution Account
- Cente Supawoman Account
- CenteXpress Account
- Smart Life Account
- Cente Diaspora Account
- Cente Refugee Individual Savings Account
- SAGE Account
- CenteSmart Life Account for Armed Forces
- CenteSmart Life Account for Public Service
- Cente Fixed Deposit Account
- Cente Plus Account
- CenteForeign Fixed Deposit Account
- SME Accounts
- SME Group Accounts
- SME Corporate Accounts
- Corporate Accounts
- CenteNGO Account (Current & Savings)

Loans and advances

Cente Loan Products

- CenteAgric Loan
- CenteLand Loan
- CenteEducation Loan
- CenteHousing Loan
- CenteBusiness Loan
- CenteSACCO Loan
- CenteSalary Loan
- CenteAsset Financing

Trade Finance

Bank Gaurantees

- Shipment Finance
- Local Purchase Order (LPO) Finance
- Commodity Finance
- Documentary Collections
- Structured Trade Finance
- Letters of Credit
- Invoice Discouting

Cards and payments

CenteVisa Debit Card

- CenteVisa Prepaid Card
- Mastercard Platinum Debit Card

Mobile Banking

CenteMobile Banking

- CenteOnline Banking
- WhatsApp Banking
- Agent Banking

Community Development

Centenary Foundation Initiatives

Property Management

Centenary Property Development & Management

Centenary Technology Services (Cente-Tech)

Ditigal transformation

- Enterprise Architecure Design
- Information Systems Audit
- Security and penetration testing
- IT Quality Assurance
- Digital literacy and capacity building
- Centralised Data Center Resources and Infrastructure
- ICT Valueation and ROI Analysis
- Comprehensive Business Process Assesements



Centenary Group

Centenary Technology Services (Cente-Tech)

Message from the Chief Executive

Centenary Technology Services (Cente-Tech)



Grace Ssekakubo PhD,
Chief Executive Officer

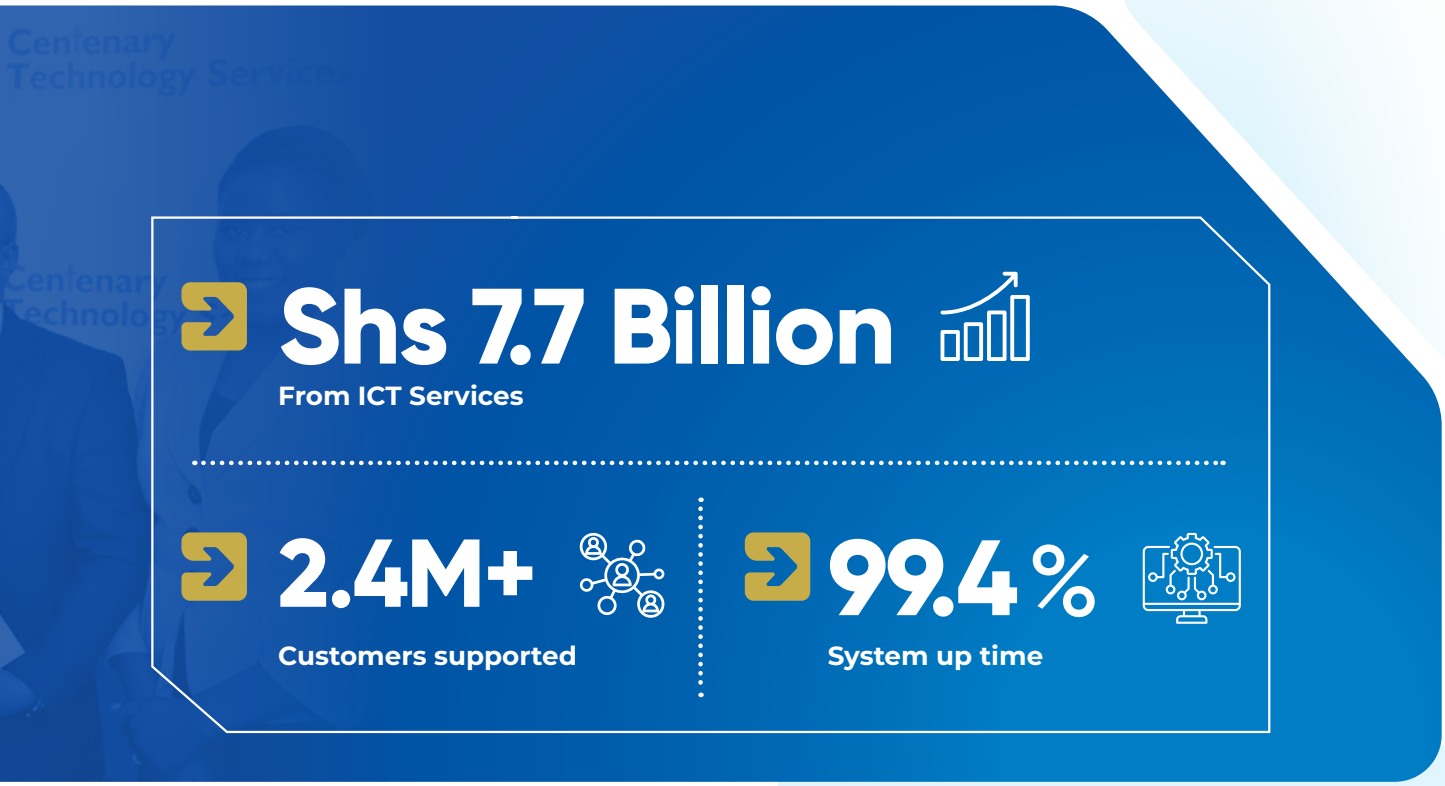
Dear Esteemed Stakeholders,

It is my honor and privilege to present this message on behalf of Centenary Technology Services (Cente-Tech) as part of the Centenary Group Integrated Annual Report for the financial year ended 31 December 2025. This year, we moved from laying foundations to delivering real, tangible outcomes for our clients, our shareholders, and the communities we serve. Revenue grew by 7% to Shs 7.68 billion (2024: Shs 7.18 billion), while we recorded a loss of Shs 558 million (2024 restated: profit of Shs 1,445 million) as we invested deliberately in the platforms, people and capabilities that will carry the Group's digital agenda forward.

A Milestone Moment: The Group eWallet Goes Live

Among the highlights of 2025, I am delighted to report that the Centenary Group eWallet; a product we have invested considerable energy and expertise into; officially went live. Our investment in intangible assets reached Shs 511 million during the year, more than three times the Shs 165 million invested in 2024, By the close of the year, the solution had entered a structured pilot phase, being tested by employees across Centenary Group, Centenary Bank Uganda and Centenary Technology Services itself. Piloting with our own people first is a deliberate and responsible approach: it allows us to stress-test the product in a real-world environment, gather meaningful feedback and ensure the solution is truly ready for the market.

The eWallet represents Centenary's vision for accessible, user-friendly digital financial services; designed with simplicity at its core, so that every Ugandan, regardless of their level of digital literacy, can participate in the formal financial system. The early results from the pilot have been encouraging, and we look forward to sharing more in the year ahead. We enter 2026 from a position of strength, with Shs 2.93 billion in bank balances, no borrowings, and total equity of Shs 3.79 billion.



Shs 7.7 Billion
From ICT Services

2.4M+
Customers supported

99.4%
System up time

Building the Backbone:
The Centenary Group Tier 3 Data Centre

Cente-Tech is proud to be leading project management for the construction of the Centenary Group Tier 3 Data Centre; a landmark infrastructure investment that will serve the Group and Uganda's broader digital economy for decades to come. A Tier 3 data centre represents a high standard of reliability, with multiple active power and cooling distribution paths and the resilience to carry out maintenance without disrupting operations.

The strategic significance of this facility cannot be overstated. In a region where digital infrastructure remains a binding constraint on economic growth, a world-class data centre is a catalyst. It enables financial institutions, Government agencies and private enterprises to host their systems locally, reducing latency, enhancing data sovereignty and lowering the cost of connectivity. For Uganda's digital economy, it means greater capacity to innovate, to serve citizens, and to attract investment.

For the Centenary Group, it means operational excellence: the ability to scale services rapidly, maintain the highest standards of cybersecurity and regulatory compliance, and future-proof our technology infrastructure.

Advisory Services:
Steady Growth, Trusted Partnerships

Beyond our work within the Group, the company's ICT Advisory services arm continues to hold its own in a competitive market; and we are proud of the relationships we have built and sustained.

We extend our sincere gratitude to the partners who have placed their confidence in us during the year: the Ministry of ICT & National Guidance, MTrillion Uganda Foundation, Uganda Electricity Transmission Company Limited (UETCL), The Judiciary, The Electoral Commission, Posta Uganda, UNDP Uganda and UNDP Nigeria. Each of these engagements has given us the opportunity to contribute meaningfully to Uganda's digital journey; from governance and connectivity to justice and postal services. We do not take these partnerships lightly and we remain committed to delivering excellence in every assignment we undertake.

Our advisory capability continues to grow, in depth, in reach and in reputation. We are actively seeking to expand our portfolio of partnerships in 2026 and beyond.



Centenary Bank Uganda (Board & Executives), Centenary Technology Services during a Board training on 'AI in Banking: Banking 5.0

Looking Ahead:
2026 and the Promise of Inclusion

The year ahead fills me with genuine excitement. 2026 will be a year of launches; of bringing to market solutions that we have built with care, tested with rigour and designed with our customers at the centre.

Chief among these is the public launch of our eWallet under the brand name Gonza Pay. The name itself speaks to something familiar and accessible; and that is precisely what we intend the product to be. Gonza Pay will be available to the general public, offering a seamless, intuitive digital wallet experience that requires no advanced technical knowledge to use. We believe that meaningful financial inclusion begins with removing barriers and Gonza Pay is our answer to that calling. Whether you are a smallholder farmer in rural Uganda, a market trader in Kampala, or a young professional making their first steps in the digital economy; Gonza Pay is built for you.

We will also be intensifying our efforts to support digitalisation within Uganda's education ecosystem. Education is a multiplier; when we improve how schools, colleges and institutions manage information, we improve outcomes for learners, teachers and communities. Our solutions for this sector are being designed with that conviction at heart.

Additionally, 2026 will see the formal launch of our Accounting ERP and SACCO propositions tools that will empower small and medium enterprises, cooperatives, and community savings groups with the financial management capabilities they need to thrive.

Gratitude:
The People and Partners Behind Our Progress

None of what we have achieved, and none of what we aspire to, is possible without the support of those around us. I wish to express my heartfelt appreciation to the Centenary Group Board of Directors for their strategic guidance, governance and unwavering confidence in the direction we are charting. Your oversight and wisdom are invaluable.

To the leadership and family of Centenary Group and to each of our sister subsidiaries; thank you. We are stronger together, and the spirit of collaboration that defines the Group is something I am genuinely proud to be part of.

And finally, and most importantly, to our customers: you are the reason we exist. We are obsessed with exceeding your expectations. Not simply meeting them. Not just satisfying them. Exceeding them, every time, in every interaction, through every product and service we bring to market. That obsession is what drives us, and it is the standard against which we measure our success.

Yours sincerely,



Grace Ssekakubo
PhD Chief Executive Officer

Who leads Us

Centenary Technology Services Limited (CenteTech)



Dr. Grace Ssekakubo
Chief Executive Officer

Tenure in EXCO: 5 Years

- PHD in Computer Science
- Master of Computer Science
- Bachelor of Science (Computer Science)
- Member of the Project Management Institute



Mr. Peter Kahiigi
Chief Technology Officer

Tenure in EXCO: 4 Years

- Master's Computer Science
- Bachelor's Computer Science
- Certified Information Security Manager (ISACA)
- Certified Information Security System Security Professional
- ISO27001 lead implementer



Mr. Steven Kirenga
Head, Product and Business Development and Customer Experience

Tenure in EXCO: 4 Years

- Master of Science – Marketing
- Bachelor of Commerce
- Certified in Product and Solution Design
- Certified in Integrated Marketing & Communications
- Member of PR Association of Uganda
- Member of the Marketers Society of Uganda



Mr. Osbert Osamai
Head, ICT Advisory, Research and Strategy

Tenure in EXCO: 3 Years

- Msc Data Communication and Software Engineering
- Certified Information Systems Auditor
- Certified in Enterprise Architecture, TOGAF and Member of the Open Group
- Certified in Project Management, IT Service and Enterprise IT Governance



Mr. Emmanuel Mugabi
Head – ICT Managed Services

Tenure in EXCO: 3 Years

- Master of Science Degree in ICT Management
- Policy & Architectural Design and the following credentials: Certified Data Privacy Solutions Engineer (CDPSE)
- Certified Information Security Manager (CISM), Certified, Information Systems Auditor (CISA)
- ISO/IEC 27001 Senior Lead Implementer, COBIT & ITIL



Mr. Dennis Byabagye
Head, ICT Managed Services & Infrastructure

Tenure in EXCO: 2 Years

- M.Sc. in Data Communications and Software Engineering
- MBA in Business Administration
- B.Sc. Computer Science
- Certified Information Security System Professional (CISSP)
- Certified Information Security Manager (CISM)
- Certified Project Management Professional (PMP)
- Control Objectives for Information and Related Technology (COBIT 19)
- Microsoft -MSCA, MCP
- EC-Council Incident Handler - ECIH

Market Context and Operating Environment

Strategy is only as sound as the environment it responds to. Across Uganda, East Africa, and the wider continent, the digital landscape is shifting rapidly, creating new demands, new opportunities and new responsibilities. This report sets out our reading of that environment and what it means for Centenary Technology Services, our clients and the communities we serve.

The Digital Landscape Uganda

Uganda's ICT sector is one of the fastest growing in the region. It contributes 9% of national GDP, employs over 2.3 million people and is expanding at 14.8% annually, according to the country's Digital Transformation Roadmap. Mobile connectivity now reaches 76.2% of the population, with 38.6 million connections recorded at the start of 2025 (GSMA Intelligence). Internet users grew by nearly one million in the past year alone.

Yet the most significant figure is one of unrealised potential. Three in four Ugandans who live within mobile broadband coverage do not use it. The GSMA's November 2025 report on Uganda's digital economy identifies the barriers clearly: affordability, device access and digital literacy. According to GSMA modelling, targeted policy reform could connect four million more citizens to the internet, create 1.79 million jobs and generate Shs 14.6 trillion in additional economic value by 2030.



For Cente-Tech, this gap between coverage and usage is both a commercial and a social opportunity. Products built for accessibility and simplicity are the ones that will close it. Uganda's National Development Plan IV and Digital Uganda Vision 2040 set clear targets: 70% broadband coverage and 45% internet usage, and the policy environment is broadly supportive. With 34.6 million active mobile money subscriptions and an established interoperability framework between MTrillion and Airtel, the digital finance foundation is already strong.

East Africa

Across the region, the digital economy story is one of both impressive achievement and persistent unevenness. Kenya leads; often called Africa's 'Silicon Savannah'; with Nairobi hosting over 210 active fintech startups and a venture capital ecosystem that attracted $638 million in 2024, representing 88% of East Africa's total. M-Pesa processes over 61 million transactions daily and serves more than 50 million users. Tanzania operates its own central bank-run instant payments platform. Rwanda has become a reference point for digital transformation specifically for the MICE sector.

These markets offer Cente-Tech a benchmark and a blueprint. The region's experience with mobile money, agent banking and fintech regulation is directly applicable to our work and our products are being built with that regional context in mind.

Malawi

Malawi demonstrates what deliberate, infrastructure-first investment can achieve. Between 2017 and 2024, the World Bank-supported Digital Malawi Foundations Project brought nearly seven million Malawians into the digital economy for the first time, while the wholesale cost of internet access fell from $460 per Megabites per month to below $10. The Digital Malawi Acceleration Project, launched in November 2024, extends this work, connecting 2,000 schools, expanding digital identity systems, and making devices more affordable.

Malawi has also enacted new data protection legislation and formally established its Data Protection Authority. Internet penetration stands at approximately 27%; but the direction is clear, and the demand for capable ICT advisory support is growing. As we develop our advisory practice, Malawi is a market we are watching closely.

The Continental Picture

Africa's digital economy is expanding rapidly. McKinsey projects that fintech revenues across the continent could reach $47 billion by 2028, up from $10 billion in 2023. With over 650 million smartphone users and mobile penetration projected to reach 49% by 2030, the foundation for scale is in place. Financial inclusion remains the central opportunity: only 43% of Africa's 1.18 billion people currently have access to formal financial services.

The African Union's endorsement of its Continental AI Strategy in July 2024 marked a turning point; a commitment to an Africa-centred approach to emerging technology, backed by investment in infrastructure, skills, and locally relevant applications. The Brookings Institution estimates that technologies like big data analytics and the Internet of Things could contribute up to $1.5 trillion to Africa's GDP by 2030.

1. Artificial Intelligence

The question in Africa is no longer whether AI will transform economies and services. It will. The more pressing question is whether that transformation will reach everyone or only those who are already well-served. At Cente-Tech, our answer is unambiguous: technology that cannot reach the smallholder farmer or the market trader has not yet done its job.

The ITU's AI for Good initiative and the UN Secretary-General's Advisory Board on AI have both been clear that inclusion must be a design principle, not an afterthought. The AU's Continental AI Strategy reinforces this, warning against the concentration of AI investment in a handful of markets. The data bears out the concern: in 2025, over 83% of AI startup funding on the continent went to just four countries. Africa holds only 3% of the global AI talent pool. These imbalances must be actively addressed through local investment, local training, and solutions built for local realities.

AI in Our Operations

Within Cente-Tech, AI is already part of how we work. We are integrating AI into our cybersecurity monitoring, where it serves as an early-warning system against an increasingly sophisticated threat landscape. In service delivery, it enables smarter routing, faster resolution, and more relevant customer experiences.

Where AI has the greatest potential for us, however, is in inclusion. In a market where literacy levels vary, smartphones are not universal, and multiple languages are spoken, AI can bridge gaps that conventional digital design cannot. Voice interfaces in local languages, intelligent USSD prompts, adaptive experiences for low-bandwidth environments; these are the tools that will determine whether a product like Gonza Pay reaches millions or thousands. We are building with that in mind.

Dignity is the word we return to. When a parent can pay school fees without losing a day's income to travel, that is dignity. When a small business owner can access credit based on transaction history rather than collateral they do not have, that is dignity. AI, applied with intent and care, is how we get there.

2. The shifting media landscape

Not long ago, a full-page newspaper advertisement or a prime-time radio spot was a sufficient communications strategy. Print media commanded authority. The relationship between institution and audience was largely one-directional. That era is over.

Digital channels: social media, WhatsApp, SMS, mobile apps, online video, have fragmented audiences across dozens of touchpoints, each with its own expectations. Audiences today want more than information; they want relevance. They want to feel understood, not broadcast at. Institutions that still communicate on a push-only model are finding that their audiences have quietly moved on.

In Uganda, print media retains influence among certain demographics and radio remains powerful in rural areas. But the growth of digital engagement is undeniable.

The Opportunity for Organisations — and for Cente-Tech

Many organisations in Uganda; government agencies, financial institutions, schools, hospitals, civil society, recognise that digital channels offer a closer relationship with their audiences, but they lack the expertise to navigate them well. They need a partner who understands both the technology and the human behavior it mediates.

Cente-Tech is positioned to be that parTrillioner. Through our ICT advisory practice, we help organisations design and implement digital engagement strategies that are genuinely effective; from website and mobile platform development to CRM integration and data-driven analytics, to AI-powered personalisation that ensures the right message reaches the right person at the right time.

The organisations that will thrive in Uganda's evolving communications landscape are those that invest in knowing their audiences as individuals rather than managing them as masses. We are committed to helping our clients make that shift.

3. The National Payment Switch

Uganda's payments landscape has come a long way. With 34.6 million active mobile money subscriptions, an interoperable framework linking MTrillion and Airtel and the National Payment Systems Act (2020) providing the legal foundation for digital finance, the country has built a substantial, though fragmented, digital payments infrastructure. MTrillion Uganda alone handles approximately 40% of the country's e-money transactions, with transaction value rising 28.6% in the year under review.

34.6 M
Active mobile money subscriptions

Shs 57.5 Trillion
PSO transaction value – up 49.3%

50+
Licensed digital finance companies

Fragmentation, however, remains the core challenge. Banks, mobile money operators, and fintech companies have largely operated on separate rails, with their own fee structures and limited cross-platform interaction. The result: higher costs for consumers, duplicated infrastructure investment and barriers that disproportionately affect first-time and infrequent users.

The National Payment Switch, the Bank of Uganda's flagship digital transformation project, is designed to resolve this. The Switch will create a single interoperable platform connecting banks, mobile money operators and fintechs. The Bank of Uganda has indicated a potential launch by end of 2026. Uganda has also completed its migration to ISO 20022 messaging standards, aligning its settlement infrastructure with global best practice.

What the Switch Means

For consumers, the Switch means simplicity. An MTN Mobile Money user will be able to send money directly to an Airtel wallet, pay any merchant's POS terminal, or withdraw from any agent network; without needing multiple accounts. The friction that currently discourages digital transactions, especially for new users, will be significantly reduced.

For businesses, it means lower costs and faster settlement. For regulators, greater transparency. For the broader digital economy, the Switch could do for payments what the mobile phone did for communication; connect everyone, instantly, regardless of provider.

For Cente-Tech, this is both context and opportunity. Gonza Pay is being built for an interoperable world, not as a closed system, but as a participant in a connected ecosystem. The Switch will lower barriers to entry for new payment products and expand the potential reach of any player willing to build for inclusion. We are building for exactly that.



4. Data Protection and Privacy

Data protection has moved from a legal specialty to a boardroom priority. Over 144 countries now have data protection legislation in force (IAPP, 2025). The EU's General Data Protection Regulation remains the global benchmark; its reach extends well beyond Europe, creating what observers call the 'Brussels effect': a regulatory pull that shapes compliance expectations for any organisation seeking global partnerships or market access.

Africa is following with pace. By end-2024, 39 of 55 AU member states, around 72%, had enacted comprehensive data protection laws. Cameroon, Ethiopia, and Malawi all passed new legislation in 2024. Botswana's revised Act came into force in January 2025. Tanzania launched its Data Protection Authority. Kenya's regulator issued a record number of fines, signaling that ignorance of the law is no longer a viable defense. Regional commentators have described 2024 as Africa's 'Year of the Teeth' in data protection enforcement.

For digital service providers, the message is clear. The era of collecting data loosely, processing it without explicit consent, or transferring it across borders without safeguards is closing. Organisations that treat compliance as a minimum will remain perpetually reactive. Those that treat privacy as a design principle will earn the trust that, in digital markets, has become a currency of its own.

What This Means for Uganda and for Cente-Tech

Uganda's National Payment Systems Act already requires electronic money issuers to host their primary data centre within the country. This data residency obligation directly reinforces the strategic importance of the Centenary Group Tier 3 Data Centre, which Cente-Tech is project-managing. The facility is a compliance-enabling, sovereignty-affirming infrastructure investment.

Across our ICT advisory client base; in telecommunications, financial services, and government; data protection compliance is increasingly a service need in its own right. Building privacy-by-design into systems, conducting impact assessments, implementing breach notification processes, managing cross-border data flows: these require specialised expertise that most organisations do not yet have internally. Cente-Tech is well placed to provide it.

The AfCFTA Protocol on Digital Trade, whose eight annexes were adopted in early 2025, adds a further dimension. As Uganda participates more actively in regional digital commerce, the quality of its data governance framework will directly shape its competitiveness. We are building the capability to help our clients, and our country, meet that standard

> **The EU's General Data Protection Regulation remains the global benchmark; its reach extends well beyond Europe, creating what observers call the 'Brussels effect'**



5. Big Data and Small Data

The technology world tends to celebrate data at scale; vast datasets, machine learning models trained on billions of data points, algorithmic systems operating across millions of users. This is the world of big data, and its power is real.

But for a company like Cente-Tech, big data is only part of the picture. Equally important, and often more immediately actionable, is what we call small data: the specific, human-scale insights that come from understanding individual customers, particular communities, and precise usage patterns in depth. Small data asks: what does this person actually need? What does this transaction reveal about how this customer manages money? What does the drop-off point in this feature tell us about how our users experience the product?

Big Data

At the macro level, we engage with big data across payment system management, cybersecurity monitoring, and operational analytics. Processing high volumes of transactions in real time; detecting anomalies, flagging fraud, optimising performance, requires infrastructure and analytical capability built for scale. The World Bank's Global Findex, the GSMA's digital economy reports, and the ITU's Measuring Digital Development series are the signals we track to understand where the market is heading and where the opportunities lie.



Small Data

It is small data, however, that shapes our day-to-day decisions. When we pilot Gonza Pay with Centenary Group employees, we are generating invaluable granular intelligence: which features are used naturally, where users hesitate, what language creates confusion, what the first week of usage actually looks like. This qualitative and behavioral insight cannot be replicated at scale. It is what separates a product that truly serves people from one that merely functions.

The same applies in advisory work. Effective digital transformation support requires understanding the specific context of each organisation, existing processes, staff capability, client preferences, regulatory environment. Generic frameworks applied to specific problems rarely work. Our approach is to hold both lenses at once: the broad view that tells us where the world is going, and the close view that tells us how to get a particular organisation there.

Across both dimensions, privacy and consent are non-negotiable. Data is an instrument of service; not a resource to be extracted.

6. Outlook

Taken together, the forces described in this report point in a consistent direction: the environment for Centenary Technology Services in 2026 and beyond is one of genuine and growing opportunity.

Uganda's ICT sector is growing at nearly 15% annually. The National Payment Switch will open a new era of interoperable digital finance; directly enabling products like Gonza Pay. The African Union has committed to AI as a continental priority, accelerating investment in the technologies we are already building with. Data protection regulation is maturing across Africa, creating sustained demand for the compliance expertise and sovereign infrastructure that Cente-Tech provides. The shift from print to digital media continues to create demand for the audience engagement and platform capabilities within our advisory offering.

Governments across East Africa, Malawi, and the continent are treating digital transformation as a policy imperative. Investment in connectivity, digital identity, and public digital infrastructure is creating the enabling environment in which a technology company like ours can operate and grow. The demand for capable, trustworthy, locally grounded ICT partners has never been higher.

We are not without headwinds. Cybersecurity threats are intensifying, INTERPOL estimated the financial cost of cybercrime in Sub-Saharan Africa at over $4 billion in 2021, and the trend has continued upward. Regulatory environments remain dynamic. Competition for digital talent is increasing across the continent. These require active management — and the organisations best positioned to navigate them are those, like Cente-Tech, that have built the depth and the relationships to respond quickly.

Our fundamentals are sound. We operate within one of Uganda's most trusted financial institutions. We know our market not as data points, but as people and places. We are building products, Gonza Pay, our Accounting ERP, our SACCO solutions, our education technology propositions; designed for real conditions, not theoretical ones. And we are doing so guided by a clear sense of purpose: inclusion, trust and dignity at the centre of every decision.

The digital future of Uganda, East Africa, and the continent is still being written. We are actively contributing to that story; and the chapter ahead is one we approach with confidence and with care.



L-R: Joseph Ndiho Kiiza - Group Chairman: Service Cops, Peter Kahiigi – Chief Technology Officer: Centenary Technology Services, Mathias Kamugasho - Chief Executive Officer: Service Cops, Dr. Grace Ssekakubo - Chief Executive Officer: Centenary Technology Services, Prof. John Ddumba Ssentamu - Group Board Chairman: Centenary Group, Fabian Kasi – Managing Director: Centenary Bank and Joseph Balikuddembe – Executive Director: Centenary Bank; pose for a picture at the signing of MOU between Centenary Group and Service Cops

Centenary Group

Centenary Group Foundation



Message from the Chief Executive

Centenary Group Foundation



Chief Executive Officer,
Centenary Group Foundation

On behalf of Centenary Group, I am pleased to present the 2025 sustainability highlights. This year marked a significant step forward in institutionalising sustainability governance and strengthening our alignment with international ESG and climate reporting standards.

A major milestone in 2025 was the completion of a formal materiality assessment by Centenary Bank Uganda, identifying priority ESG issues most relevant to our stakeholders, risk profile, and long-term value creation. The findings are now informing strategy refinement, risk management processes, and sustainability reporting. This represents an important progression toward structured, data-driven ESG integration within the Group's core financial operations.

At Group level, we established a Cross-Subsidiary ESG Coordination Committee with Terms of Reference, bringing together leadership from Centenary Bank Uganda, Centenary Bank Limited in Malawi, and Centenary Foundation. The Committee strengthens policy alignment, harmonizes ESG reporting approaches, and ensures coordinated oversight of sustainability and climate-related risks and opportunities. This governance enhancement lays the foundation for more consistent disclosures aligned with GRI and emerging IFRS S1 and S2 requirements.

Across our banking subsidiaries, we continued expanding responsible financial services, particularly targeting women, youth, and rural entrepreneurs. Enhanced financial literacy initiatives, SME portfolio support, and strengthened governance systems reinforced our commitment to inclusive growth while maintaining prudent risk management.



Over 1,300

women entrepreneurs strengthened their financial literacy and enterprise readiness across 43 districts.

Over 778 loans

have been given out to Women Entrepreneurs

> "Across our banking subsidiaries, we continued expanding responsible financial services, particularly targeting women, youth, and rural entrepreneurs.

Through Centenary Foundation, we advanced complementary social and climate-conscious initiatives:

- Over 1,300 women entrepreneurs strengthened their financial literacy and enterprise readiness across 43 districts.
- Over 778 loans have been given out to Women Entrepreneurs
- A total of Shs 18.1 Billion has been disbursed with an average value of Shs 23.3M
- More than 1,100 adolescent girls and young women accessed vocational and business skills training, with integration into savings and formal banking pathways.
- Over 1,000 individuals received preventative healthcare services through targeted medical outreach programmes.
- A circular economy pilot in Lira Diocese established a micro plastic waste collection and shredding center, linking environmental stewardship with youth enterprise development.

Recognising the material financial implications of climate change, we have developed a Group-wide 5-year ESG Policy to align with IFRS S1 and S2 standards but also national regulatory obligations. The Environmental portfolio of this policy focuses on formalising ESG governance structures, tree growing, advancing the circular economy, clean energy, establishing greenhouse gas emissions baselines, conducting climate risk assessments, and progressively integrating climate considerations into strategy and portfolio oversight.

Sustainability at Centenary Group is increasingly embedded in governance, risk management, capital mobilisation, and community engagement. We view ESG integration not as a compliance exercise, but as a strategic commitment for resilience, competitiveness, and responsible growth.

We remain committed to continuous improvement, transparency, and partnership as we strengthen our sustainability and climate disclosures to meet global expectations and attract long-term, impact-aligned capital.



Chief Executive Officer,
Centenary Group Foundation

See: 'Social Investment: Strengthening Community Wellbeing' on page 48 of the Environmental Social and Governance Report.

Our Approach to Sustainability

GRI (2-22, 2-23)

We place people at the center of our mission—investing in them to uplift lives, restore dignity, and contribute meaningfully to national development. Guided by the triple-bottom-line philosophy, we prioritize People and Planet alongside Profit, ensuring that our work creates value far beyond financial returns. Through the Social, Economic, and Environmental (SEE) framework, we embed ESG principles into our strategy, blending ethical leadership with economic inclusivity and ecological stewardship. This integrated approach ensures that the wealth we generate is shared equitably among employees, governments, shareholders, and communities, reinforcing our role as a trusted partner in building sustainable prosperity.

ESG



Environmental: The Group integrates sustainability into its operations, reducing its carbon footprint, promoting resource efficiency, using environmentally friendly technologies and investing in initiatives that protect biodiversity and mitigate climate risks.

Social -Economic: We foster equitable access to financial services, support community development programs, promote social enterprises, promote social inclusion and champion employee well-being.

Governance: Strong governance frameworks guide our decision-making, aligning with global best practices and regulatory standards. Transparent reporting, risk management, and stakeholder engagement ensure accountability while reinforcing ethical business conduct.

People
People at the Heart of Our Purpose

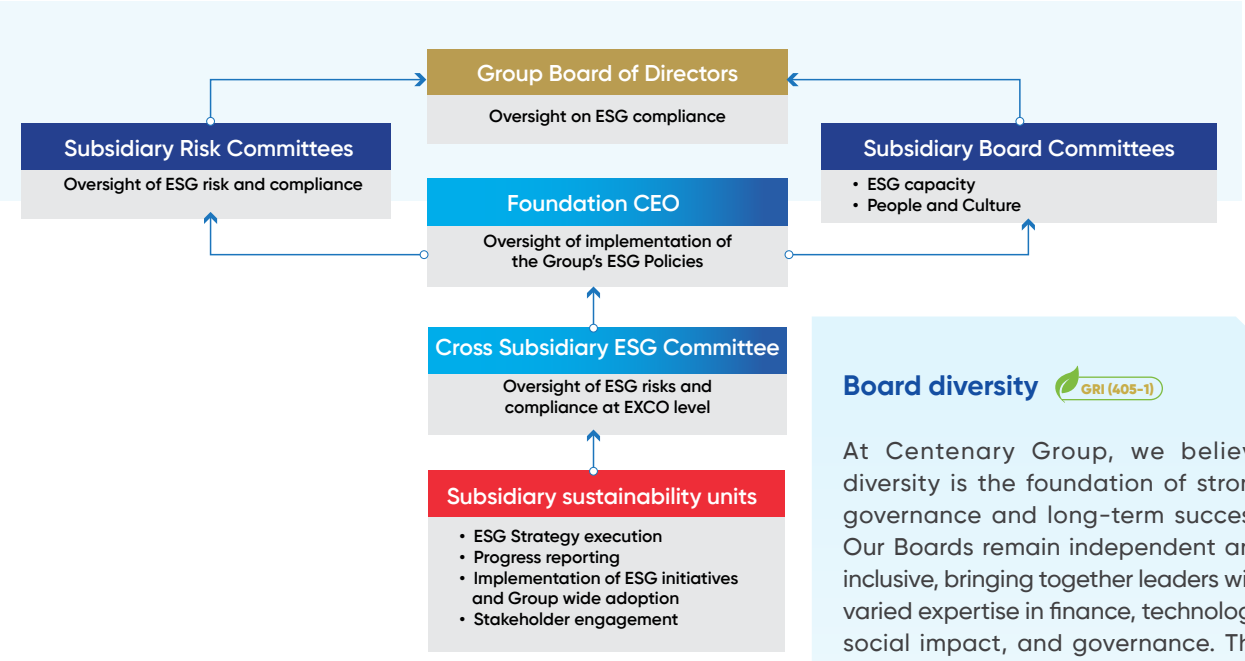
Prosperity
Shared Prosperity Through Inclusive Growth

Peace
Governance, Ethics and Trust

Planet
Stewardship of the Environment

Partnerships
Collaboration for Impact

Governance GRI (2-9, 2-12, 2-13, 2-24)



Our women employees are assets

Indicator	Percentage	
	2025	2024
Percentage of female employees in total workforce	51%	47%
Percentage of Women in Executive Management	29%	30%

Board diversity GRI (405-1)

At Centenary Group, we believe diversity is the foundation of strong governance and long-term success. Our Boards remain independent and inclusive, bringing together leaders with varied expertise in finance, technology, social impact, and governance. This mix of perspectives enriches our decision making and ensures alignment with our values. While we are proud of the progress made, achieving diversity across gender, ethnicity, and professional backgrounds, we acknowledge that women currently represent 19% of our Boards, below the industry best practice of 40%. We are committed to closing this gap in upcoming appointments, strengthening our governance framework and reinforcing our alignment with both local and international ESG standards. For more information refer to page 26 on governance.



Link to the 5ps

Centenary Group uses the 5 Ps of sustainable development; People, Planet, Prosperity, Peace and Partnership, as the practical framework for translating its mission into measurable ESG priorities. The framework helps the Group connect inclusive finance, environmental stewardship, responsible governance, economic resilience and collaborative delivery across its subsidiaries.

People

Prosperity

Peace

Planet

Partnerships

Driving Sustainable Impact through the Strategic Pillars

GRI (3-2, 3-3, 203-1, 203-2, 413-1)

Pillar	Our Focus	Performance Highlights	Material Topics	SDGs	The 5ps
Strategy & Innovation	Widening financial access, embedding digitalisation, and driving customer-focused solutions for resilience and efficiency.	• 3.6M active clients • 53.4% of transactions via Agent Banking • Shs 18.1B in GROW loans to 778 women entrepreneurs • 96.7% system uptime (Bank Uganda).	• Financial Inclusion & SME/Agricultural Lending • Digitalisation & Agent Banking Innovation & • ESG-linked Products		
Youth empowerment	We empower youth with finance, skills, and entrepreneurship, dismantling barriers for lasting inclusion and economic mobility.	• Registered 1,109,125 youth account holders. • Disbursed Shs 247.5 billion through youth-centric loans, benefiting 78,318 young clients. • Supported over 90,000 jobs. • Reached 1,100 adolescent girls and young women.	• Financial Inclusion & SME/Agricultural Lending • Community Empowerment & Job Creation • Education & Digital Literacy		
Social Inclusion & Well-being	Empowering customers, employees, and communities through fairness, protection, and inclusive growth.	• 77.6% of customers from vulnerable groups. • Shs 1.84B invested in CSI. • 49% female workforce. • 9,796 trained in financial literacy.	• Customer Protection & Responsible Lending • Education & Digital Literacy • Employee Welfare, Diversity & Inclusion • Community Empowerment & Job Creation		
Environmental Stewardship	Reducing carbon footprint, advancing resource efficiency, and promoting green financing for climate resilience.	• 6.3% reduction in emissions. • 74,729 trees planted. • 1,958 green loans worth Shs 9.9 Billion disbursed. • Circular waste management initiated.	• Climate Risk & Agricultural Resilience • Renewable Energy & Green Financing • Water, Waste, and Circularity • Biodiversity & Land Use		
Governance & Ethical Conduct	Embedding accountability, transparency, and cybersecurity to safeguard stakeholder trust.	• ESG score 86.5% (Bank Uganda). • 100% ESRA for qualifying credit • 90% (Bank Uganda). • Mandatory ESG training for Board & staff.	• Data Privacy & Cybersecurity • Ethical Conduct & Anti-Bribery • Board Oversight of ESG & Risk Integration		
Finance & Investment	Channeling finance toward sustainable outcomes, aligned with global impact standards and national priorities.	• Sustainable Finance Framework aligned with LMA/ICMA. • Shs 387 Billion disbursed in green & social finance. • ESG Coordination Committee established. • Shs 108 Billion tax contribution.	• Access to Concessional & Impact-linked Funding		

Year	Target Reduction vs Baseline	Target Emissions (tCO_2e)
2025	Base year	6,734.53
2026	-5%	6,397
2027	-7%	6,263
2028	-10%	6,061
2029	-15%	5,724
2030	-20%	5,387



Centenary Bank in Ugand, NFA tree planting in Masindi.

Our 2025 sustainability highlights

The Group strategically linked its sustainability key performance indicators (KPIs) to the United Nations Sustainable Development Goals (SDGs), ensuring measurable impact in community development, financial inclusion, energy access, economic growth, and environmental conservation. It posted strong achievements against established targets and demonstrated ongoing commitment to equitable growth.

SDG	Key Performance Indicators (KPI)	2025 Target	Actual score	% Achievement
Goal 1: End poverty in all its forms everywhere **Goal 2:** End hunger, achieve food security and improved nutrition and promote sustainable agriculture	Number of community and Church initiatives supported	425	544	128%
Goal 3: Ensure healthy lives and promote well-being for all at all ages	Number of health programs supported	15	21	140%
Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Financial Literacy beneficiaries	15,000	33,341	222.3%
Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all	Number of solar loans disbursed	1,900	1,251	66%
	Grid Power usage (Expenditure amounts)	4,884	4,724	97%
Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Direct Employment	3,000	3,306	110%
	Agent banking	8,684	7,408	85%
	Percentage of branches serving in rural areas	70%	56%	80%
	Number of refugee customers	5,016	4,299	86%
	Percentage of youth customers	49%	35%	71%
Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Number of tree growing initiatives supported	41,000	59,600	145%

Key sustainability activities in Malawi

Centenary Bank Limited in Malawi marks our strategic expansion into Southern Africa, extending Centenary Group's mission of inclusive banking and socio economic transformation to new communities while remaining firmly aligned with Malawi's national financial sector reform and inclusion agenda. Fully integrated into our ecosystem, the Bank has quickly become a vital pillar in bridging financial gaps and empowering under served populations. In 2025, its sustainability journey reflected our conviction that financial institutions are more than custodians of money, they are catalysts for safeguarding the future, balancing disciplined business execution with a deep commitment to the People and Planet.

Environmental Stewardship & Climate Action	**Planted 5,000 trees across Lilongwe** (Mphunzi Primary, Airbase Primary, Airwing, Bunda).		
Community Health, Social Protection & Humanitarian Relief	Donated **MK2,000,000** to Likuni Mission Hospital for cervical cancer screening, eye tests, dental care, diabetes & hypertension management.	Donated **K5 million** through Tiwale Limodzi Foundation to **support 70 hunger-affected** households in Dowa.	Donated **K15 million** worth of essential supplies to prisons in Lilongwe, Mzuzu, and Zomba.
Financial Inclusion & Digital Access	Launched CenteFees digital school fee payment platform (Airtel Money)	Launched PayChangu partnership enabling instant online bank transfers.	Strengthened Banki Pakwathu network with **500+ agents;** delivered financial literacy and service-quality training.
Youth Empowerment, Education & Financial Literacy	Delivered **financial literacy training** at Dzaleka CDSS during Global Savings Week.		
Governance, Capacity Building & Sector Strengthening	Opened the Bank's first-ever **Training Centre,** enabling in-house leadership, supervisory and teller training.	**Supported national governance and sector development through:** – K5m sponsorship to SACCO Lakeshore Conference – K500,000 sponsorship to ARMA Conference – K1m support to MCCCI Business Leaders' Summit	Participated in orientation of **36 Catholic Parliamentarians,** promoting ethical leadership and financial inclusion.

Group value added statement GRI (201-1)

Sharing value created with our stakeholders

Aligned with national development plans, our financing activities opened doors to financial inclusion and fueled growth across key sectors, positioning us as a trusted partner to the Governments of Uganda and Malawi. In line with GRI 201–1, we tracked the economic value we generate and share, covering revenue, costs, and allocations to shareholders, employees, communities, and government, showing how our performance, social impact, and environmental responsibility come together to drive sustainable prosperity for all.

Government	**Shs 127.6 Bn** (2024: Shs 99.2 Billion)	Communities	**Shs 7.3 Bn** (2024: Shs 4 Billion)
Employees	**315.5 Bn** (2024: 286.9 Billion)	Shareholders	**Shs 106.2 Bn** (2024: Shs 85.6 Billion)

Our Social impact

At Centenary Group, our mission is about more than banking—it's about transforming lives and protecting the environment. Guided by the Social, Economic, and Environmental (SEE) framework, we embed ESG principles into everything we do, driving inclusion, ecological stewardship, and shared prosperity. The wealth we create is equitably shared among employees, governments, shareholders, and communities, reinforcing our role as a trusted partner in advancing national development.

Snapshot of our social Impact

Shs 550 Bn
Agribusiness portfolio

58,519
Smallholder farmers supported

74,729
Trees planted

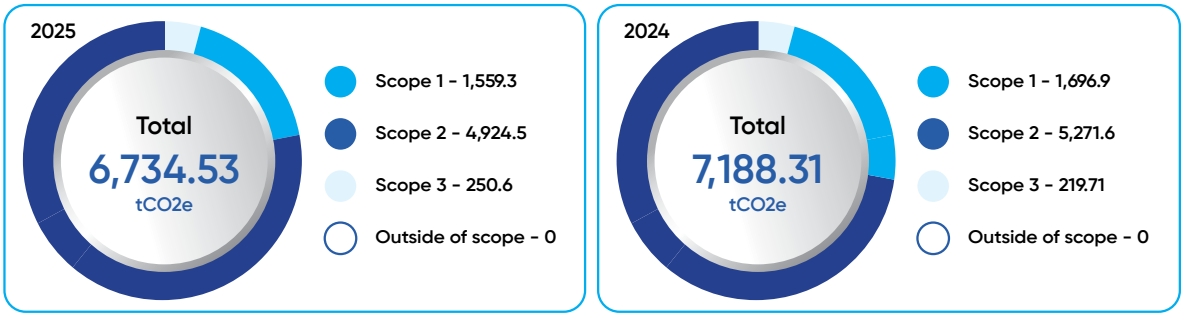
33,341
Financial literacy beneficiaries

1,958
Green loans disbursed

Reducing Our Environmental Impact

GRI (305 - 1, 2, 3)

In 2025, the Bank deepened its climate accountability by adopting the Greenhouse Gas (GHG) Protocol to measure and monitor emissions across all scopes. This approach reflects a deliberate commitment to reducing the carbon footprint and ensuring operations remain within sustainable thresholds. The progress achieved underscores the Bank's focus on responsible environmental stewardship and advancing sustainable practices across its operations.



Sustainable Finance and Climate Risk

GRI (201-2)

Theme	Impact achieved	Impact metrics
Green Lending	Expanded access to renewable energy, clean cooking, and climate smart agriculture.	**1,958 loans** disbursed
Physical Climate Risk	Strengthened resilience in highrisk agricultural zones.	**4.1%** of portfolio (Shs 22.67 Billion)
Renewable Energy Transition	Reduced operational costs through branch solarisation, progressing toward majority solar adoption.	**10 branches** solarized; 50% cost reduction; target 50/81 branches (60% Bank Uganda)
Resilience Metric	Maintained loan performance despite climate shocks, within tolerance levels.	NPL ratio **1.2%**
ESG Screening	Embedded sustainability into lending decisions through comprehensive risk assessment.	**100%** of qualifying credit transactions screened

Centenary Group Foundation Leadership Team



Ms. Hellen Kasujja
Chief Executive Officer,
Centenary Group Foundation

- Master of Gender Analysis in Economics
- Master of Business Administration (Finance)
- Bachelor of Arts in Economics and History of International Relations



Mr. Ceaser Kimbugwe
Projects Manager
Centenary Group Foundation

- Bachelor of Community Forestry
- MSc. Environment and Natural Resources Management



Centenary Bank in Malawi provides food relief to families affected by hunger in Dowa.

GonzaPay
Live easier



Gonza obulamu with GonzaPay

Download the **GonzaPay app** and start making transactions conveniently and instantly.

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6. Value Creation

In this section.

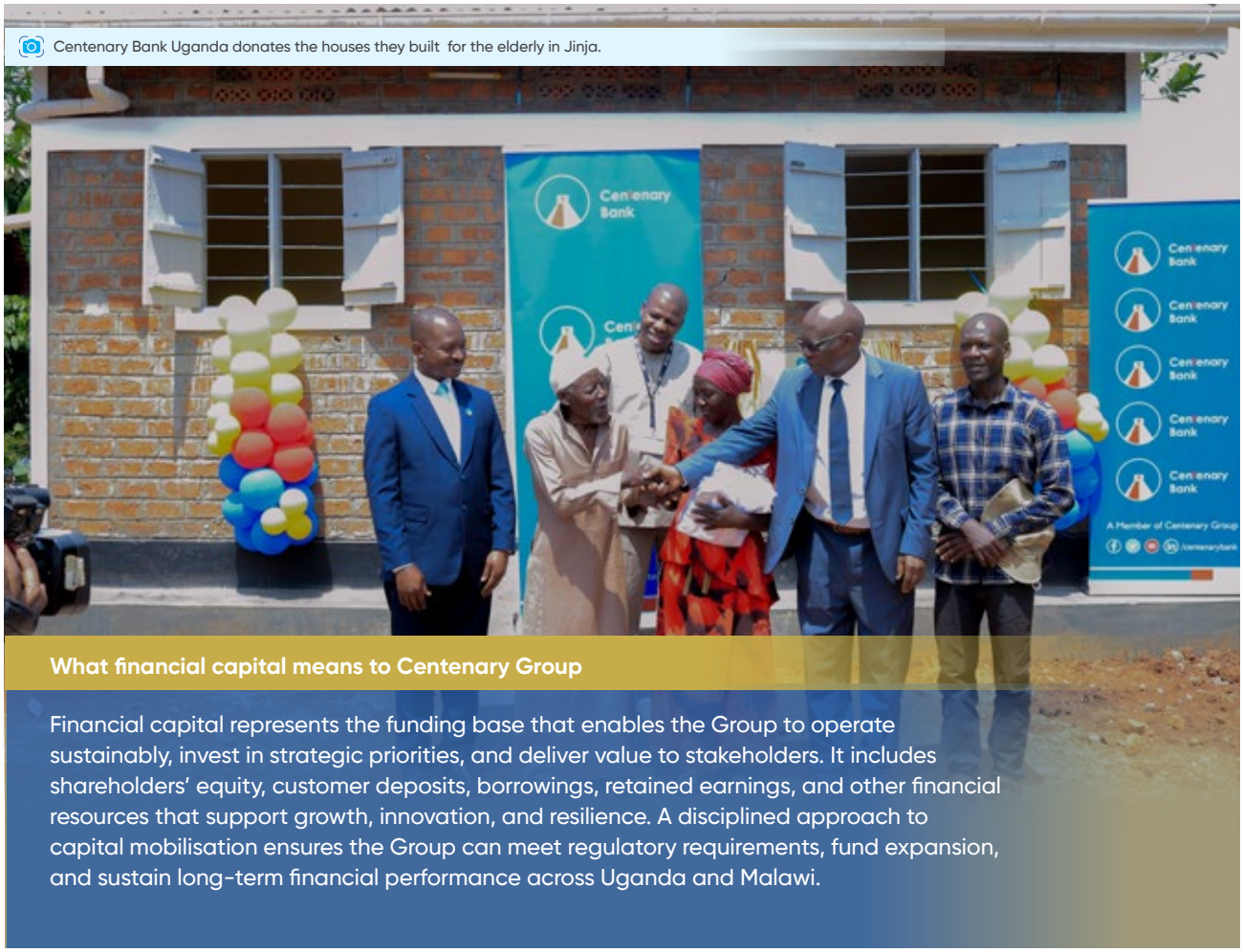
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Centenary Bank in Uganda people month 2025 launch.

Financial Capital

GRI (201-1, 201-4)



Centenary Bank Uganda donates the houses they built for the elderly in Jinja.

What financial capital means to Centenary Group

Financial capital represents the funding base that enables the Group to operate sustainably, invest in strategic priorities, and deliver value to stakeholders. It includes shareholders' equity, customer deposits, borrowings, retained earnings, and other financial resources that support growth, innovation, and resilience. A disciplined approach to capital mobilisation ensures the Group can meet regulatory requirements, fund expansion, and sustain long-term financial performance across Uganda and Malawi.

Key inputs

- **Borrowings Shs 314 Billion** (2024: Shs 377.3 Billion)
- **Customer deposits Shs 5.7 Trillion** (2024: Shs 4.5 Trillion)
- **Owners' Equity Shs 2.1 Trillion** (2024: Shs 1.75 Trillion)

Key outcomes

- Total revenue Shs 1.6 Trillion (2024: Shs 1.32 Trillion)
- Profit after tax Shs 429 Billion (2024: Shs 347 Billion)
- Return on Equity 20.2% (2024: 21.6%)
- Shs 106.2 Billion dividend declared (2024: Shs 85 Billion)
- Total assets Shs 9.3 Trillion (2024: Shs 7.6 Trillion)
- Stable liquidity and capital adequacy aligned with regulatory requirements

Value created for stakeholders

Shareholders

Sustainable returns supported by strong capital management and profitability.

Employees

Stable financial resources that support employment, training, and career growth.

Local communities

Expanded access to affordable financial services that support livelihoods and enterprise growth.

Suppliers

Creates value by ensuring predictable cash flows that support timely payments and stable, long-term procurement relationships

Government and regulators

Compliance with capital and liquidity requirements strengthens financial stability.

Customer

Reliable, affordable services supported by a strong financial base.

Investors and development partners

Transparent reporting and strong performance reinforce confidence and partnership opportunities.

Material matters

How we leverage on financial capital to deliver impact

Financial strength supports innovation, brand investment, and digital capability.

Investment in infrastructure upgrades, branch modernisation, and the digital platforms supports scalable, secure, and accessible service delivery.

Financial resources support training, talent development, and workforce stability.

Financial capital enables community programmes and stakeholder engagement.

Investment in efficiency and digitalisation reduces environmental impact.

Financial capital in 2026 and beyond.

- Strengthening the capital base to support the transition to a fully digital, integrated financial ecosystem.
- Mobilising affordable, stable funding to expand access to finance in Uganda and Malawi.
- Enhancing liquidity and capital adequacy to meet evolving regulatory expectations.
- Leveraging retained earnings to fund strategic growth, community impact, and sustainability initiatives.

Contributing to sustainable development

SUSTAINABLE DEVELOPMENT GOALS

8 DECENT WORK AND ECONOMIC GROWTH

Financial capital strengthens economic activity through sustained profitability, stable funding, and investment capacity that supports enterprise growth, job creation, and inclusive financial access

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Financial resources enable investment in resilient infrastructure, digital platforms, and technology upgrades—including the Tier III Data Centre—that drive innovation and strengthen national ICT systems.

11 SUSTAINABLE CITIES AND COMMUNITIES

Financial capital supports expansion of accessible financial infrastructure, community programmes, and digital channels that enhance resilience and inclusion across urban and rural communities.

Trade offs

- Balancing investment in growth with regulatory capital requirements.
- Managing cost pressures while funding digital transformation.
- Ensuring affordability while maintaining profitability.

Operating Environment

In 2025, Centenary Rural Development Group Limited operated in a dynamic and challenging economic environment across its core markets of Uganda and Malawi. The year was characterised by changing market conditions, persistent cost pressures and shifts in customer behaviour. The Group remained focused on disciplined execution of its strategic priorities and on maintaining operational resilience.

The Group delivered a solid performance for the year, supported by growth in interest income, strengthened balance sheet positioning and continued cost management across subsidiaries. Centenary Bank Limited in Uganda remained the largest contributor to Group earnings, driven by increased lending activity, ongoing digital transformation and improved operational efficiency. Centenary Bank Limited in Malawi also recorded strong growth, demonstrating resilience in a complex operating environment.

The holding company continued to prioritise effective capital allocation, sound governance and strong risk management to support sustainable performance across the Group.

As at 31 December 2025, the Group operated four active subsidiaries:

Centenary Bank Limited, Uganda

Centenary Bank Limited in Malawi

Centenary Technology Services Limited (Cente-Tech), Uganda

Centenary Group Foundation Limited, Uganda

2025 key events that shaped our operating environment

GDP

Uganda recorded GDP growth of approximately 6-7% driven by strong performance in services, industry and resilient domestic demand. The growth translated into increased economic activity, supporting expansion in private sector credit and improved business performance across key sectors.



Kampala City.

Impact

- The loan book expanded by 12% in 2025, driven primarily by strong growth in trade, manufacturing, and personal lending.
- Macroeconomic stability that led to favourable banking conditions with key indicators such as low inflation rate and relatively stable currency.

Inflation

FY 2025: 3.1%

FY 2024: 3.3%

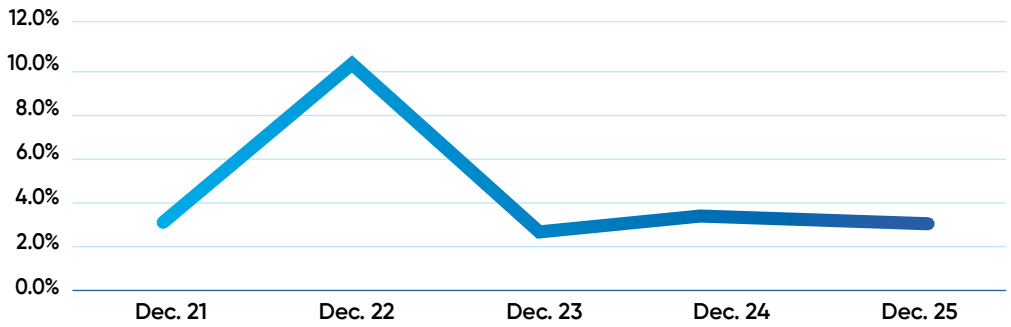
0.2%

Uganda's macroeconomic conditions in 2025 were shaped by moderate inflation, stable monetary policy actions and continued investment in key productive sectors. Headline inflation declined from 3.3% in 2024 to 3.1% in 2025, supported by improved food supply and relative stability in fuel prices.

Impact

Economic activity remained generally positive, supported by public investment, growth in services and a gradual recovery in trade. Businesses, however, continued to operate under elevated operating costs, currency fluctuations and selective demand pressures across sectors.

Five year inflation trend



Central Bank Rate

FY 2025: 9.75%

FY 2024: 9.75%

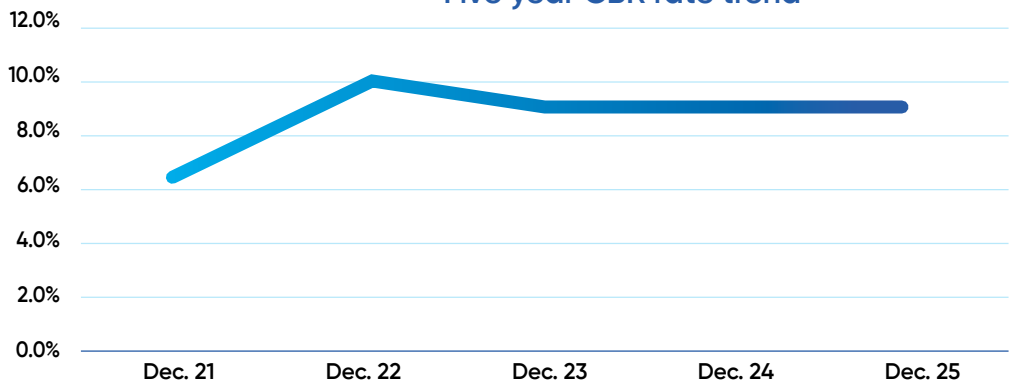
0.0%

The Central Bank Rate remained unchanged at 9.75%, a level maintained since October 2024.

Impact

This supported a stable lending position, with the Group's banking subsidiary in Uganda maintaining prime lending rates at 20.5% for shilling denominated loans and 10% for dollar denominated loans.

Five year CBR rate trend



Foreign Exchange Rate

Foreign exchange dynamics in 2025 exerted a material influence on performance, creating both revenue opportunities and emerging risk exposures. The relative stability of the Ugandan shilling sustained a predictable operating environment, bolstered investor confidence, and supported trade-related banking activity. Earlier Bank of Uganda monetary policy actions and reforms in the interbank foreign exchange market further underpinned exchange-rate stability.

Impact

- Relative stability in the exchange rate supported low inflation and business confidence.
- Increased Forex Trading income.
- Forex conditions influenced liquidity management and funding costs with periodic pressures in the foreign exchange market necessitating more active treasury operations.

Other key trends

United States Government Policies

Following the decision by the United States Government to suspend Uganda from the Africa Growth and Opportunity Act (AGOA), USAID-related activities in the country were halted. These developments carried wide-ranging implications for sectors such as health, tourism and employment, with knock-on effects that extended across the broader economy.

Impact on the Group and Its Stakeholders

1. The cancellation significantly affected the Foundation's planned activities, as Shs 1.4 Billion had been approved through a United states of America funded program Center for Diseases Control(CDC) but only Shs 550.5 Mn was received prior to termination.

2. The suspension affected the market for bank loans and mortgages, particularly among employees of USAID supported NGOs who previously earned above average salaries and contributed to strong credit demand.

3. Several NGOs were tenants in commercial buildings owned by the Bank's customers. The loss of NGO funding and subsequent downsising affected rental income for these property owners, with a resulting impact on their loan repayment capacity.



GDP

In 2025, Malawi's economy recorded a modest but uneven recovery, with real GDP growth estimated at approximately 2.4%. The improvement reflected partial recovery in mining, wholesale and retail trade, tourism, and selected service sectors, following weather-related disruptions in the prior year. Despite this rebound, the economy remained constrained by elevated inflation, persistent foreign exchange shortages, tight domestic liquidity, and mounting fiscal pressures.



Tea harvesting in Malawi.

Impact

- Weak credit demand for corporate loans and SME financing slowing loan book growth.
- Weak economic activity resulting in constrained business revenues and household incomes leading to loan repayment challenges.
- Limited export earnings leading to persistent foreign exchange shortages.

Inflation

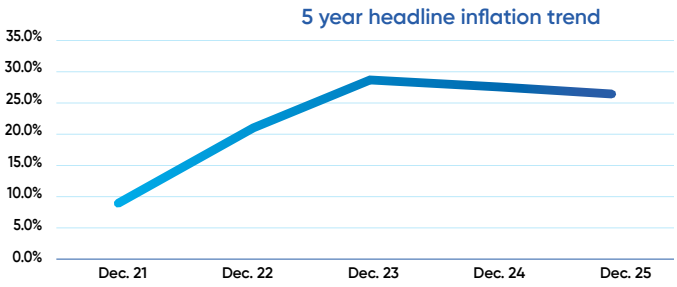
FY 2025: 26.0%
FY 2024: 28.1%

2.2%

Inflation decreased from 28.1% in 2024 to 26.0% in 2025, reflecting a modest easing in price pressures. The Reserve Bank of Malawi maintained the policy rate at 26% throughout the year, helping to anchor inflation expectations but limiting private sector credit growth.

Impact

Inflation remained elevated, driven by high food prices, persistent foreign exchange shortages and supply side constraints that continued to affect the cost of essential goods and services.



Centenary Group

Central Bank Rate

FY 2025: 26%
FY 2024: 26%

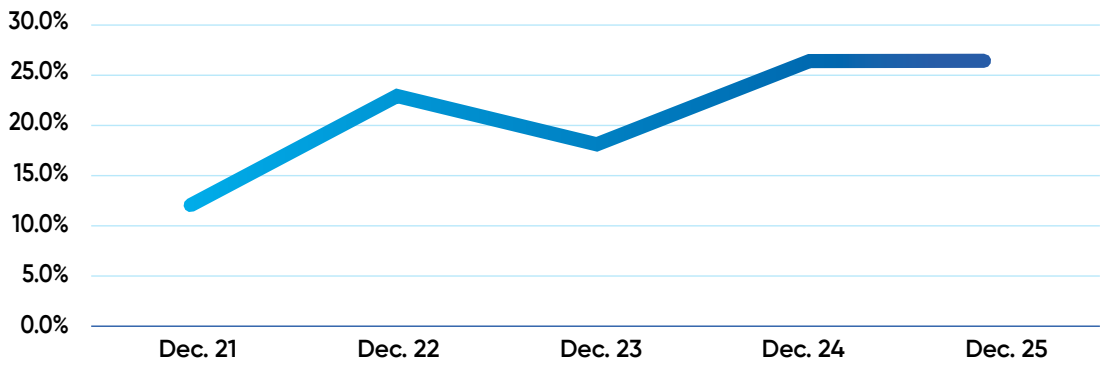
0.0%

The Central Bank Rate reached 26.0% in 2024 and was maintained throughout 2025 as the Reserve Bank of Malawi adopted a wait and see stance aimed at anchoring inflation expectations and stabilising the macroeconomic environment.

Impact

Lending rates remained high across the Malawian market, resulting in reduced credit demand and slower loan book growth for Centenary Bank Malawi. The elevated cost of borrowing also increased non performing loan risk, particularly among customers with limited capacity to absorb higher debt servicing costs.

Five year CBR trend



Foreign exchange shortages

Foreign exchange shortages remained a defining feature of the Malawian economy during the year. Although the exchange rate was administratively stable, limited access to forex continued to constrain import capacity, particularly for fuel, industrial inputs and essential commodities.

Impact

- Higher production costs, intermittent supply disruptions and weakened business confidence, further tightening operating conditions for households and firms.

Uganda versus Malawi Economies

The divergent macroeconomic conditions in Uganda and Malawi continued to shape credit demand, loan book growth and portfolio risk across the Group's operations.

Economic Factor	Uganda	Malawi
GDP	Uganda's GDP position reflects a relatively large, fast growing and increasingly diversified economy supporting stronger economic activity and investment.	Malawi's smaller and slower growing GDP, combined with structural vulnerabilities, continues to constrain economic expansion and stability.
Currency Stability	Relatively stable currency with manageable exchange rate volatility.	Currency instability and persistent forex shortages.

Economic Factor	Uganda	Malawi
Inflation Dynamics	Low and stable inflation; lower nominal margins but stronger real profitability.	High inflation driven by food prices, forex shortages and supply constraints; high margins but real returns eroded.
Foreign Exchange Availability	Stable inflows from exports, remittances and emerging oil prospects.	Severe forex shortages leading to import constraints, including fuel and essential inputs.
Interest Rate Environment	CBR stable at 9.75%, supporting a predictable lending environment.	CBR maintained at 26%, keeping borrowing costs high and constraining credit growth.
Credit Market Conditions	Stable lending position with steady prime lending rates.	High lending rates reduced credit demand and increased NPL risk.

Key Performance Highlights

Total Revenue
FY 2025: **Shs 1,622 Bn**
22.7%
FY 2024: Shs 1,321 Billion

Total Costs
FY 2025: **Shs 1,042 Bn**
20.0%
FY 2024: Shs 868 Billion

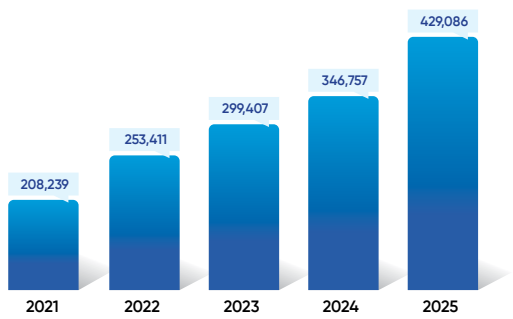
Profit after tax
FY 2025: **Shs 429 Bn**
23.7%
FY 2024: Shs 346 Billion

Net loans and advances
FY 2025: **Shs 4,276 Bn**
11.4%
FY 2024: Shs 3,839 Billion

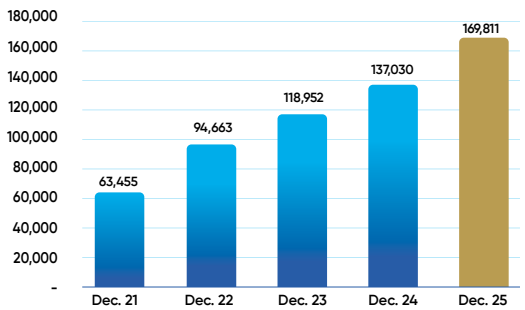
Deposits
FY 2025: **Shs 5,689 Bn**
26.6%
FY 2024: Shs 4,493 Billion

Investments
FY 2025: **Shs 2,787 Bn**
32.4%
FY 2024: Shs 2,104 Billion

Five year Net Profit after tax trend Shs billion



Five year Dividend payout trend Shs billion



Statement of comprehensive income analysis (P&L)

Summary Statement of Profit or Loss (2023-2025)

	2023 Shs '000	2024 Shs '000	2025 Shs '000	Change 2025 Vs 2024 %
Interest income	796,194,683	865,696,857	1,009,111,178	**16.6%**
Fee and commission income	209,949,722	209,922,372	266,304,653	**26.9%**
Net trading Income	203,289,499	216,943,485	319,802,974	**47.4%**
Other operating income	31,367,302	28,908,146	26,730,518	**7.5%**
Total revenue (1)	**1,240,801,206**	**1,321,470,860**	**1,621,949,323**	**22.7%**
Interest expense	(158,998,011)	(181,463,391)	(229,630,075)	**26.5%**
Fee and commission expense	(97,872,668)	(82,283,594)	(88,749,684)	**7.9%**
Impairment Charge	(20,161,783)	(27,421,145)	(65,078,370)	**137.3%**
Other operating expenses	(573,592,268)	(576,837,608)	(658,314,767)	**14.1%**
Total costs (2)	**(850,624,730)**	**(868,005,738)**	**(1,041,772,896)**	**20.0%**
Loss on monetary adjustment	-	(3,453,645)	(6,783,278)	**96.4%**
Profit before tax	**390,176,476**	**450,011,477**	**573,393,149**	**27.4%**
Income tax expense	(90,769,881)	(103,254,566)	(144,306,920)	**39.8%**
Profit after tax (3)	**299,406,595**	**346,756,911**	**429,086,229**	**23.7%**

Key observations

- **Record PAT:** of Shs 429.1 Billion growth of 23.7% (2024: 15.8%) driven by growth in interest income, fee diversification and strict cost discipline, with cost to income ratio holding at 64.2% (2024: 65.7%).
- This growth in profitability reflects not only revenue growth but also improved operational efficiency and a more disciplined balance sheet across all the subsidiaries.
- **Interest Income:** grew by 16.6% (2024: 8.7%) to Shs 1.0 Trillion attributed to higher investments in government securities, specifically treasury bills and bonds by both the banking subsidiaries in Uganda and Malawi.
- **Non-interest revenue:** this includes fee and commission, net trading and other operating income. This surged by 34.5% (2024: 2.5%) to Shs 613.0 Billion with trading income up by 47.4% (2024: 6.7%) and fees and commissions up by 26.9% (2024: 0%) mainly due to:

  - » Trading income shooting up because of mark to market gain on government bonds for the bank in Uganda resulting from a drop in interest rates leading to the value of existing bonds with higher interest rates going up and increase in the volume of forex transactions both at the bank and forex bureau for the bank in Malawi.
  - » Increase in number of transactions by customers under alternative channels driving fees and commissions stream of revenue. These commissions were from card business, Cente mobile transactions, Cente mobile income from loans and Agent banking commissions from the bank in Uganda.

- **Interest expenses:** went up by 26.5% (2024: 14.1%) to Shs 229.6 Billion driven by the bank in Uganda which incurred high interest expenses on special demand and term deposits in a bid to mobilize deposits most especially for the first half of 2025 in the view of competition from Unit trust companies.

- On the other hand, the bank in Malawi's interest expense dropped due to Continued and deliberate efforts to retire expensive deposits and replace them with cheap deposits, i.e. Current and Saving deposits (CASA). The CASA deposit ratio improved from it's 58% closing position in 2024 to 74% at the end of 2025.

Credit Impairment charges: went up by over 100% to Shs 65.1 Billion driven by both the banking subsidiaries in Uganda and Malawi.



Bank in Uganda

Charges went up by 62.7% (2024: drop of 75.0%) because the bank provided higher amounts for loans attributed to delayed payment to Government contractors and public service salaries.



Bank in Malawi

Charges went up by over 100% mainly due to deterioration of legacy loan portfolio and impairment allowances on government securities.

Cost discipline: continued to be maintained with cost to income ratio improving to 64.2% (2024: 65.7%). This shows an improvement in management of costs by the entities across the Group.

Contribution of each profit-making subsidiary to key P&L performance parameters after hyper inflation adjustments

Centenary Bank in Uganda remained the anchor subsidiary, contributing significantly to the Group's overall performance driven by it's strong market presence, customer base expansion and strategic financial initiatives. For the bank in Malawi, the year 2025 was ear marked as a transformational year following 2024 as a recovery year closing with a profit after tax of Shs 10.6 Billion (2024: Shs 4.1 Billion) before hyperinflation adjustments.

The Bank achieved significant progress specifically business growth, customer confidence, improvements in liquidity and improved customer experiences. The restated profit after tax after hyperinflation closed at Shs 1.4 Billion (2024: Shs 1.1 Billion). Cente-Tech recorded modest revenue growth; however, the Company continues to face challenges in securing revenue generating assignments beyond the Cente Ecosystem.

2025

Performance Parameter	Centenary Bank Uganda Limited	% Contribution	Centenary Bank Malawi Limited	% Contribution	Centenary Group Company Limited	% Contribution	Centenary Technology Services Limited	% Contribution
	Shs '000		Shs '000		Shs '000		Shs '000	
Total Revenue	1,461,058,371	90%	148,117,428	13%	17,720,258	1%	7,680,884	0%
Total Costs	694,851,588	67%	135,690,527	13%	11,909,258	1%	8,434,324	1%
Net Loans	4,158,416,646	97%	117,268,463	3%	-	0%	-	0%
Deposits	5,274,069,317	93%	433,094,941	8%	-	0%	-	0%
Investments	2,441,825,308	88%	291,569,438	10%	53,650,463	2%	-	0%
Profit After tax and hyper inflation adjustment	424,235,412	99%	1,397,423	0%	1,882,033	0%	(557,708)	0%

2024

Performance Parameter	Centenary Bank Uganda Limited	% Contribution	Centenary Bank Malawi Limited	% Contribution	Centenary Group Company Limited	% Contribution	Centenary Technology Services Limited	% Contribution
	Shs '000		Shs '000		Shs '000		Shs '000	
Total Revenue	1,216,983,661	**92%**	97,671,434	**71%**	14,538,590	**1.1%**	7,055,515	**1%**
Total Costs	773,991,383	**88%**	94,181,889	**11%**	10,010,376	**1.2%**	6,213,625	**1%**
Net Loans	3,716,612,516	**97%**	122,452,126	**4%**	-	**0%**	-	**0%**
Deposits	4,214,511,059	**94%**	283,275,059	**6%**	-	**0%**	-	**0%**
Investments	1,929,563,345	**92%**	128,228,152	**6%**	46,437,709	**2%**	-	**0%**
Profit After tax and hyper inflation adjustment	342,284,120	**99%**	1,139,962	**0%**	231,754	**0%**	1,487,879	**0%**

Profitability growth per profit-making subsidiary before hyper inflation adjustments

2025

Entity	Profit after tax 2025	Profit after tax 2024	Growth	% Growth
	Shs '000	Shs '000	Shs '000	
Centenary Bank Uganda Limited	424,235,412	342,284,120	81,951,292	**23.9%**
Centenary Bank Malawi Limited	10,610,063	4,129,752	6,480,311	**156.9%**
Centenary Technology Services Limited	(557,693	1,444,544	(702,237)	**28.6%**

2024

Entity	Profit after tax 2024	Profit after tax 2023	Growth	% Growth
	Shs '000	Shs '000	Shs '000	
Centenary Bank Uganda Limited	342,284,120	297,087,585	45,196,535	**15.2%**
Centenary Bank Malawi Limited	4,129,752	2,892,110	1,237,642	**42.8%**
Centenary Technology Services Limited	1,444,544	(3,065,343)	(1620,799)	**189.1%**

Key Profitability Ratios

	FY 2025	FY 2024	Change 2025
Return on Equity (ROE)	20.2%	21.6%	**1.4%**
Return on Assets (ROA)	5.1%	4.9%	**0.2%**
Net Interest Margin (NIM)	11.7%	12.3%	**-0.6%**
Cost to Income Ratio	64.2%	65.7%	**-1.5%**

The drop in net interest margin is attributed to the high growth in interest expense on term deposits for the banking subsidiary in Uganda. Net interest margin is the difference between interest income and interest expense over average earning assets. This remained the main source of income for the banking business.

Statement of Financial Position (Balance Sheet) analysis

Summary Statement of Financial Position (2023-2025)

	2023 Shs '000	2024 Shs '000	2025 Shs '000	2025 Change %
ASSETS				
Cash and balances with Bank of Uganda	855,275,945	840,343,654	1,444,241,163	**71.9%**
Placements with other Banks	251,297,101	322,501,237	155,404,758	**-51.8%**
Investment in Government Securities	1,735,169,480	2,104,229,206	2,787,045,209	**32.4%**
Loans and advances to customers	3,410,761,888	3,839,064,642	4,275,685,109	**11.4%**
Other assets	421,631,720	504,717,385	626,981,864	**24.2%**
Goodwill	2,927,251	2,927,251	2,927,251	**0.0%**
Total assets	**6,677,063,385**	**7,613,783,375**	**9,292,285,354**	**22.0%**
LIABILITIES				
Customer deposits	4,280,061,417	4,492,827,784	5,689,011,057	**26.6%**
Managed funds	17,333,081	19,935,915	28,905,913	**45.0%**
Borrowed funds	200,850,779	377,313,682	314,032,390	**-16.8%**
Other liabilities	691,212,489	953,464,053	1,139,224,816	**19.5%**
Total liabilities	**5,189,457,766**	**5,843,541,434**	**7,171,174,176**	**22.7%**
SHAREHOLDERS EQUITY				
Total equity to owners	1,467,583,177	1,746,906,428	2,092,107,598	**19.8%**
Non-Controlling interest	20,022,442	23,335,513	29,003,580	**19.5%**
Total equity to owners	1,487,605,619	1,770,241,941	2,121,111,179	**19.8%**
Total equity and liabilities	**6,677,063,385**	**7,613,783,375**	**9,292,285,354**	**22.0%**

Key observations

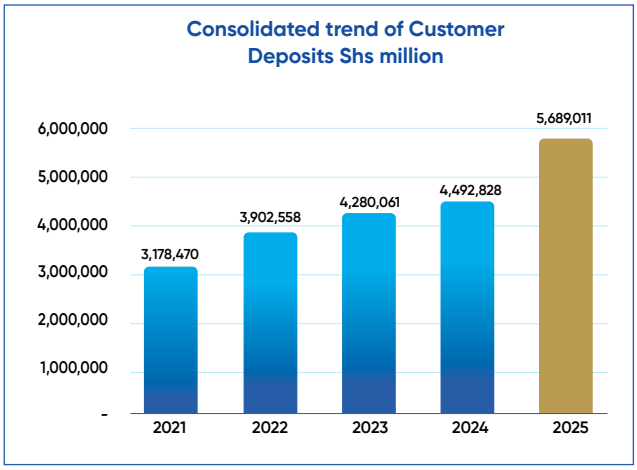
Balance sheet strength: Total assets up 22.0% to Shs 9.3 Trillion mainly due to a significant growth in deposits for both banking subsidiaries. The availability of deposits made it possible to drive the growth in investments in government securities. Customer deposits crossed Shs 5.7 Trillion a 26.6% growth and Investment in government securities closed at Shs 2.8 Trillion and posting a growth of 32.4%. Net loans too grew to Shs 4.3 Trillion an increase of 11.4% driven mainly by the bank in Uganda. The loan book for the bank in Malawi did not grow because of the bank's strategy to cautiously push for underwriting of quality loans.

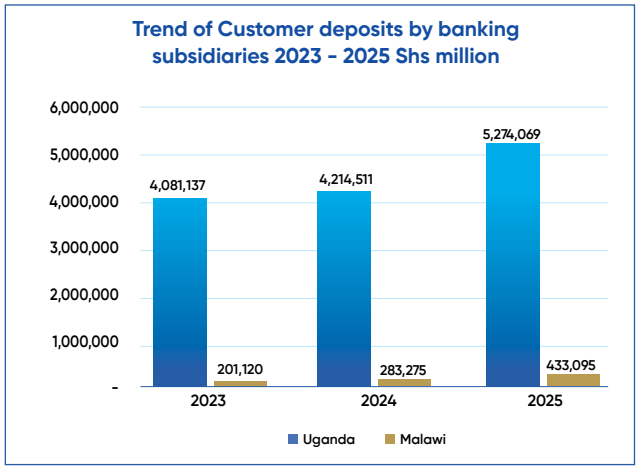
Key Balance sheet ratios

	FY 2025	FY 2024	Change 2025
Liquidity ratios			
Total deposits/total assets	61.2%	59.0%	**2.2%**
Total deposits/total liabilities	79.3%	76.9%	**2.4%**
Net loans/total deposit	75.2%	85.4%	**-10.3%**
Asset quality ratios			
Loan loss provision/total loans	1.7%	1.7%	**0.1%**
Non-performing loans/total loans(gross)	5.5%	3.6%	**1.9%**
Impairment expense/total loans(gross)	1.5%	0.7%	**0.8%**
Total loans/Total Assets	46.8%	51.3%	-4.5%

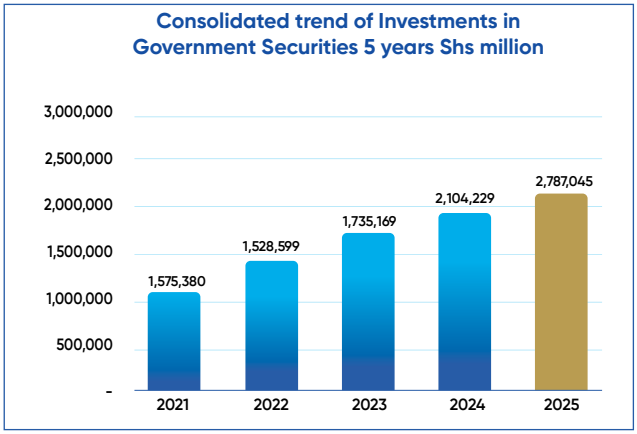
Graphical representation of the growth

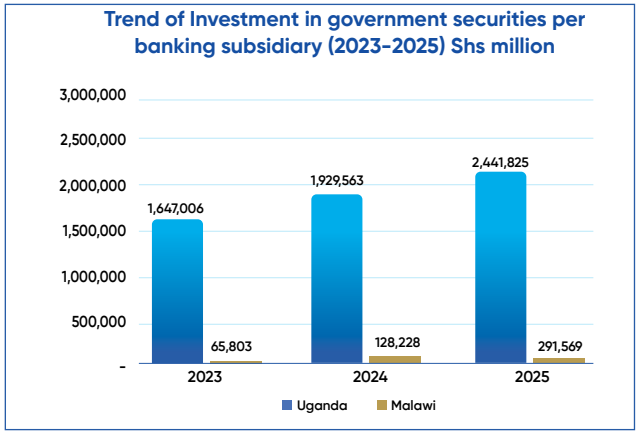
A. Customer deposits



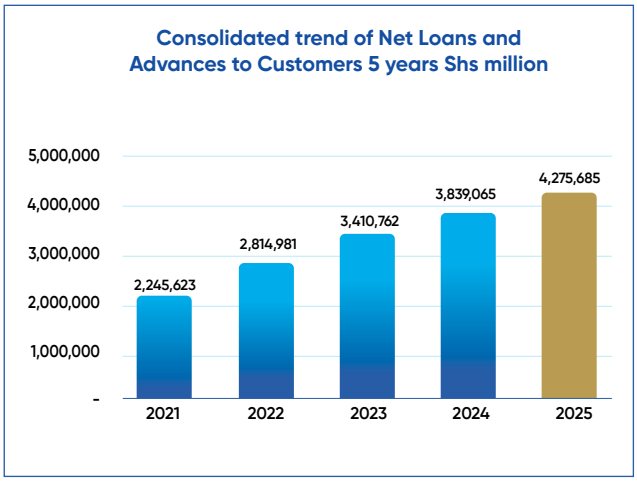


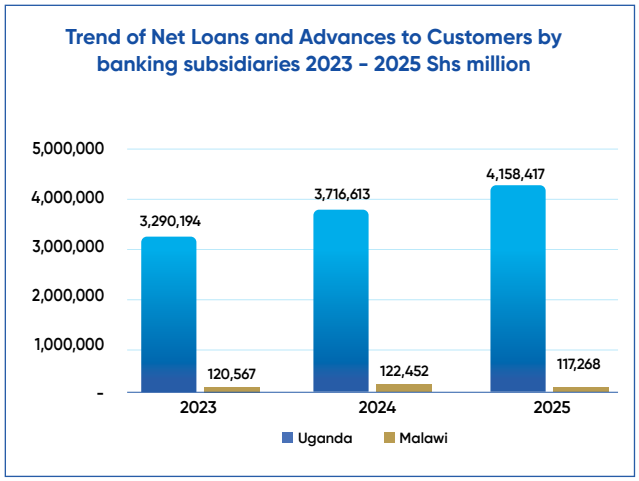
B. Investment in Government Securities





C. Net Loans and advances to customers





Capital adequacy: The bank in Uganda is well above the regulatory minimum giving it capacity for continued dividend growth and loan book expansion. On the other hand, for the bank in Malawi, the year 2025 was earmarked as a transformational year following 2024 as a recovery year. The bank was able to meet the capital requirements and manage all it's operations without getting any additional capital injection from the Group.

Capital adequacy ratios per banking subsidiary

Centenary bank in Uganda

As of 31st December 2025, the banking subsidiary had a regulatory total capital base of 29.5% (2024:29.3%) and core capital of 28.6% (2024:28.3%). This compares favourably with the regulatory requirement of 15.0% and 13.0% respectively.

Centenary bank in Malawi

As of 31st December 2025, the banking subsidiary had a regulatory total capital ratio of 18.8% (2024:17.9%) and core capital of 18.9% (2024:15.7%). This compares with the regulatory requirement of 15.0% and 10.0% respectively.

IFRS Sustainability

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2* Climate-related Disclosures

The Group is assessing the impact of the new IFRS Sustainability Disclosure Standards, IFRS S1 and IFRS S2, which aim to elevate sustainability reporting alongside financial disclosures. IFRS S1 focuses on sustainability-related risks and opportunities, while IFRS S2 addresses climate-related disclosures. These standards, effective from 1 January 2024, require companies to integrate sustainability reporting with financial statements. Uganda's ICPAU issued an implementation road map in September 2025, proposing a phased adoption beginning with voluntary compliance for Public Interest Entities in 2027 and mandatory adoption in 2028. The implementation is expected to significantly influence financial statement preparation and disclosure processes.



Centenary Group

2025 separate financial statements for each profit making subsidiary

A. Centenary Rural Development Bank Limited, Uganda

Income Statement For The Year Ended 31 December 2025

	2025 Shs '000	2024 Shs '000
Interest income	913,896,144	800,841,818
Interest expense	(205,643,887)	(156,737,046)
Net interest income	**708,252,257**	**644,104,772**
Fee and commission income	226,966,342	187,040,649
Fee and commission expense	(85,689,154)	(79,798,355)
Net fee and commission income	**141,277,188**	**107,242,294**
Net trading income	299,348,289	203,197,150
Other operating income	20,847,596	25,904,044
Operating income	**1,169,725,330**	**980,448,260**
Employee benefits	(249,559,666)	(229,461,050)
Expected credit loss expense	(31,837,041)	(19,564,913)
Depreciation expense	(51,550,652)	(54,371,338)
Amortisation expense	(5,372,480)	(6,076,210)
Operating expenses	(270,842,596)	(227,982,471)
Profit before income tax	**560,562,895**	**442,992,278**
Income tax expense	(136,327,485)	(100,708,158)
Profit for the year	**424,235,410**	**342,284,120**
Other comprehensive income	**-**	**-**
Total comprehensive income for the year	**424,235,410**	**342,284,120**

Statement of Financial Position as at 31 December 2025

	2025 Shs '000	2024 Shs '000
ASSETS		
Cash and balances with Bank of Uganda	1,401,696,657	798,549,558
Deposits and balances due from other banks	130,216,038	299,675,610
Government securities	2,441,825,308	1,929,563,345
Loans and advances to customers	4,158,416,646	3,716,612,516
Other assets	92,598,381	85,295,727
Right-of-use assets	150,134,362	123,759,967
Property and equipment	48,903,258	59,462,521
Intangible assets	135,724,489	61,146,547
Deferred income tax asset	49,940,411	40,698,877
Total assets	**8,609,455,550**	**7,114,764,668**
LIABILITIES		
Derivative liabilities	-	12,996
Customer deposits	5,274,069,317	4,214,511,059
Deposits and balances due to other banks and financial institutions	575,197,980	599,559,725
Borrowings from banks in Uganda	136,802,585	-
Managed funds	28,905,913	19,935,915
Borrowed funds	307,630,727	367,845,296
Deferred grants	1,600,412	1,464,922
Lease liabilities	151,121,261	122,155,911
Other liabilities	249,258,308	212,351,127
Current income tax	37,456,911	16,562,616
Provisions	1,155,678	1,313,783
Total liabilities	**6,763,199,092**	**5,555,713,350**
EQUITY		
Ordinary share capital	172,952,136	172,952,136
Ordinary share premium	671,008,363	671,008,363
Preference share capital	116,624	116,624
Retained earnings	792,304,539	545,975,924
Regulatory credit risk reserve	32,064,008	23,968,001
Other Reserves	8,000,000	8,000,000
Proposed dividends	169,810,788	137,030,270
Total equity	**1,846,256,458**	**1,559,051,318**
Total equity and liabilities	**8,609,455,550**	**7,114,764,668**

B. Centenary Bank Limited in Malawi

Income statement for the year ended 31 December 2025

	Restated		Historical	
	2025 *Restated Shs '000	2024 *Restated Shs '000	2025 *Historical Shs '000	2024 *Historical Shs '000
INCOME				
Interest income	88,250,406	60,980,607	79,540,823	54,822,898
Interest expense	(27,900,750)	(28,614,280)	(25,016,393)	(25,724,863)
Net interest income	**60,349,656**	**32,366,327**	**54,524,430**	**29,098,035**
Fee and commission income	39,338,311	22,881,723	35,588,931	20,571,169
Fee and commission expense	(3,060,530)	(2,485,239)	(2,642,176)	(2,234,284)
Fee and commission income	**36,277,781**	**20,396,484**	**32,946,755**	**18,336,885**
Net interest, fee and commission income	**96,627,437**	**52,762,811**	**87,471,185**	**47,434,920**
Net trading income	20,528,711	13,809,103	18,309,286	12,414,684
Other operating income	-	-	-	-
Operating income	**117,156,148**	**66,571,914**	**105,780,471**	**59,849,604**
Employee benefits	(27,071,474)	(23,106,600)	(24,381,594)	(20,773,339)
Impairment losses on loans and advances	(33,241,329)	(7,856,232)	(30,520,109)	(7,062,924)
Depreciation expense	(2,838,595)	(1,594,125)	(1,373,357)	(1,433,153)
Amortisation expense	(3,046,974)	(1,655,238)	(1,474,174)	(1,488,095)
Depreciation expense (IFRS 16)	(2,695,652)	(1,581,252)	(1,304,199)	(1,421,580)
Other operating expenses	(35,835,223)	(27,288,923)	(32,197,457)	(24,533,338)
Gain on monetary position	(6,783,278)	(3,453,645)	-	-
Profit from operations before taxation	**5,643,623**	**35,899**	**14,529,581**	**3,137,175**
Income tax expense	(4,246,200)	1,104,063	(3,919,517)	992,577
Net profit for the year	**1,397,423**	**1,139,962**	**10,610,064**	**4,129,752**

Restatement - Application of IAS 29 – Hyperinflationary economies GRI (2-4)

The Group has a subsidiary, Centenary Bank Limited, operating in Malawi which the Directors have assessed as a hyperinflationary economy in accordance with IAS 29 Financial Reporting in Hyperinflationary Economies. Accordingly, for the purposes of preparing the consolidated financial statements of the Group, the financial information of Centenary Bank Limited has been restated to reflect current purchasing power as required by IAS 29 prior to consolidation.

Statement of Financial Position as at 31 December 2025

	Restated		Historical	
	2025 *Restated Shs '000	2024 *Restated Shs '000	2025 *Historical Shs '000	2024 *Historical Shs '000
ASSETS				
Cash and balances with Bank of Uganda	42,544,506	41,794,096	42,544,506	41,794,096
Placements with other Banks	25,188,720	22,825,628	25,188,720	22,825,627
Government securities -held to Maturity	291,569,438	128,228,152	291,569,438	128,228,151
Government Securities pledged as Collateral	-	-	-	-
Loans and advances to customers	117,268,463	122,452,126	117,268,463	122,452,126
Other assets	10,930,283	15,221,086	10,930,283	14,107,139
Deferred tax asset	7,746,936	9,121,883	7,746,936	9,121,883
Right of use	2,968,192	2,795,239	2,125,902	2,208,949
Property and equipment	9,031,098	6,995,646	5,236,695	5,637,539
Investment Property	-	-	-	-
Intangible assets	5,140,888	7,169,453	4,419,242	5,763,342
Goodwill acquired at business combination	-	-	-	-
Total assets	**512,388,524**	**356,603,309**	**507,030,185**	**352,138,852**
LIABILITIES				
Customer deposits	433,094,941	283,275,059	433,094,941	283,275,060
Deposits and balances due to other banks and institutions	-	7,332,718	-	7,332,717
Borrowed funds	6,401,663	9,468,385	6,401,663	9,468,386
Current Income tax Payable	2,568,460	331,490	2,568,460	331,490
Other liabilities	9,636,739	6,526,440	9,636,739	6,526,439
Lease liability	2,173,531	2,045,721	2,173,531	2,045,721
Total liabilities	**453,875,334**	**308,979,813**	**453,875,334**	**308,979,813**
SHAREHOLDERS EQUITY				
Ordinary Share capital	87,323	47,454	84,040	49,927
Preference share capital	-	-	-	-
Share premium	96,577,184	59,604,388	89,328,226	62,293,531
Other Reserves	-	18,748,649	-	16,613,290
Proposed dividends	-	-	-	-
Retained earnings	(38,151,317)	(30,776,995)	(36,257,415)	(17,351,580)
Translation reserve	-	-	-	(18,446,129)
Total equity to owners	**58,513,190**	**47,623,496**	**53,154,851**	**43,159,039**
NCI	-	-	-	-
Total shareholders' equity	-	-	-	-
Total equity and liabilities	**512,388,524**	**356,603,309**	**507,030,185**	**352,138,852**

C. Centenary Technology services Limited

Income statement for the year ended 31 December 2025	2025 Shs (000)	2024 Shs (000)
Revenue	7,680,898	7,055,515
Gross profit	**7,680,898**	**7,055,515**
Staff Costs	(4,647,732)	(3,656,678)
Other operating expenses	(3,270,185)	(2,234,999)
Depreciation	(120,397)	(114,816)
Amortisation	(396,009)	(207,130)
Total Operating Expenses	**(8,434,323)**	**(6,213,623)**
Profit / (loss) before Tax	**(753,425)**	**841,892**
Tax credit	195,732	645,989
Profit / (loss) after tax	**(557,693)**	**1,487,881**
Other comprehensive income	-	-
Total comprehensive profit / (loss) for the year	**(557,693)**	**1,487,881**

Statement of financial position as at 31 December 2025	2025 Shs (000)	2024 Shs (000)
Assets		
Non-Current Assets		
Deferred Tax Asset	1,406,666	1,242,864
Property and Equipment	587,685	327,295
Intangible Assets	41,548	275,475
Total Non-Current Assets	**2,035,899**	**1,845,634**
Current Assets		
Cash and Bank	2,928,375	3,327,561
Trade Receivables and Other assets	529,830	691,644
Total Current Assets	**3,458,205**	**4,019,205**
Total Assets	**5,494,104**	**5,864,839**
EQUITY AND LIABILITIES		
Capital and reserves		
Share Capital	10,000	10,000
Other Reserves	7,370,000	7,370,000
Retained Earnings	(3,467,434)	(2,984,240)
Total Equity	**3,912,566**	**4,395,760**
Current Liabilities		
Other Liabilities	1,581,538	1,469,079
Total current liabilities	**1,581,538**	**1,469,079**
TOTAL EQUITY AND LIABILITIES	**5,494,104**	**5,864,839**

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Centenary Bank

A Member of Centenary Group

For more information call our toll free line

0800 200555/0800 335344

Centenary Bank, a Member of the **Cente**Group. Regulated by Bank of Uganda A1.033.

Customer deposits are protected by the Deposit Protection Fund up to UGX 10 Million. Terms and Conditions apply.

Manufactured Capital

GRI (203-1)

What manufactured capital means to Centenary Group.

Manufactured capital refers to the physical and digital infrastructure that enables Centenary Group to deliver accessible, reliable financial and technology services across Uganda and Malawi. It includes branches, agents, ICT systems, and shared services platforms that support the Group's purpose of transforming lives through innovative finance.



Centenary Bank in Uganda Adjumani branch.

Key inputs

- Digital and ICT infrastructure provided by Centenary Technology Services.
- Shared services supporting Group-wide operations.
- Property and equipment
- Intangible assets
- Right of use assets

Key outcomes

- 98 Branches (2024: 97)
- 3 Forex Bureaus (2024: 3)
- 2 Micro finance outlets (2024: 2)
- 239 ATM's (239)
- 3.54 million Total customers (2024 3.4 million)
- Shs 186 Billion in Group fixed assets (2024 Shs 162.3 Billion)
- Shs 141.3 Billion in Group intangible assets (2024 Shs 68.5 Billion)
- Shs 115.8 in right if use assets (2024 Shs 97.1 Billion)

Value created for stakeholders

Shareholders

Strong financial performance supported by scalable infrastructure.

Employees

Modern systems and tools that improve productivity and service delivery.

Local communities

Large physical and digital footprint enabling financial inclusion across Uganda and Malawi.

Suppliers

Creates value for suppliers by providing reliable infrastructure and systems that enable efficient procurement, timely payments, and predictable business continuity.

Government and regulators

Infrastructure use results in taxes for Governments and supports compliance with laws and regulations.

Customer

Secure, accessible, and affordable financial services supported by a wide branch and agent network.

Investors and development partners

Reliable systems and internal governance provides confidence in Group's ability to generate returns and deliver programs efficiently and effectively.

Material matters

How we leverage on this capital to deliver impact

Capital investment in branches, agents, and digital platforms.

Cente-Tech expertise strengthens digital infrastructure and service quality.

Digitalisation reduces resource use and supports environmental stewardship.

Skilled staff operate systems and deliver customer centric service.

Physical and digital networks deepen trust and support community impact.

Manufactured Capital in 2026 and beyond

- Centenary Group will accelerate the transition toward a fully digital, integrated financial ecosystem. The establishment of the Tier III Data Centre in Masaka will become the backbone of this shift.
- The Group will expand its digital footprint to ensure more individuals and enterprises can participate in the formal economy.
- While digital channels will grow, the Group will continue strengthening its physical infrastructure to maintain accessibility.

Contributing to sustainable development

SUSTAINABLE DEVELOPMENT GOALS

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Manufactured capital expands inclusive, safe, and accessible financial infrastructure across Uganda and Malawi.

11 SUSTAINABLE CITIES AND COMMUNITIES

Manufactured capital is the backbone of the Group's innovation and infrastructure agenda.

Trade offs

- Shortterm capital expenditure vs. long-term efficiency.
- Balancing digital expansion with physical presence.
- Centralised shared services vs. subsidiary autonomy.

Human Capital

GRI (2-7, 401-1, 404-1, 404-2, 405-1)



Centenary Bank Uganda people month 2025.

What human capital means to Centenary Group

Human capital represents the people who embody and execute the Group's mission. It includes the skills, experience, values, leadership culture, and organisational capabilities that enable Centenary Group to deliver high-quality financial and technology services. Employees are central to transforming lives, driving innovation, and sustaining performance across Uganda and Malawi.

See: 'People' on page 50 of the Environmental Social and Governance Report.

Key inputs

- Skilled and experienced workforce across banking, technology, and social development.
- Training, development, and succession planning mandated at Group level.
- Culture anchored in service, steward-ship, and community transformation.

Key outcomes

- 3,889 Group wide employee head count (2024: 3,740)
- Shs 417 Mn revenue per staff (2024: Shs 353.2 Mn)
- 1,925 females employee (2024: 1,767)
- Staff satisfaction index 86.2% (2024: 87%)

Value created for stakeholders

Shareholders

Skilled workforce drives sustainable financial performance and operational excellence.

Employees

A values driven culture, professional development, and stable governance environment.

Local communities

Staff deliver inclusive services that expand access to finance and support livelihoods.

Suppliers

Employees ensure suppliers are identified, deliver the procured goods and services and paid on time.

Government and regulators

Competent staff ensure compliance with laws, regulations, and supervisory expectations.

Customer

Knowledgeable, customer focused staff provide reliable, affordable, and accessible services.

Investors and development partners

Strong governance and professional conduct reinforce confidence in the Group's ability to deliver impact.

Material matters



How we leverage on this capital to deliver impact



Investment in people strengthens productivity and supports revenue growth.



Staff expertise enhances innovation, product development, and digital capability.



Skilled teams operate and maintain physical and digital infrastructure.



Staff relationships with customers and communities deepen trust and support the Group's social mission.



Employee awareness of Integral Ecology supports environmentally responsible operations.

Human Capital in 2026 and beyond

- The Group will continue strengthening leadership and technical capabilities to support the transition to a fully digital, integrated financial ecosystem.
- Workforce development will focus on digital skills, cybersecurity, data analytics, and customercentric service excellence.
- Succession planning and talent pipelines will be enhanced to support regional expansion and operational resilience.

Contributing to sustainable development

SUSTAINABLE DEVELOPMENT GOALS

4 QUALITY EDUCATION

Financial literacy, community training, and Foundationled education initiatives build skills and expand knowledge for youth, households, and enterprises.

5 GENDER EQUALITY

Inclusive financial services, womenfocused programmes, and equalopportunity values promote women's access to finance, empowerment, and participation in economic activity.

8 DECENT WORK AND ECONOMIC GROWTH

Job creation across banking and technology, SME and agriculture financing, and digital innovation support productive employment and inclusive economic growth.

Trade offs

- Balancing investment in staff development with cost efficiency.
- Managing workforce expansion while accelerating digital initiatives.

Enabling Sustainable Value Creation

Centenary Group's ability to deliver on its purpose and sustain long-term value creation is fundamentally driven by the quality, capability, and commitment of its people. Human Capital extends beyond workforce size to encompass the culture, values, skills, and leadership that underpin effective governance, operational resilience, and service excellence across the Group.

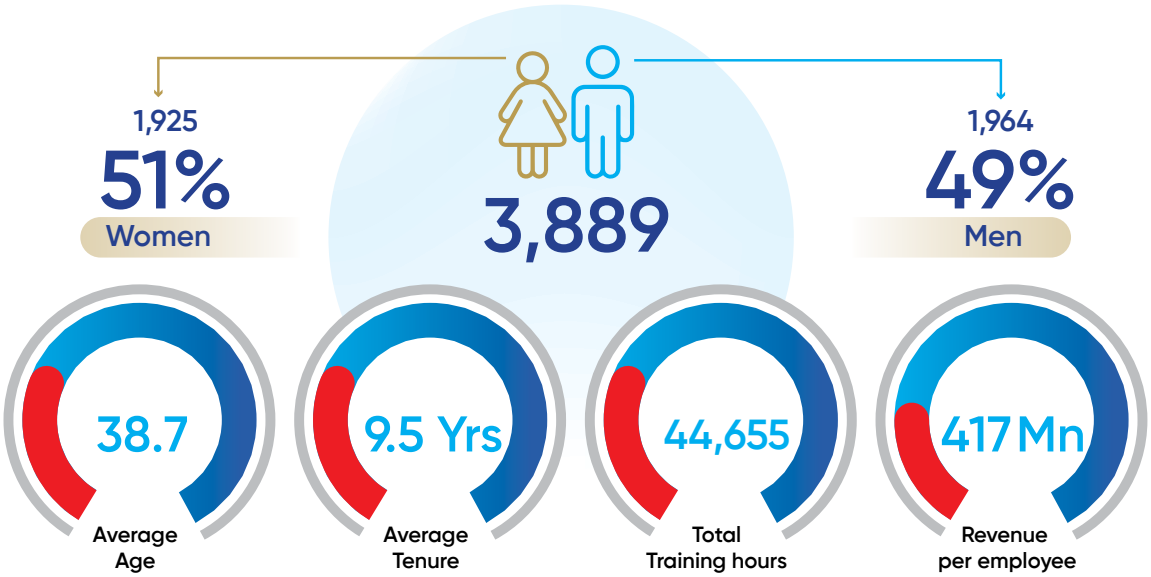
People play a central role in translating strategy into execution, supporting customers, strengthening stakeholder trust, and enabling the Group to respond effectively to a dynamic operating environment. Through a shared commitment to integrity, teamwork, and professionalism, employees across the Group contribute to innovation, risk awareness, and consistent service delivery within our subsidiaries and markets of operation.

The Group continues to invest deliberately in learning, leadership development, and capability building to ensure that its workforce remains adaptable and future ready. Structured development programmes, ethical leadership practices, and a strong customercentric culture support the growth of internal talent and reinforce accountability at all levels of the organisation.

This sustained investment in Human Capital enhances organisational effectiveness, strengthens client relationships, and supports the Group's capacity to create value over the short, medium, and long term, in alignment with its strategic objectives and stakeholder expectations.

Our people

GRI (401-1)

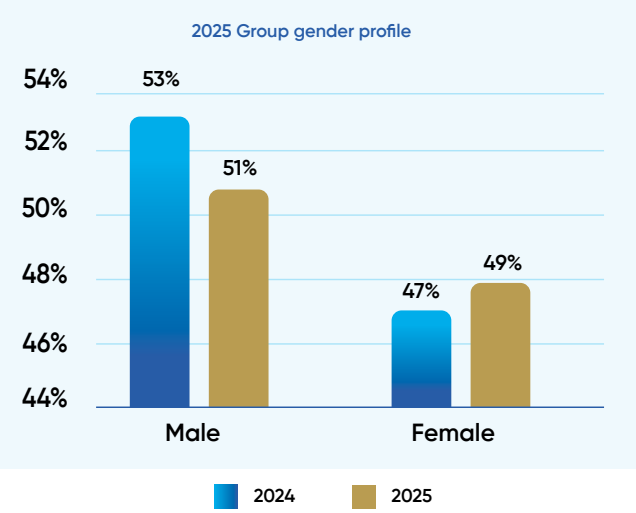


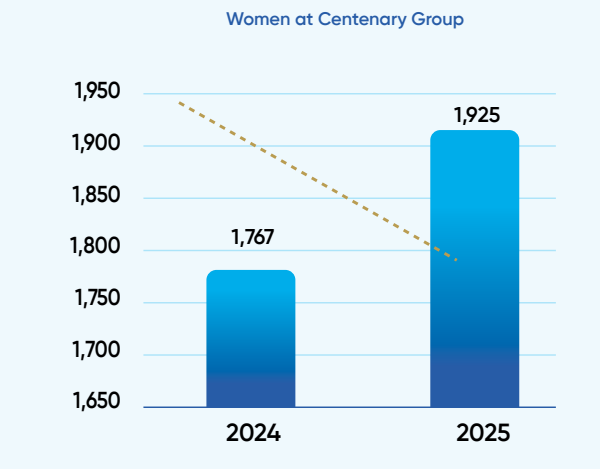
Creating equal opportunities

GRI (401-3, 405-1, 405 – 2)

By the end of 2025, Centenary Group's consolidated workforce closed at 3,889 staff members. Gender parity is a core indicator of our inclusive culture: women comprise 49% of the workforce in Centenary Bank Uganda and 35.5% in Centenary Bank Limited in Malawi. This organisational stability is evidenced by a 6% employee turnover rate within our anchor subsidiary. While female representation at the Board level currently stands at 26% (8 out of 31 directors), see board composition on page 30, the Group has established a strategic target to achieve at least 30% in future recruitments to enhance governance diversity.

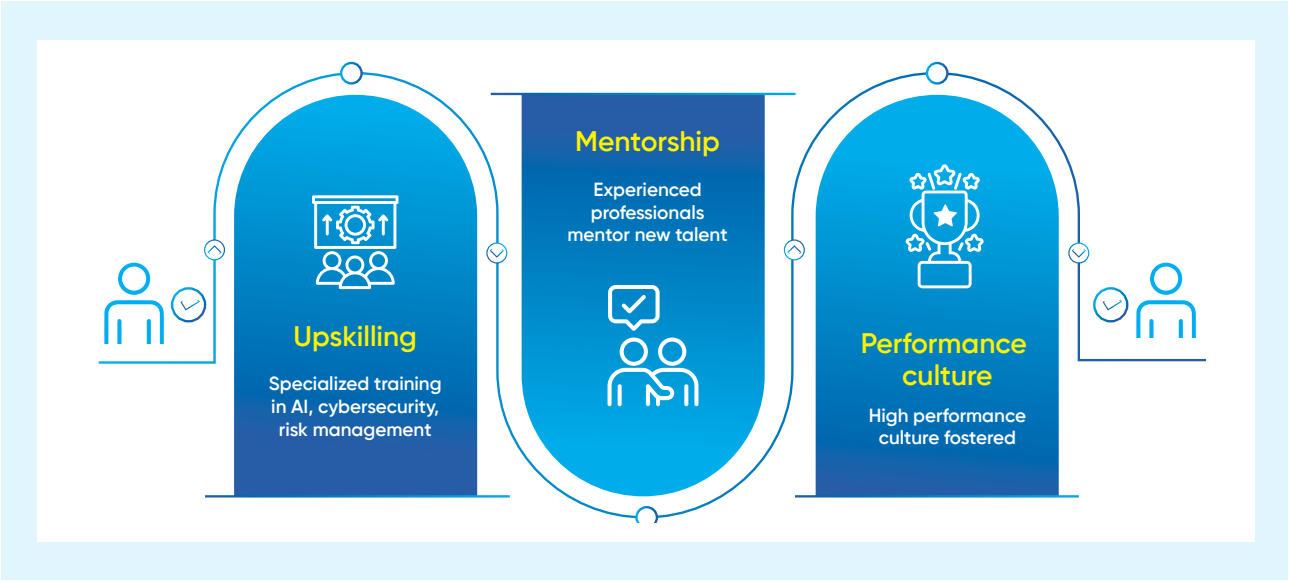
Employee engagement remains high in Uganda, as evidenced by an 86.2% Staff Satisfaction Index (SSI). In comparison, Centenary Bank Limited in Malawi recorded a 59.03% SSI as it transitioned into a new cultural stabilisation phase following its acquisition. The Group remains steadfast in its commitment to fair recruitment and fostering harassment-free workplaces, strictly governed by our Anti-Sexual Harassment and Exploitation and Gender policies. To ensure long term effectiveness, our 2026 to 2030 Strategic Plan has set a target Employee Competence Rating of 95%, supported by a commitment to reach 90% of staff with comprehensive training annually.





This stable operating environment enables the cultivation of a high performance culture in which the experience of long serving professionals, including those recently transitioning into retirement in Malawi, is intentionally leveraged to mentor and strengthen a sustainable talent pipeline capable of supporting the SMART Group transition. Under the new strategic period, the Group is actively upskilling its workforce to achieve a targeted Employee Competence Rating of 95% and an innovation participation rate of 20% by 2030.

By prioritising specialised training in artificial intelligence, cybersecurity, and risk management, the Group reinforces human capital as a foundational enabler of its mission to transform lives through finance and technology, while ensuring continued strategic relevance and execution capability.

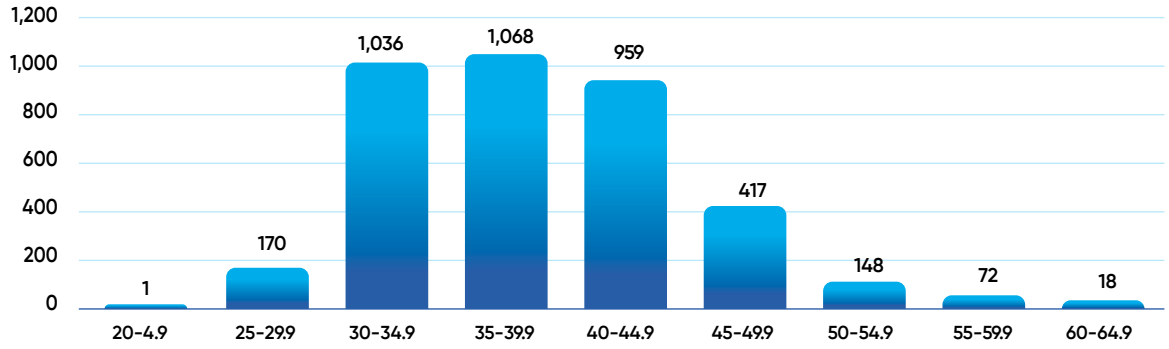


Staff distribution by age

Centenary Group's human capital is comprised of a stable and experienced workforce, with an average employee age of 38.7 years and an average tenure of 9.5 years. The largest concentration of employees falls within the 35 to 39.9 age cohort, indicating that a significant proportion of the workforce has reached role mastery and possesses the institutional knowledge required to support operational excellence.

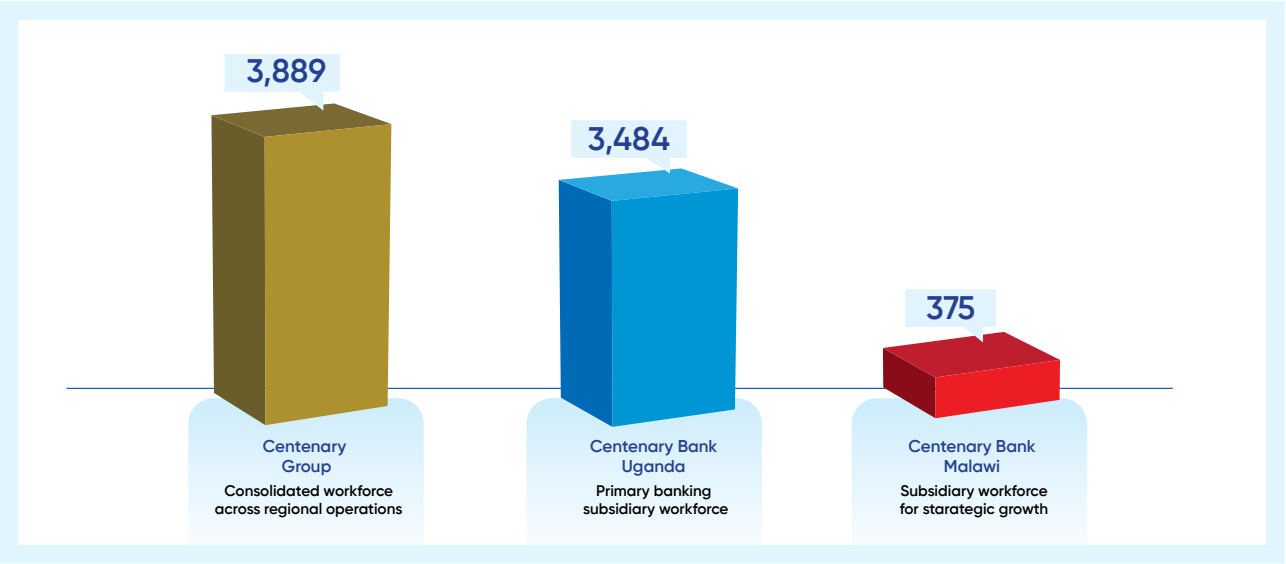
This demographic profile represents a critical enabler of the Group's long-term strategy, providing a talent runway of approximately 21.3 years for a substantial portion of employees before reaching the mandatory retirement age of 60. Such stability supports continuity in leadership, skills retention, and knowledge transfer across the organisation.

Group Staff Age distribution 2025



Strategic Workforce Deployment and Regional Reach

Centenary Group is powered by a workforce of 3,889 professionals strategically deployed across its regional operations to advance financial inclusion and social progress. This workforce is anchored by the Group's primary banking subsidiary, Centenary Bank Uganda, which closed the year with a total headcount of 3,484 staff, comprising 3,329 permanent and 155 temporary employees distributed across the Head Office and regional hubs to support operational effectiveness. Centenary Bank Limited in Malawi is managed by a dedicated team of 375 fulltime equivalents (FTEs), while the group has 30 employees.



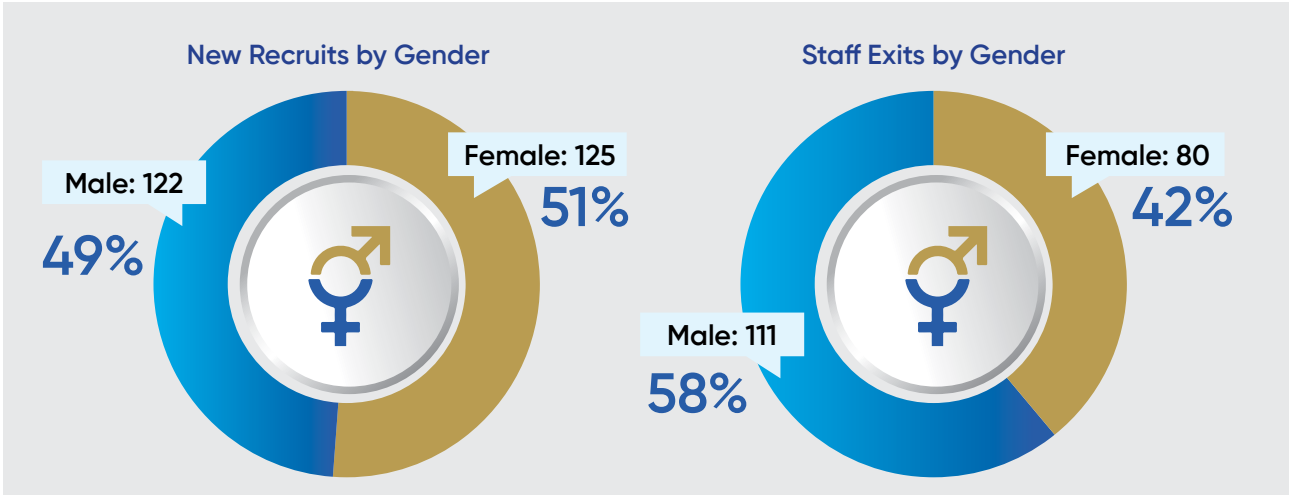
Staff Gender distribution by qualification

2,863 employees hold University Degrees or higher qualifications, showcasing the Group's commitment to a highly skilled workforce. This has been a key driver of the exceptional performance and sustained growth the Group has consistently achieved over recent years.

Talent Inflow, Retention, and Workforce Stability GRI (401-1)

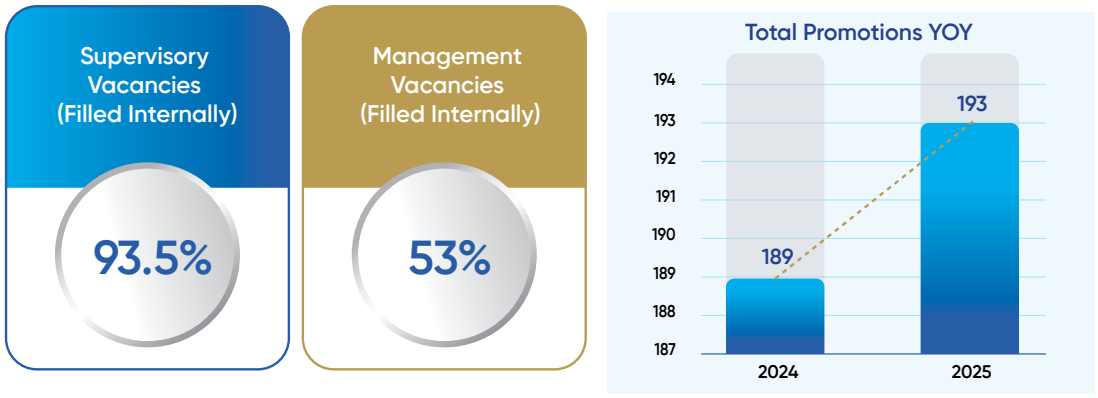
In 2025, Centenary Group onboarded 247 new employees, including 18 Graduate Trainees recruited to address critical skill gaps in emerging areas such as artificial intelligence and cybersecurity. This targeted recruitment approach strengthens workforce capability while supporting the Group's broader transformation agenda.

The Group maintained strong institutional stability, recording a turnover rate of 5.7%, remaining below the 6% annual target despite 191 total exits during the year. Of these exits, 123 staff voluntarily resigned to pursue other opportunities, while 37 were dismissed in line with the Group's zero tolerance policy on misconduct, reinforcing its commitment to integrity and ethical standards.

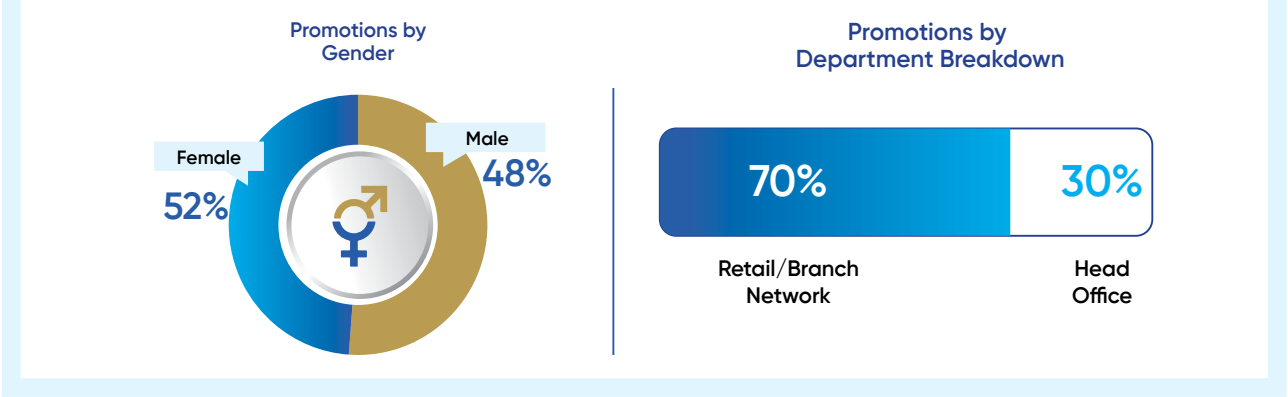


Promotions

The Group supports employee career growth through structured internal promotions and redesignations, enabling staff to progress into leadership roles across the organisation. By the end of 2025, 93.5% of supervisory positions were filled internally, exceeding the 80% target, while 53% of managerial vacancies were filled internally, slightly below the 60% objective.

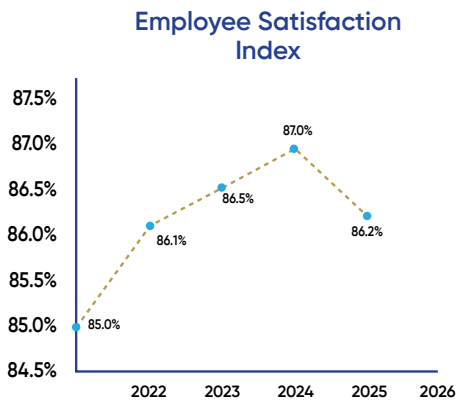


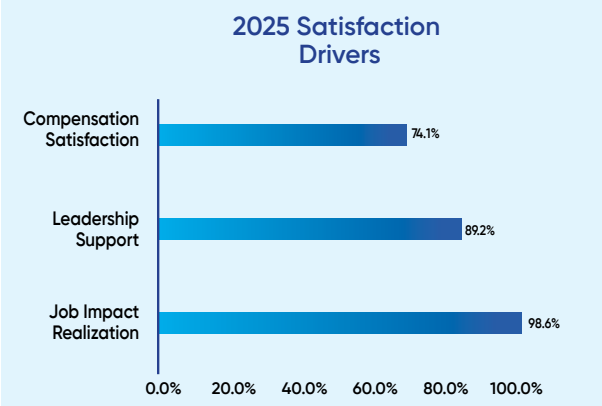
A total of 193 employees were promoted during the year, up from 189 in 2024, with the majority drawn from the branch network, which represents the Group's largest staff segment. This internal mobility is reinforced through the Group's development pools, which supported the promotion of five Branch Managers, eight Head Office Managers, two General Managers, and three Chief Managers. In contrast, a broad succession pool continues to be actively monitored, comprising 263 participants at the Head Office level alongside specialised tracks for regional and branch supervisory roles.



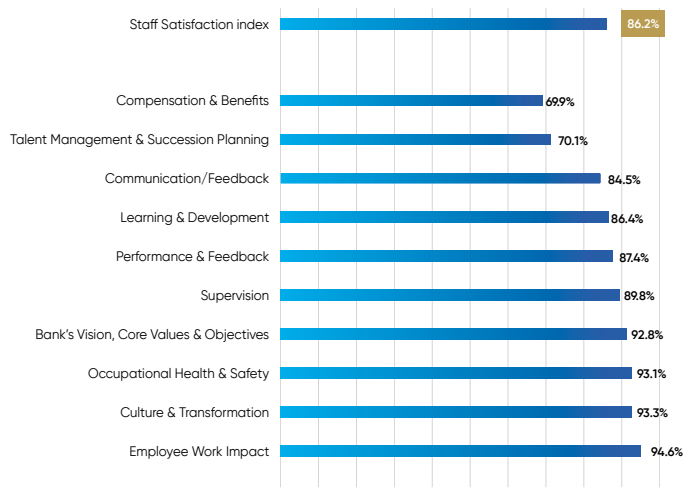
Employee satisfaction

The Group promotes open communication through structured channels, including the annual climate survey and weekly Cente Connect sessions, providing employees with accessible platforms to share their views, experiences, and perceptions. These mechanisms play a critical role in tracking progress on employee concerns and reinforcing alignment with the Group's ongoing cultural transformation.





In 2025, the Employee Satisfaction Index at the anchor subsidiary reached 86.2%, representing a marginal decline of 0.76% from 86.9% in 2024, largely reflecting feedback related to compensation for critical skills; this was proactively addressed through the Board approved implementation of Job Evaluation recommendations and the introduction of a new nine level salary band structure. The underlying strength of employee engagement remains evident, with 98.6% of staff affirming that their roles directly contribute to team success and the Group's overall mission. In Centenary Bank Limited in Malawi, which is undergoing a post-acquisition cultural stabilisation phase, the satisfaction index stood at 59.03%, supported by the rollout of a new Culture Code to clearly articulate expected values and behaviors.



Feedback-to-action: Executive Response

In direct response to compensation feedback, the Board approved a comprehensive Job Evaluation. A market-aligned 9-Level Salary Band Structure was implemented effective Jan 2026 to successfully restore market competitiveness.

Group training and education GRI (401-1,2,3)

Centenary Group treats training and education as a strategic enabler, allocating Shs 5.09 billion in 2025 to prepare its workforce for the transition to SMART Group. During the year, 221 training and development interventions were implemented, achieving a 91.3% budget utilisation rate and reaching 3,832 participants across the Group.

Summary of trainings by month

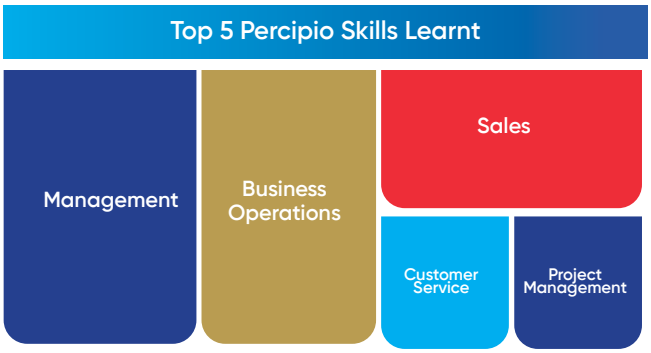
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Programs Implemented	14	14	16	19	18	14	22	24	24	15	20	12	212
Number of Participants	656	497	397	413	315	334	233	133	133	325	201	195	3832

E-Learning

Learning delivery followed a blended model, with 70% of programmes conducted physically and 30% virtually, supported by the Percipio e-learning platform, which recorded a 96% adoption rate and 27,894 course completions; key skills developed included Digital Transformation, Artificial Intelligence, Project Management, and Diversity, Equity, and Inclusion.

Training priorities were aligned to operational and risk requirements, covering mission critical credit portfolio support, mandatory compliance and safety programmes, project readiness for major system rollouts, and ESG awareness for all staff.





KPI
Total Spend.
UGX 4.65 Billion (91.3% utilized)

KPI
E-Learning.
44,655 hours logged (27,894 courses)

KPI
Adoption Rate
96% platform adoption

Targeted Skilling & Cyber Readiness

18 Graduate Trainees onboarded and deployed specifically to close critical vulnerability gaps in IT, Cyber Security, and Software Development.

Lowered NPR turnaround to 2.82%

Succession Planning

Leadership continuity was reinforced through active succession pools comprising Head Office participants and branch level roles, guided by a 70:20:10 development approach and complemented by the Graduate Trainee Programme, which recruited 18 specialists in scarce skills such as AI and Cybersecurity. Regionally, Centenary Bank Limited in Malawi strengthened capability development through the launch of its first inhouse Training Centre in June 2025, while the Group continues to target an Employee Competence Rating of 95% by 2030 through sustained investment in learning and strategic partnerships.

Rewards and recognition

Centenary Group promotes a culture of excellence through a comprehensive Reward and Recognition framework that acknowledges both individual and collective performance. During the 2025 staff end of year celebrations, the Group recognised multiple categories of excellence, including sports personality awards for 164 employees, productivity awards, and Specialised audit and customer service honors, with the Fort Portal and Nateete branches commended for top tier performance. Long service commitment was further recognised through awards presented to 296 employees for service ranging from 10 to 35 years. To sustain competitive remuneration, the Group implemented Board approved Job Evaluation recommendations in early 2026 and revised its short term incentive scheme to better align basic salary and total cash compensation with industry benchmarks. This is complemented by financial enablement offerings such as staff loans and advances, comprehensive medical and funeral cover for employees and their dependents, and continued investment in professional growth through People Month initiatives and international exposure visits for high performers, alongside recognition of regional achievements, including the team's second place finish at the Battle of the Banks Africa Finals.

Centenary Group Rewards and Recognitions 2025

Category	Award / Recognition Type	Recipient(s) / Winner(s)	Key Details / Metrics
Internal Employee	Long Service Awards	296 Staff Members,	Honoring 10 to 35 years of dedicated service.
	Sports Personality Awards	164 Staff Members	Recognized 56 females and 108 males for athletic contributions.
	Regional Exposure Visits	10 Staff (Officers/Supervisors)	Nominated for cross-cultural leadership training in East Africa.
	East African Banking School	7 Managers	Professional development based on top performance criteria.
	Employee of the Month	Various Staff	Regular monthly acknowledgment of individual success.
	Cash Tokens	High Performers	Disbursed for outstanding performance and results.
Internal Branch / Unit	Best Branch Awards	Nateete (Grade A), Nansana (Grade B), Bundibugyo (Grade C)	Awarded based on overall performance and grade classification.
	Best Customer Service	Fort Portal (Gold), Mapeera Platinum (Silver), Kamwenge (Bronze)	Honors for exceptional service delivery across the network.
	Audit Awards	Wakiso Branch	Recognized for top-tier compliance and audit performance.
	Culture Song Challenge	Top 3 Teams	Teamwork-focused dance challenge to boost creativity (Reward scheduled Jan 2026).
Institutional (External)	Outstanding Banking Institution	Centenary Bank Uganda,	Awarded by the National Entrepreneurs and Traders Association (NETA),.
	Best Retail Bank in Uganda	Centenary Bank Uganda,	Conferred by the Global Banking and Finance Awards 2025.
	SBRF Overall Winner	Centenary Bank Uganda,	Recognized by Bank of Uganda for timely/full payment under the Small Business Recovery Fund.
	ACF 1st Runner-Up	Centenary Bank Uganda,	Best Performing Financial Institution under the Agricultural Credit Facility.
	Business Community Banking	MCP Division	The Agriculture, Microfinance, and SME Division won this for the 3rd consecutive year.
	Super brands Awards	Centenary Bank Limited in Malawi,	Ranked as the Second-Best Microfinance Institution in Malawi.
Team Accolades	Battle of the Banks Africa	Centenary Bank Limited in Malawi Team,	Secured 2nd Place in the continental finals in Johannesburg.
	Annual Bankers Gala	Athletics & Short-Skills Teams,	Overall winner in these categories at the UIBFS Gala.
	Kampala Corporate League	Cente Team	Crowned overall champions.
	FiTrillioness Challenge	Cente Team	Earned 66 Gold Medals during corporate athletic events.

The following were recognized and awarded during the 2025 staff end of year party in line with the Bank's recognition framework.

Sports personality awards

(164 awardees of which 56 were female and 108 male)

Employee productivity awards

Audit awards (Wakiso)

Long service award;

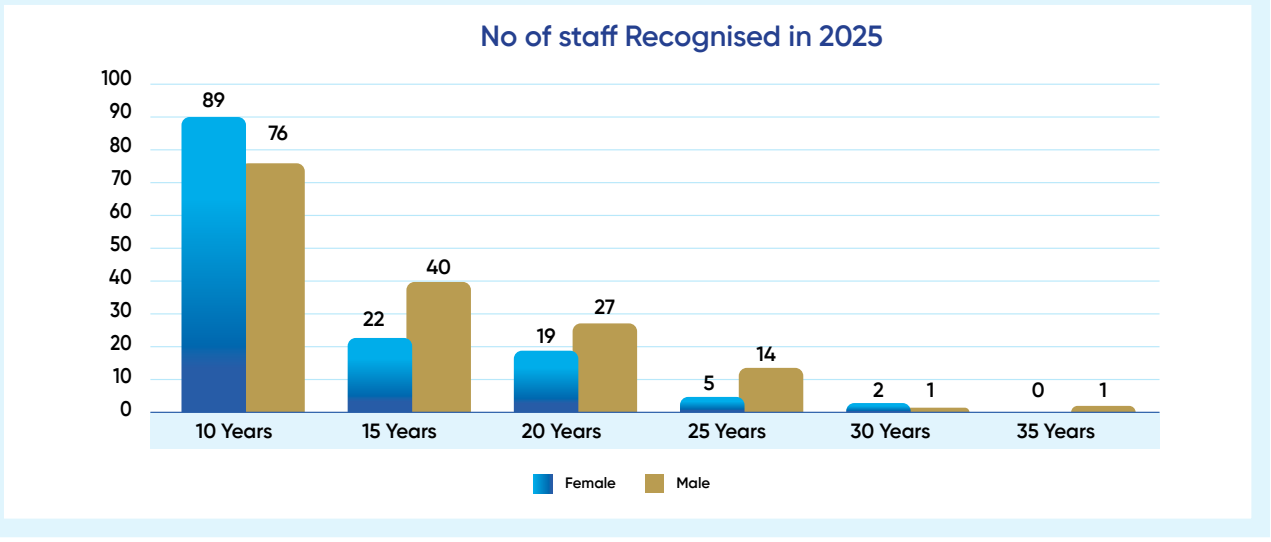
296 awardees

Best Customer service awards

Bronze Winner- Kamwenge
Silver Winner- Mapeera Platinum
Gold Winner- Fort portal

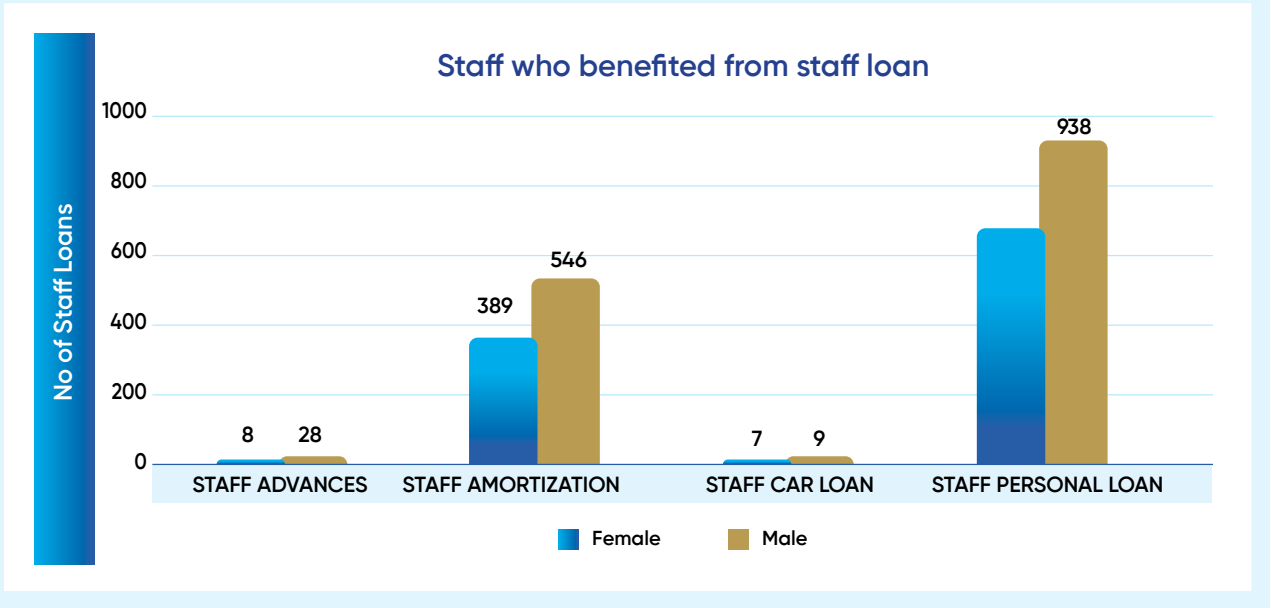
Best Branch Awards

Grade C-Bundibugyo
Grade B- Nansana
Grade A- Nateete



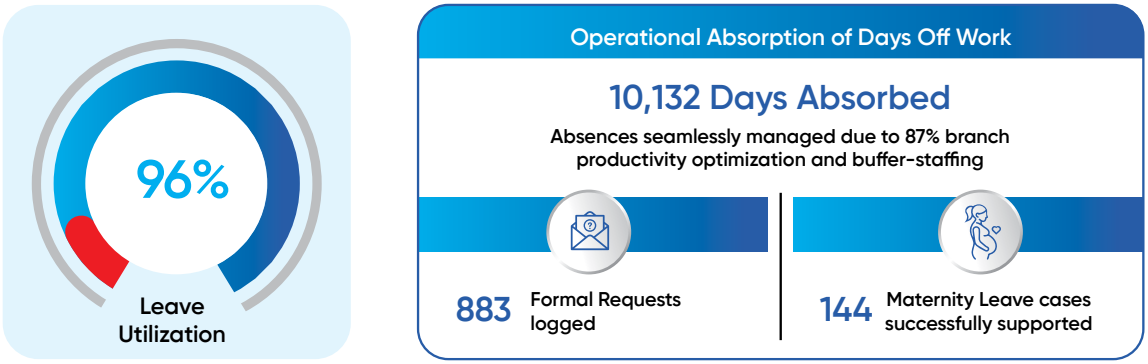
Financial enablement

The Bank has financially enabled employees through providing different products and benefits, for example staff personal loans, staff amortisation, staff advances, and staff car loans as shown below.



Health and well-being

Centenary Group treats the physical and mental well-being of its workforce as a strategic priority, embedding wellness into its culture through structured activities and institutional support. In 2025, the Group promoted physical fiTrillioness through weekly aerobics and network wide mass celebration activities, complemented by strong participation in corporate sports competitions, where the Group emerged champions of the Kampala Corporate League and secured 66 gold medals across various fiTrillioness challenges. Further investment in physical health included Shs 538.3 million spent on staff health club subscriptions and the provision of nutritional support through tea and lunch materials. Beyond physical wellness, the Group actively encourages staff to fully utilise annual leave to support mental renewal, while during People Month in May 2025, the Human Resource team visited all staff on sick leave, reinforcing a culture of care, energy, and well-being in which employees feel valued and supported.

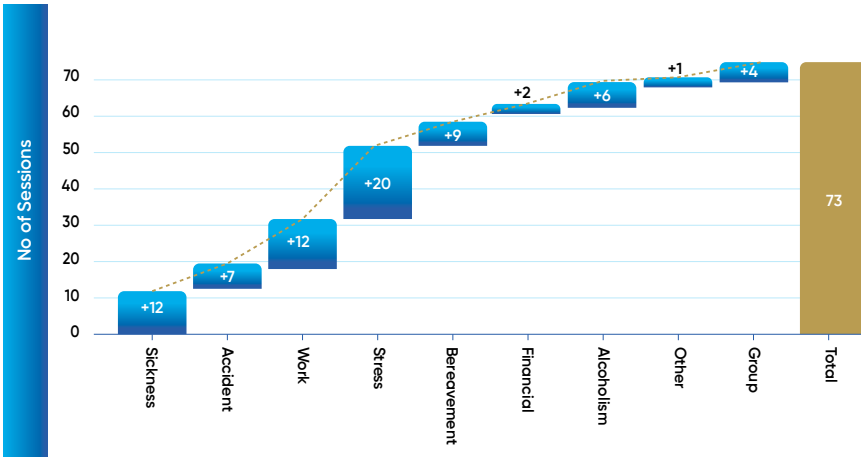


Medical aid and insurance

In 2025, Centenary Bank Uganda utilised Shs 13.7 billion in medical allowances, with higher utilisation driven by accident related cases and complicated maternity requirements that necessitated exceptional support. Medical cover during the year was provided and staff were given sensitisation programmes to enhance awareness of available benefits. Key features of the medical scheme included a Chronic Care Programme and regional medical camps in Kasese, Hoima, and Fort Portal, offering general, optical, and dental services

Staff counselling

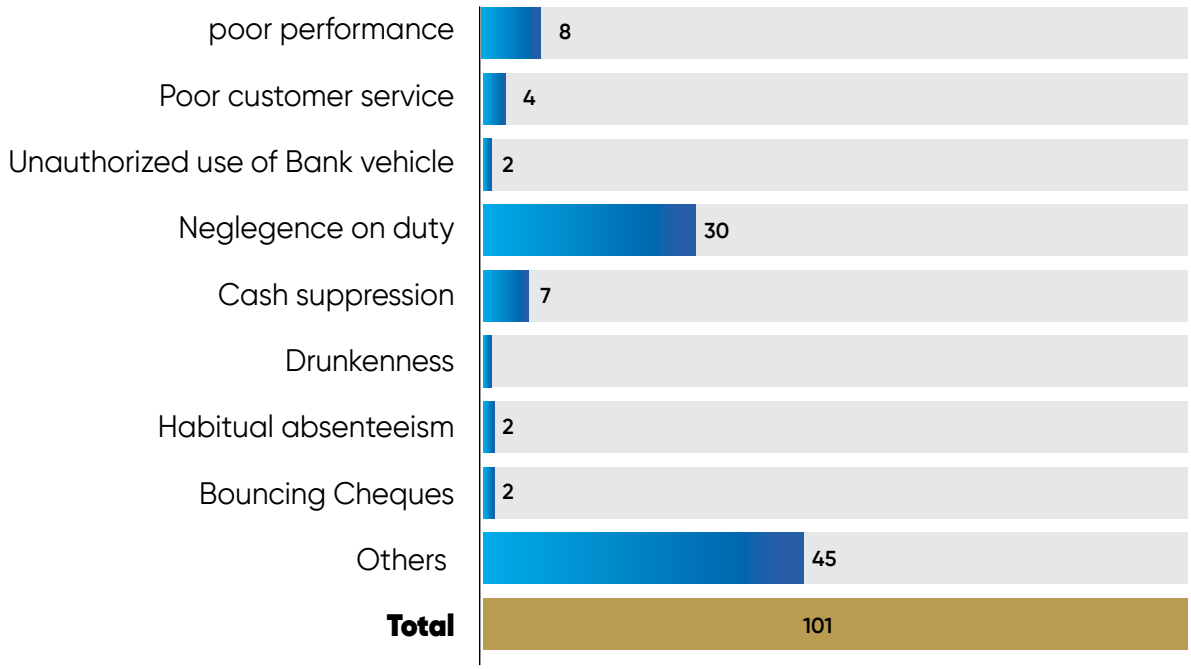
Recognising the impact of mental health and personal challenges on employee performance, Centenary Group provides structured psycho social support through staff counselling services. In 2025, the Group facilitated 69 individual counselling sessions and four group sessions, primarily addressing work related stress and anxiety, career guidance, sickness related concerns, and bereavement, alongside Specialised support for alcoholism and financial management. To enhance accessibility, virtual group counselling sessions were extended to selected units, including the Finance Division and branches in Kireka, Fort Portal, and Kanungu.



Disciplinary action GRI (401-1)

Centenary Group manages staff disciplinary matters through its Human Resource Disciplinary Committee (HRDC) to ensure adherence to internal policies and reinforce a culture of high performance and integrity. By December 2025, the HRDC had recorded 64 disciplinary cases involving 117 staff members, with cases relating to 101 individuals successfully closed during the year. The primary drivers of disciplinary action included digital channel fraud, procedural breaches, and negligence on duty, with the majority of affected employees at officer level, accounting for 65 cases. In line with the Group's zero tolerance stance on misconduct and fraud, 37 staff members were dismissed in 2025 to safeguard institutional integrity and customer trust. Looking ahead to 2026, the Group plans to reduce disciplinary turnaround times through proactive stakeholder engagement and ensure timely resolution of all reported cases.

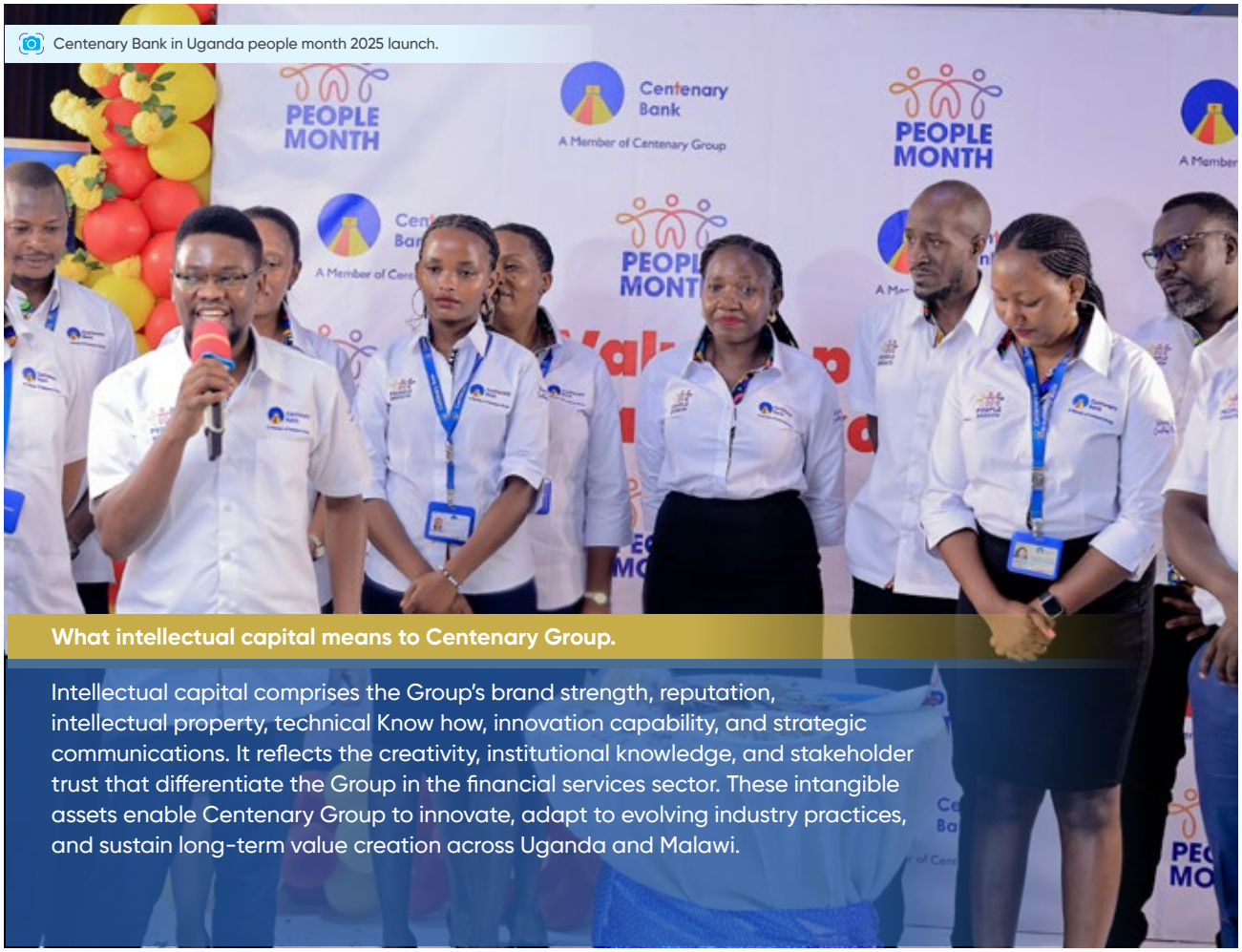
offenses and number of staff involved January - December 2025



Human Capital going forward

Looking ahead, Centenary Group's human capital strategy under the 2026–2030 Strategic Plan is focused on enabling a technology led, SMART Group through a future ready workforce. By 2030, the Group is targeting an Employee Competence Rating of 95%, annual training coverage of at least 90% of staff, and a Staff Satisfaction Index above 89.0%. In the near term, priorities for 2026 include strengthening talent acquisition and retention, fully implementing revised performance and compensation frameworks, building critical capabilities for digital and core banking transformation, deepening leadership and succession pipelines, reinforcing governance alignment across the Group, and advancing a values driven culture with increased representation of women in leadership. Together, these priorities position human capital as a central enabler of sustained growth, operational excellence, and long-term institutional resilience.

Intellectual Capital



Centenary Bank in Uganda people month 2025 launch.

What intellectual capital means to Centenary Group.

Intellectual capital comprises the Group's brand strength, reputation, intellectual property, technical Know how, innovation capability, and strategic communications. It reflects the creativity, institutional knowledge, and stakeholder trust that differentiate the Group in the financial services sector. These intangible assets enable Centenary Group to innovate, adapt to evolving industry practices, and sustain long-term value creation across Uganda and Malawi.

Key inputs

- Strong brand reputation built over 40+ years of service.
- Intellectual property, technical Know how, and innovation capability.
- Strategic communications and stakeholder engagement.
- Ability to innovate in product delivery and technology deployment.

Key outcomes

- 3.2 Mn digital banking customers.
- 8,273 agents.
- Shs 4.3 Trillion loans and advances.
- Shs 7.7 Billion in revenue generated by Cente Tech.
- Strong Group Brand.

Value created for stakeholders

Shareholders

Strong brand equity and innovation capability support sustainable returns.

Employees

Access to institutional knowledge and tools that enhance performance.

Local communities

Trusted brand provides reliable, inclusive financial solutions.

Suppliers

Suppliers provide us with products and services that enhance our intellectual capital while creating business opportunities for them.

Government and regulators

Strong compliance culture and reputation support regulatory confidence.

Customer

Innovative, customer centric products and services driven by technical Know how.

Investors and development partners

Transparent, credible reporting and governance strengthen investment confidence.

Material matters



How we leverage on Intellectual Capital to deliver impact



Intellectual capital enhances revenue growth through trusted brand and innovative products.



Innovation and Know how strengthen digital and physical infrastructure.



Staff skills and creativity expand and protect the Group's intellectual assets.



Reputation and stakeholder trust deepen relationships and support community impact.



Innovation supports environmentally responsible operations and digitalisation.

Intellectual Capital in 2026 and beyond

- The Group will continue strengthening its innovation capability, enabling new digital products and improved customer experiences.
- Strategic communications and stakeholder engagement will reinforce the Group's reputation as a trusted regional leader.
- The Group will deepen its ability to respond to evolving industry practices, regulatory expectations, and customer needs.
- Brand equity will be leveraged to expand regional presence and partnerships.

Contributing to sustainable development

SUSTAINABLE DEVELOPMENT GOALS

8 DECENT WORK AND ECONOMIC GROWTH



Expands employment, strengthens enterprise growth, and supports inclusive economic participation through accessible financial and digital services.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Enhances community resilience and inclusion through widespread financial access points, digital connectivity, and communityfocused programmes.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Reinforces strong governance, ethical conduct, transparent reporting, and institutional trust across regulators, investors, and communities.

Trade offs

- Balancing social investment with financial performance.
- Managing expectations across diverse stakeholder groups.
- Ensuring digital transformation does not exclude vulnerable segments.

Social and Relationship Capital

GRI (413-1, 204-1)



Centenary Bank in Uganda, staff at Community cleaning event.

What social and relationship capital means to Centenary Group

Social and relationship capital reflects the Group's relationships with customers, communities, regulators, partners, investors, and the broader society. It includes trust, reputation, stakeholder engagement, and the shared Value approach that integrates social programmes into business operations. Through the Centenary Foundation and strong stakeholder partnerships, the Group uplifts communities, strengthens inclusion, and reinforces its purpose of transforming lives.

See: 'Social Investment: Strengthening Community Wellbeing' on page 48 of the Environmental Social and Governance Report.

Key inputs

- Shared Value approach integrating social programmes into business operations.
- Centenary Foundation's investments in education, health, livelihoods, and community development.
- Active engagement with customers, regulators, suppliers, partners, and communities.

Key outcomes

- Delivery of impactful community initiatives funded through an agreed percentage of Group profits. 1,153 CSR initiatives benefiting 33,341 Ugandans (Centenary Bank Uganda).
- Enhanced credibility with regulators, investors, and development partners.
- High stakeholder relationship quality (majority rated 4/5; government/ shareholder 5/5).
- Shs 8.6 Billion spent on local supplies.
- 98% customer resolution rate. (Centenary Bank Uganda).
- 86.5% ESG Score (Centenary Bank Uganda).

Value created for stakeholders

Shareholders

Strong reputation and stakeholder trust support sustainable returns and long-term value.

Employees

A values driven culture that strengthens engagement and organisational pride.

Local communities

Community programmes improve livelihoods, education, health, and environmental stewardship.

Suppliers

Supplier engagement programs build trust in our procurement practices placing us as a reliable business partner.

Government and regulators

Transparent engagement and compliance reinforce regulatory confidence.

Customer

Trusted, customer centric service deepens loyalty and financial inclusion.

Investors and development partners

Credible governance and social impact strengthen partnership opportunities.

Material matters

How we leverage on Social and Relationship Capital to deliver impact

Strong relationships support revenue growth and capital mobilisation.

Reputation and trust reinforce brand strength and innovation uptake.

Community trust enhances utilisation of physical and digital infrastructure.

Staff engagement and customer centric culture strengthen relationships.

Community partnerships support environmental conservation and Integral Ecology.

Social and Relationship Capital in 2026 and beyond

- Deepening stakeholder engagement to support the transition to a fully digital, inclusive financial ecosystem.
- Expanding community impact through the Centenary Foundation, with a focus on education, health, livelihoods, and environmental conservation.
- Strengthening partnerships with regulators, investors, and development partners to support national development priorities in Uganda and Malawi.
- Enhancing customer trust through improved service quality, digital accessibility, and transparent communication.
- Leveraging reputation and stakeholder confidence to support regional expansion and innovation.

Contributing to sustainable development

SUSTAINABLE DEVELOPMENT GOALS

8 DECENT WORK AND ECONOMIC GROWTH

Expands employment, strengthens enterprise growth, and supports inclusive economic participation through accessible financial and digital services.

11 SUSTAINABLE CITIES AND COMMUNITIES

Enhances community resilience and inclusion through widespread financial access points, digital connectivity, and community focused programmes.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Reinforces strong governance, ethical conduct, transparent reporting, and institutional trust across regulators, investors, and communities.

Trade offs

- Balancing social investment with financial performance.
- Managing expectations across diverse stakeholder groups.
- Ensuring digital transformation does not exclude vulnerable segments.

Testimonials GRI (413-1)

DIVINE JUNIOR SCHOOL

RESTORING HOPE: A STORY OF RESILIENCE AND DETERMINATION

Just weeks before the start of a new school term, Ms. Harriet Nakibuuka, proprietor of Divine Junior School, faced a devastating set back that nearly ended her dream of providing affordable education to her community. After borrowing USD 19,100 to expand her six-year-old school, most of the school infrastructure was demolished following a land dispute in which a neighbour took advantage of her lack of knowledge during a transaction.

The situation left Harriet overwhelmed. With only four weeks before the school term began, the students had no classrooms, rumours about the school's closure spread rapidly, and she still had an outstanding bank loan to repay. The pressure became so intense that she considered giving up entirely.

Determined to rebuild and save her school, Harriet turned once again to Centenary Bank seeking additional support of USD 54,000 to restart operations. Although many financial institutions would consider such a situation too risky, Harriet remained persistent and continued engaging the bank in search of a solution.

Recognising the opportunity to restore hope and rebuild livelihoods, A loan of USD 54,000 was approved in phases just one week before the school term began. Harriet immediately started reconstruction by putting up a classroom block using plywood partitions to accommodate learners.

Despite enrollment dropping from 500 students to 200, Harriet remained committed to rebuilding trust within the community. Through resilience, determination, and the support of the Bank, the school gradually recovered. A year later, student enrollment had doubled, community confidence had returned, and Divine Junior School was steadily progressing toward full recovery. Harriet now consistently repays approximately USD 6,550 every three months, turning what once seemed like a crisis into a story of resilience, restoration, and renewed hope.



Students at Divine Junior School.

MAK-SWANGA POULTRY FARM

TRADING FISH FOR A SUCCESSFUL POULTRY BUSINESS

Limited access to education and financial opportunities often forces many young people into survival jobs with little hope for long-term growth. Mr. Ssewakiryanga Kevin faced this reality at just 16 years old when he dropped out of school to earn a living and support himself.

Kevin initially found work in the fishing trade, where he managed to survive and build resilience through hard work. However, the birth of his child in 2008 inspired him to seek a more sustainable and stable source of income that could secure a better future for his family.

Determined to change his circumstances, Kevin ventured into poultry farming and secured a USD 547 loan from Centenary Bank to start the business. The financing gave him the opportunity to invest in poultry production and gradually build his enterprise from the ground up.

Over the years, continued partnership and support from the Bank enabled him to expand despite challenges such as the COVID-19 pandemic. Today, Kevin's farms house more than 37,000 birds and produce thousands of trays of eggs every week, creating employment and contributing to food supply in the community.

Looking ahead, Kevin is now investing in a training institute to equip the next generation with practical farming skills and knowledge, ensuring that others can also benefit from the opportunities that transformed his own life. His journey from fishing to becoming a successful poultry farmer highlights how resilience, determination, and financial support from Centenary Bank can turn humble beginnings into lasting success.



Director, MAK-swanga poultry farm.

MUTIIMA FOODS

AGRICULTURE VALUE ADDITION TO BUILD SUSTAINABLE COMMUNITY.

For many small food processors in Uganda, limited access to financing and market opportunities makes it difficult to grow from small-scale production into sustainable businesses. Herman Ssewanyana also faced these challenges while trying to build a business around value-added agricultural products.

Inspired by his mother, who worked in Northern Uganda and introduced him to peanut butter processing, Herman mastered the craft and began producing on a small scale in Central Uganda. However, due to market limitations, he relocated to Kampala in search of better business opportunities and a larger customer base.

In 2015, he founded Mutima Foods, a food processing company focused on adding value to locally sourced groundnuts, soybeans, maize, and other agricultural products. As the business expanded, access to affordable financing became critical to sustaining growth and increasing production capacity.

Through the subsidized agricultural processing loan for value addition from Centenary Bank, Herman was able to strengthen and grow his business. The support enabled him to scale operations, expand product lines, and create employment opportunities for others.

Today, Mutima Foods produces over 40 products, records average monthly sales of close to USD 550,000, and employs more than 20 people, demonstrating how access to the right financial support from Centenary Bank can transform entrepreneurial potential into a thriving enterprise.

Natural Capital

GRI (302-1, 303-5, 306-3)



Centenary Bank branch Buliisa, fully run on Solar energy.

What natural capital means to Centenary Group

Natural capital represents the environmental resources that support the Group's operations and the well-being of the communities it serves. It includes energy, water, land, biodiversity, and the broader ecosystems affected by the Group's activities. Guided by the value of Integral Ecology, the Group recognises the link between its operations and the environment and is committed to protecting, preserving, and enriching natural ecosystems while promoting sustainable development across Uganda and Malawi.

Key inputs

- Electricity
- Water
- Fossil fuel
- Trees

Key outcomes

- Electricity consumption 1.8 million Kwh (2024: 1.618 million Kwh).
- Fuel used 748,112 litters (2024: 860,000 liters).
- Water usage 112.4 million liters (2024: 128.5 million liters).
- Absolute records recycled 23,000 tons (2024: 2,094 tons).
- Electricity and water loans Shs 5.4 Billion (Shs 2024 6.7Billion).
- Number of reams of paper used 62,400 reams (2024: 65,815 reams).
- 20,000 hectares of farmland supported through financing and reforestation partnerships with the NFA.
- 74,729 trees planted nationwide.

Value created for stakeholders

Shareholders

Responsible environmental practices support long-term value and risk mitigation.

Employees

A culture that promotes environmental responsibility and sustainable behavior.

Local communities

Community programmes that protect biodiversity, promote conservation, and support climate resilience.

Suppliers

In dealing with suppliers we ensure that they adopt responsible business practices that safeguard the environment.

Government and regulators

Compliance with environmental laws and contribution to national sustainability goals.

Customer

Access to environmentally responsible services and digital channels that reduce resource use.

Investors and development partners

Demonstrated commitment to ESG strengthens confidence and partnership opportunities.

Material matters

How we leverage on Natural Capital to deliver impact

Environmental efficiency reduces long-term operating costs and supports sustainable growth.

Innovation enables greener processes and digital solutions that reduce environmental impact.

Infrastructure upgrades incorporate energy efficiency and resource saving technologies.

Staff awareness and behavior support environmentally responsible operations.

Community partnerships strengthen conservation efforts and environmental education.

Natural Capital in 2026 and beyond

- Pledge to plant 150,000 trees by the end of 2026 and transition 25% of all bank branches to solar energy.
- Strengthening environmental stewardship through expanded community programmes focused on conservation, biodiversity, and climate resilience.
- Increasing digital adoption to reduce paper use, travel emissions, and resource intensity across operations.
- Enhancing environmental risk assessment within the Group's strategy, governance, and risk management processes.

Contributing to sustainable development

SUSTAINABLE DEVELOPMENT GOALS

6 CLEAN WATER AND SANITATION

Supports community well-being through Foundation led programmes that improve access to essential services, strengthen hygiene awareness, and enhance resilience in under served areas.

7 AFFORDABLE AND CLEAN ENERGY

Promotes energy efficient operations through digitalisation, reduced resource use, and infrastructure upgrades that lower environmental impact and support sustainable energy practices.

13 CLIMATE ACTION

Advances climate resilience through the value of Integral Ecology, environmental conservation initiatives, and operational practices that reduce emissions, minimise resource intensity, and strengthen community adaptation.

Trade offs

- Balancing environmental investments with cost pressures.
- Managing the environmental impact of physical infrastructure while expanding digital channels.
- Ensuring operational growth does not increase resource intensity.

Consolidated and Separate Financial Statements

7.

In this section.

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Directors' report

The Directors submit their report together with the audited consolidated and company financial statements of Centenary Rural Development Group Limited ("the Company") and its subsidiaries, Centenary Rural Development Bank Limited, Centenary Bank Limited (Malawi), Centenary Group Foundation Limited and Centenary Technology Services Limited (together "Centenary Group" or "the Group") for the year ended 31 December 2025, which disclose the state of affairs of the Group and of the Company.

Principal activities

The principal activities of Centenary Rural Development Group Limited are to be the holding company for all the subsidiaries under Centenary Group and financing the activities of Centenary Group Foundation Limited.

The Group undertakes commercial banking activities through its bank subsidiaries, Centenary Rural Development Bank Limited and Centenary Bank Limited, which are incorporated and licensed to carry out commercial banking business in Uganda and Malawi, respectively. In addition, the Group provides technology services through Centenary Technology Services Limited and has established Centenary Foundation Limited as a vehicle focused on undertaking all corporate social responsibility activities of the Group.

Results

The Group profit for the year of Shs 429,086 million (2024: Shs 346,756 million) has been transferred to retained earnings.

Dividends

The Directors recommend payment of dividends in respect of the year ended 31 December 2025 of Shs 106,175 million (2024: Shs 85,571 million) to the ordinary shareholders of the Company. The payment of dividends is subject to approval at the Annual General Meeting.

Directors

The Directors who held office during the year and to the date of this report were:

Prof. John Ddumba Ssentamu	-	Chairman
Bishop Serverus Jjumba	-	Member
Bishop Giuseppe Filippi (Italian)	-	Member
Bishop Francis Aquirinus Kibira	-	Member
Mr. Dubois Michel (French)	-	Member
Mr. Kimanthi Mutua (Kenyan)	-	Member
Mr. Frank Streppel (Dutch)	-	Member
Mrs. Ann Sophie Bougouin (French)	-	Alternate Member to Mr. Dubois Michel
Mrs. Agnes Tibayeita Isharaza	-	Member

None of the Directors held any beneficial interest in the ordinary share capital of the Group as at 31 December 2025.

Auditor

The Group's auditor, PricewaterhouseCoopers Certified Public Accountants, was appointed during the year and continues in office in accordance with Section 163 (2) of the Ugandan Companies Act [Cap 106].

Management by third parties

None of the business of the Group was managed by a third party or a company in which a director had an interest during the financial year.

Risk management

Managing risk is an integral part of the Group's business. The Board of Directors is ultimately responsible for risk management and continues to establish new policies and procedures to control and monitor risk throughout the Group as risks continue to change.

Corporate social responsibility statement

The Group is focused on achieving strong sustainable financial returns while promoting a more decent, dignified and kinder society. We commit 2% of the previous year's profit after tax to the humanitarian cause, both directly and indirectly, through our pricing and product mix.

Retirement benefits

The Group contributes to a retirement benefits scheme covering all of its non-executive employees. On attaining the retirement age or honourably leaving the service of the Group, all permanent staff are eligible for retirement benefits applicable to them.

Approval of the consolidated and company financial statements

The consolidated and company financial statements of Centenary Rural Development Group Limited were approved by the Board of Directors and authorized for issue on 12th June, 2026.

By order of the Board



Prof. John Ddumba-Ssentamu
Chairman Board of Directors
Mapeera House
Plot 44-46, Kampala Road
P. O. Box 1892
Kampala

Statement of Directors' responsibilities

The Ugandan Companies Act requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Group as at the end of the financial year and of its profit or loss. It also requires the Directors to ensure that the Group keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group. They are also responsible for safeguarding the assets of the Group.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with IFRS® Accounting Standards (IFRS) and in the manner required by the Ugandan Companies Act, and the Financial Institutions Act [Cap 57].

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Group and of its profit in accordance with IFRS Accounting Standards and have been prepared in the manner required by the Ugandan Companies Act and the Financial Institutions Act [Cap 57]. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements and for such internal control as they determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors have assessed the Group's and Company's ability to continue as a going concern. The Directors hereby report that nothing has come to their attention to indicate that the Group and the Company will not remain a going concern for at least 12 months from the date of this statement.

Approval of the consolidated and company financial statements

The consolidated and company financial statements of Centenary Rural Development Group Limited were approved by the Board of Directors and authorized for issue on 12th June, 2026.



Prof. John Ddumba-Ssentamu
Chairman Board of Directors



Mr. Kimanthi Mutua
Chairman, Audit committee

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CENTENARY RURAL DEVELOPMENT GROUP LIMITED
Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements give a true and fair view of the state of the financial affairs of Centenary Rural Development Group Limited ("the Company") and its subsidiaries (together, "the Group") as at 31 December 2025, and of its profit and its cash flows for the year then ended in accordance with IFRS Accounting Standards and have been prepared in the manner required by the Ugandan Companies Act [Cap 106].

What we have audited

The financial statements of Centenary Rural Development Group Limited set out on pages 200 to 291 comprise:

- the consolidated and company statement of financial position as at 31 December 2025;
- the consolidated and company statement of comprehensive income for the year then ended;
- the consolidated and company statement of changes in equity for the year then ended;
- the consolidated and company statement of cash flows for the year then ended; and
- notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements section of our report.*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("the IESBA Code") together with the ethical requirements that are relevant to our audit of financial statements in Uganda, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code.

Key audit matters

Key audit matters are those which in our professional judgment were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on them.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CENTENARY RURAL DEVELOPMENT GROUP LIMITED (continued)
Report on the audit of the financial statements (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Impairment of loans and advances to customers As disclosed in Notes 4 and 19 of the financial statements, the Directors have estimated provisions for expected credit losses ("ECL") on loans and advances to customers of Shs 76,012 million as at 31 December 2025 (2024: Shs 65,785 million). We considered this a key audit matter in view of the complex and subjective judgment exercised by the Directors in estimating the above provisions. In addressing this area, we focused on the following: ▪ the appropriateness of models used by the Directors in estimation of expected credit losses; ▪ the assumptions and estimates applied in measurement of the probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD") within the expected credit loss ("ECL" measurement. ▪ evaluation of Significant Increase in Credit Risk ("SICR") for different loan portfolios; and ▪ determination of the forward-looking parameters to be incorporated in the estimation of expected credit losses.	**Our audit procedures are summarised as follows:** ▪ We evaluated the appropriateness of the methodology, and the mathematical accuracy of the models, applied by the Directors in the estimation of expected credit losses for consistency with IFRS 9; ▪ We validated controls implemented by the Group over the staging of loans and advances to customers between default (Stage 3), significant increase in credit risk (Stage 2) and others (Stage 1) and tested, on a sample basis, the staging of loans and advances to customers; ▪ We evaluated the appropriateness of segmentation of the Group's loan portfolio for purposes of estimation of PDs; ▪ We tested, on a sample basis, the PDs used by the Directors in comparison to the history of default and external indicators where made use of. We also tested the accuracy of the underlying historical data applied by the Directors in deriving PDs; ▪ We assessed the extent to which macro-economic variable data applied in the estimation of expected credit losses is correlated with default history and corroborated the data and assumptions therein using publicly available information, where applicable. ▪ We tested, on a sample basis, the reasonableness of the EAD for on and off statement of financial position items based on historical experience of the Group. ▪ We tested, on a sample basis, the reasonableness of the loss given default estimated by the Directors using present values of expected future cashflows of loans and advances to customers derived from the estimated recoverable value of collateral held and historical loss experience. ▪ We performed an independent recomputation of provisions for expected credit losses, separately on the Group's Corporate and Retail portfolios using independently recomputed PDs and independent macro-economic variables and compared our results to those obtained by the Directors to evaluate the reasonableness of provisions for expected credit losses in the financial statements; and ▪ We assessed the adequacy of the disclosures in the financial statements in accordance with IFRS.

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CENTENARY RURAL DEVELOPMENT GROUP LIMITED (continued)
Report on the audit of the financial statements (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
Application of IAS 29 - Hyperinflationary economies The Group has a subsidiary, Centenary Bank Limited, operating in Malawi which the Directors have assessed as a hyperinflationary economy in accordance with IAS 29 Financial Reporting in Hyperinflationary Economies. The application of IAS 29 introduces a high degree of complexity and judgment in the financial reporting process. Accordingly, for the purposes of preparing the consolidated financial statements of the Group, the financial information of Centenary Bank Limited has been restated to reflect current purchasing power as required by IAS 29 prior to consolidation.	**Our audit procedures :** ▪ We assessed the appropriateness of management's conclusion that hyperinflationary accounting is required. ▪ We evaluated the reliability and appropriateness of the price indices used for restatement. ▪ We tested the accuracy and completeness of restatement calculations, including: reperformance of indexation applied to selected balances and verification of underlying data inputs. ▪ We assessed the classification of balances between monetary and non-monetary items. ▪ We reviewed the calculation of the net monetary loss recognised in profit or loss. ▪ We evaluated the appropriateness of exchange rates applied when translating restated balances into the Group's presentation currency; and ▪ We reviewed the financial statement disclosures for compliance with IAS 29 and IAS 21.

Other information

The Directors are responsible for the other information. The other information comprises the Directors' Report and the Statement of Directors' Responsibilities which we obtained prior to the date of this auditor's report, and additional sections of the Group's annual report, which are expected to be made available to us after that date, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Group's complete annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Directors for the financial statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and in the manner required by the Ugandan Companies Act [Cap 106], and, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Group's financial reporting process

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF CENTENARY RURAL DEVELOPMENT GROUP LIMITED (continued)
Report on the audit of the financial statements (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The Ugandan Companies Act [Cap 106] requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
ii. in our opinion proper books of account have been kept by the Group and company, so far as appears from our examination of those books; and
iii. the Group's and company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

The engagement partner on the audit resulting in this independent auditor's report is CPA Uthman Mayanja – P0181.

Certified Public Accountants Kampala
CPA Uthman Mayanja
23 June, 2026

Consolidated and company statement of comprehensive income

	Notes	GROUP 2025 Shs '000	GROUP 2024 Shs '000	COMPANY 2025 Shs '000	COMPANY 2024 Shs '000
Interest income	5	1,009,111,178	865,696,857	6,964,628	3,874,432
Interest expense	6	(229,630,075)	(181,463,391)	-	-
Net interest income		**779,481,103**	**684,233,466**	**6,964,628**	**3,874,432**
Fee and commission income	7	266,304,653	209,922,372	-	-
Fee and commission expense	8	(88,749,684)	(82,283,594)	-	-
Net fee and commission income		**177,554,969**	**127,638,778**	**-**	**-**
Net trading income/ (expenses)	9	319,802,974	216,943,485	(356,982)	(604,541)
Other operating income	10	26,730,518	28,908,147	146,743,551	130,103,729
Operating income		**1,303,569,564**	**1,057,723,876**	**153,351,197**	**133,373,620**
Employee benefits expense	11	(315,534,259)	(286,847,628)	(2,784,193)	(2,031,818)
Credit loss expense	12	(65,078,370)	(27,421,145)	-	-
Depreciation expense	20(a)	(50,647,203)	(47,123,728)	(2,771,882)	(2,630,728)
Amortisation expense	21	(9,179,671)	(7,938,578)	-	-
Operating expenses	13	(282,953,634)	(234,927,675)	(6,353,183)	(5,347,825)
Total expenses		**(723,393,137)**	**(604,258,754)**	**(11,909,258)**	**(10,010,371)**
Profit before monetary adjustment		**580,176,427**	**453,465,122**	**141,441,939**	**123,363,249**
Loss on monetary position	46	(6,783,278)	(3,453,645)	-	-
Profit before income tax		**573,393,149**	**450,011,477**	**141,441,939**	**123,363,249**
Income tax expense	14 (a)	(144,306,920)	(103,254,566)	(3,928,967)	(4,296,460)
Profit for the year		**429,086,229**	**346,756,911**	**137,512,972**	**119,066,789**
Other comprehensive income:					
Items that are or may subsequently be reclassified to profit or loss					
Translation reserve	33(c)	4,465,136	17,525,079	-	-
Total comprehensive income for the year		**433,551,365**	**364,281,990**	**137,512,972**	**119,066,789**
Profit attributable to:					
Equity holders of Group		428,401,492	346,198,330	-	-
Non-controlling interests	43	684,737	558,581	-	-
		429,086,229	**346,756,911**	**-**	**-**
Total comprehensive income attributable to :					
Equity holders of Group		430,678,712	355,136,120	-	-
Non-controlling interests	43	2,872,653	9,145,870	-	-
		433,551,365	**364,281,990**	**-**	**-**

Consolidated and company statement of financial position

	Note	GROUP 2025 Shs '000	GROUP 2024 Shs '000	COMPANY 2025 Shs '000	COMPANY 2024 Shs '000
ASSETS					
Cash and balances with the Central banks	15	1,444,241,163	840,343,654	14,752,039	1,536,354
Deposits and balances due from other banks	16	155,404,758	322,501,237	-	-
Investment in subsidiaries	40 (a)	-	-	733,982,071	733,982,071
Government securities	17	2,787,045,209	2,104,229,205	53,650,463	46,437,709
Loans and advances to customers	19	4,275,685,109	3,839,064,642	-	-
Other assets	18	124,733,996	125,660,881	25,757,641	24,360,988
Right-of-use assets	36	115,852,092	97,094,001	1,878,420	1,901,244
Property and equipment	20	186,013,574	162,307,403	35,275,142	12,443,817
Investment property	41	-	-	92,488,887	83,029,456
Intangible assets	21	141,256,260	68,591,477	-	-
Deferred income tax asset	22	59,125,942	51,063,624	-	-
Goodwill	44 (c)	2,927,251	2,927,251	-	-
Total assets		**9,292,285,354**	**7,613,783,375**	**957,784,663**	**903,691,639**
LIABILITIES					
Derivative financial instruments	45	-	12,996	-	-
Customer deposits	23	5,689,011,057	4,492,827,784	-	-
Deposits and balances due to other banks	24	712,000,565	606,892,442	-	-
Other liabilities	27	257,251,202	221,364,617	7,021,538	6,285,126
Managed funds	25	28,905,913	19,935,915	-	-
Borrowed funds	26	314,032,390	377,313,682	-	-
Current income tax payable	14 (b)	40,559,175	17,023,786	533,804	129,680
Deferred grants	29	1,600,412	1,464,922	-	-
Lease liabilities	37	115,512,214	95,256,483	-	-
Provisions	28	1,155,678	1,313,783	-	-
Deferred tax liability	22	11,145,570	10,135,024	11,145,570	10,135,024
Total liabilities		**7,171,174,176**	**5,843,541,434**	**18,700,912**	**16,549,830**
EQUITY					
Ordinary share capital	30(a)	25,000,000	25,000,000	25,000,000	25,000,000
Ordinary share premium	30(b)	1,138,927	1,138,927	1,138,927	1,138,927
Preference share capital	30(a)	116,624	116,624	116,624	116,624
Retained earnings	30(c)	1,910,005,527	1,597,520,928	806,440,090	775,145,228
Proposed dividends	31(b)	106,175,477	85,687,654	106,058,853	85,571,030
Regulatory credit risk reserve	32	32,064,008	23,968,001	-	-
Other reserves	33(a)	8,000,000	8,000,000	-	-
Translation reserve	33(c)	9,769,430	5,304,294	-	-
Revaluation surplus	33(b)	170,000	170,000	170,000	170,000
Total equity to owners		**2,092,439,993**	**1,746,906,428**	**939,083,751**	**887,141,809**
Non-controlling interest	43	28,671,185	23,335,513	–	–
Total shareholders' equity		**2,121,111,178**	**1,770,241,941**	**939,083,751**	**887,141,809**
Total equity and liabilities		**9,292,285,354**	**7,613,783,375**	**957,784,663**	**903,691,639**

The consolidated and company financial statements on pages 200 to 291 were approved by the Board of Directors for issue on 12th June, 2026 and signed on its behalf by:

Prof. John Ddumba-Ssentamu
Chairman Board of Directors

Mr. Kimanthi Mutua
Chairman, Board Audit Committee

Consolidated statement of changes in equity

	Note	Ordinary Shares	Preference shares	Share premium	Revaluation surplus	Other reserves
		Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Year ended 31 December 2025						
At start of the year		**25,000,000**	**116,624**	**1,138,927**	**170,000**	**8,000,000**
Hyperinflationary adjustment		-				
At start of year, as restated		**25,000,000**	**116,624**	**1,138,927**	**170,000**	**8,000,000**
Comprehensive income:						
Profit for the year		-	-	-	-	-
Change in translation reserve	33(c)	-	-	-	-	-
Total comprehensive income		-	-	-	-	-
Profit or loss impact of IFRS 16 eliminations		**-**	**-**	**-**	**-**	**-**
Transfer to credit risk reserve	32	-	-	-	-	-
Transactions with owners:						
Dividends paid - ordinary shares	31(b)	-	-	-	-	-
Dividends paid - preference shares	31(a)	-	-	-	-	-
Proposed dividends - ordinary shares	31(b)	-	-	-	-	-
Proposed dividends - preference shares	31(a)	-	-	-	-	-
At end of year		**25,000,000**	**116,624**	**1,138,927**	**170,000**	**8,000,000**
Year ended 31 December 2024						
At start of year		25,000,000	116,624	1,138,927	170,000	8,000,000
Comprehensive income:						
Profit for the year		-	-	-	-	-
Non-controlling interest adjustments	43	-	-	-	-	-
Change in translation reserve	33(c)	-	-	-	-	-
Total comprehensive income		**-**	**-**	**-**	**-**	**-**
Profit or loss impact of IFRS 16 eliminations		-	-	-	-	-
Transfer to credit risk reserve	32	-	-	-	-	-
Transactions with owners:						
Dividends paid - ordinary shares	31(b)	-	-	-	-	-
Dividends paid - preference shares	31(a)	-	-	-	-	-
Proposed dividends - ordinary shares	31(b)	-	-	-	-	-
Proposed dividends - preference shares	31(a)		-	-	-	-
At end of year		**25,000,000**	**116,624**	**1,138,927**	**170,000**	**8,000,000**

Regulatory credit risk reserve	Retained earnings	Proposed dividends	Translation reserve	Non-controlling interests	Total
Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
23,968,001	**1,597,520,928**	**85,687,654**	**5,304,294**	**23,335,513**	**1,770,241,941**
				4,650,935	**4,650,935**
23,968,001	**1,597,520,928**	**85,687,654**	**5,304,294**	**27,986,448**	**1,774,892,876**
	–	–	–		
–	428,401,492	–	–	684,737	**429,086,229**
–	–	–	4,465,136	–	**4,465,136**
–	428,401,492	–	4,465,136	684,737	**433,551,365**
–	(1,645,409)	**–**	**–**	**–**	**(1,645,409)**
8,096,007	(8,096,007)	–	–	–	–
–	–	(85,571,030)	–	–	**(85,571,030)**
–	–	(116,624)	–	–	**(116,624)**
–	(106,058,853)	106,058,853	–	–	**–**
–	(116,624)	116,624	–	–	**–**
32,064,008	**1,910,005,527**	**106,175,477**	**9,769,430**	**28,671,185**	**2,121,111,178**
12,858,293	1,358,131,598	74,388,520	(12,220,785)	20,022,442	**1,487,605,619**
–	346,198,330	–	–	558,581	**346,756,911**
–	(5,322,170)	–	–	2,754,490	**(2,567,680)**
–	–	–	17,525,079	–	**17,525,079**
–	**340,876,160**	**–**	**17,525,079**	**3,313,071**	**361,714,310**
–	(4,689,468)	–	–	–	**(4,689,468)**
11,109,708	(11,109,708)	–	–	–	**–**
–		(74,271,896)	–	–	**(74,271,896)**
–	–	(116,624)	–	–	**(116,624)**
–	(85,571,030)	85,571,030	–	–	**–**
–	(116,624)	116,624	–	–	**–**
23,968,001	**1,597,520,928**	**85,687,654**	**5,304,294**	**23,335,513**	**1,770,241,941**

Company statement of changes in equity

	Note	Ordinary Shares Shs'000	Preference shares Shs'000	Share premium Shs'000	Revaluation surplus Shs'000	Retained earnings Shs'000	Proposed dividends Shs'000	Total Shs '000
Year ended 31 December 2025								
At start of year		**25,000,000**	**116,624**	**1,138,927**	**170,000**	**775,145,228**	**85,571,030**	**887,141,809**
Comprehensive income:								
Profit for the year		-	-	-	-	137,512,972	-	137,512,972
Total comprehensive income		**-**	**-**	**-**	**-**	**137,512,972**	**-**	**137,512,972**
Transactions with owners:								
Dividends paid		-	-	-	-	-	(85,571,030)	(85,571,030)
Proposed dividends	31 (b)	-	-	-	-	(106,058,853)	106,058,853	-
At end of year		**25,000,000**	**116,624**	**1,138,927**	**170,000**	**806,599,347**	**106,058,853**	**939,083,751**
Year ended 31 December 2024								
At start of year		**25,000,000**	**116,624**	**1,138,927**	**170,000**	**741,649,469**	**74,271,896**	**842,346,916**
Comprehensive income:								
Profit for the year		-	-	-	-	119,066,789	-	119,066,789
Total comprehensive income		**-**	**-**	**-**	**-**	**119,066,789**	**-**	**119,066,789**
Transactions with owners:								
Dividends paid		-	-	-	-	-	(74,271,896)	(74,271,896)
Proposed dividends	31 (b)	-	-	-	-	(85,571,030)	85,571,030	-
At end of year		**25,000,000**	**116,624**	**1,138,927**	**170,000**	**775,145,228**	**85,571,030**	**887,141,809**

Consolidated and company statement of cash flows

	Note	GROUP 2025 Shs'000	GROUP Restated 2024 Shs'000	COMPANY 2025 Shs'000	COMPANY 2024 Shs'000
Cash flows (used in)/generated from operating activities before changes in operating assets and liabilities	42	**(395,671,748)**	**(353,506,174)**	**1,616,549**	**3,593,443**
Changes in operating assets and liabilities					
Loans and advances to customers	19	(423,660,639)	(425,638,613)	-	-
Government securities	17	(612,837,328)	(342,033,394)	(13,614,198)	(22,204,358)
Other assets	18	926,885	(21,672,863)	(1,396,653)	(11,593,803)
Deposits and balances due to other banks and financial institutions	16	102,935,399	246,177,494	-	-
Derivative financial instrument	45	(12,996)	12,996	-	-
Customer deposits	23	1,181,159,823	210,925,747	-	-
Other liabilities	27	35,886,585	26,474,197	736,412	5,276,064
Movement in provision	28	(158,105)	(1,383,606)	-	-
Deferred grants	29	135,490	251,411	-	-
Change in cash reserve requirements	34	(43,785,000)	176,195,000	-	-
		(155,081,634)	**(484,197,805)**	**(12,657,890)**	**(24,928,654)**
Interest received	5	1,196,402,052	1,009,955,555	13,366,070	2,002,069
Interest paid	6	(163,231,416)	(153,126,674)	-	-
Income tax paid	14 (b)	(91,030,603)	(75,413,205)	(1,404,338)	(1,951,352)
Withholding tax paid	14 (b)	(36,591,128)	(23,768,410)	(1,109,957)	(115,739)
Net cash flows generated from/ (used in) operating activities		**750,467,271**	**273,449,461**	**(1,806,115)**	**(24,993,676)**
Cash flows from investing activities					
Acquisition of property and equipment	20	(42,727,888)	(51,772,224)	(35,039,815)	(10,447,342)
Disposal of property and equipment		507,378	200,344	-	-
Acquisition of subsidiary	40	-	-	-	(9,472,778)
Dividends received	10	-	-	135,630,939	118,835,030
Acquisition of intangible assets	21	(80,908,266)	(50,469,042)	-	-
Net cash flows (used in)/ generated from investing activities		**(123,128,776)**	**(102,040,922)**	**100,591,124**	**98,914,910**
Cash flows from financing activities					
Principal payment of lease liabilities	37	(32,966,054)	(24,291,446)	-	-
Proceeds from borrowed funds	26	14,200,000	247,986,095	-	-
Proceeds from managed funds	25	16,274,075	7,815,266	-	-
Repayment of borrowed funds	26	(120,148,294)	(91,438,990)	-	-
Repayment of managed funds	25	(7,304,078)	(5,212,432)	-	-
Dividends paid to equity holders	30(c)	(85,687,654)	(74,388,520)	(85,571,030)	(74,271,896)
Net cash flows from financing activities		**(215,632,005)**	**60,469,973**	**(85,571,030)**	**(74,271,896)**
Net increase/ (decrease) increase in cash and cash equivalents		**411,706,490**	**231,878,512**	**13,213,979**	**(350,662)**
Cash and cash equivalents at start of year	34	1,119,595,139	897,795,323	1,536,354	2,195,944
Effect of exchange rate changes on cash and cash equivalents		8,021,150	(10,078,696)	1,706	(308,928)
Cash and cash equivalents at end of year	34	**1,539,322,779**	**1,119,595,139**	**14,752,039**	**1,536,354**

Notes

1. Reporting entity

Centenary Rural Development Group Limited is incorporated in the Republic of Uganda under the Companies Act, Cap 106 Laws of Uganda and is domiciled in the Republic of Uganda. The consolidated financial statements of the company comprise the company and its subsidiaries (together referred to as the "Group"). The separate financial statements are the unconsolidated company financial statements.

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For purposes of the Uganda Companies Act [Cap 106], the profit and loss statement is represented by the statement of comprehensive income, and the balance sheet is represented by the statement of financial position in these financial statements.

Where reference is made in the accounting policies to Group or Company it should be interpreted as being applicable to the consolidated or company financial statements as the context requires. The consolidated and company financial statements are hereinafter referred to as "the financial statements".

2. Material accounting policies

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

a) Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Ugandan Companies Act [Cap 106].

The financial statements are presented in the functional currency, Uganda Shillings (Shs), rounded to the nearest thousand (Shs '000), and prepared on the historical cost basis, except where otherwise stated in the accounting policies below.

The financial statements have been prepared after the consolidation of the results and balances of the Company and its subsidiaries namely, Centenary Rural Development Bank Limited, Centenary Bank Limited (Malawi), Centenary Group Foundation Limited and Centenary Technology Services Limited.

The preparation of the financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the Group's Directors to exercise judgement in the process of applying the Group's accounting policies. Changes in assumptions may have a significant impact on the consolidated and company financial statements in the period the assumptions are changed. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

b) New accounting standards, amendments, and interpretations

(i) New accounting standards, amendments, and interpretations adopted by the Group

The following amendment has been applied by the Group for the first time as at 1 January 2025, with no material impact:

Amendments to IAS 21 - Lack of Exchangeability. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

(ii) New and amended standards and interpretations issued but not yet effective

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2026 and have not been applied in preparing these financial statements.

Notes Continued

The standards, which are not expected to have a significant impact on the financial statements of the Group, are set out below:

IFRS 18, 'Presentation and Disclosure in Financial Statements'

This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The standard is effective for annual periods beginning or after 1 January 2027 with early adoption possible subject to local endorsement where required.

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

Following the post-implementation review of the classification and measurement requirements, IFRS 9 has been amended to include guidance on the classification of financial assets, including those with contingent features. Additional disclosures in terms of IFRS 7 will also need to be provided on financial assets and financial liabilities that have certain contingent features. The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

Annual improvements to IFRS – Volume 11

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

c) Financial instruments

(i) Financial assets

Amortised cost and effective interest rate

The amortised cost is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance).

The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts, and fees, and points paid or received that are integral to the effective interest rate, such as origination fees. When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets.

Financial assets that are not purchased or originated credit impaired but have subsequently become credit-impaired ("stage 3 "), interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

Initial recognition and measurement

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, being the date on which the Group commits to purchase or sell the asset. At initial recognition, the Group measures a financial asset at its fair value plus or minus, in the case of a

Notes Continued

financial asset not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset, such as fees and commissions. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortised cost.

When the fair value of financial assets differs from the transaction price on initial recognition, the Group recognizes the difference as follows:

a. When the fair value is evidenced by a quoted price in an active market for an identical asset (i.e., a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss in the profit and loss.
b. In all other cases, the difference is deferred, and the timing of recognition of deferred day one profit or loss is determined on an instrument-by-instrument basis. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement. Facilities issued at rates lower than what is prevailing in the market are marked to market on initial recognition and the deferred amount is amortised on a straight–line basis. Any outstanding amount is immediately recognised in profit or loss when the instrument is derecognised.

Classification and subsequent measurement
The Group classifies its financial assets in the following measurement categories:

- Amortised cost for securities held to collect, loans and advances, receivables, prepayments and deposits, and balances due from other banks; or
- Fair value through profit or loss ("FVTPL") for securities held to sell and other financial assets.

The classification requirements for debt instruments are described below:

Debt instruments
Debt instruments are those instruments that meet the definition of a financial assets from the issuer's perspective, such as loans, government, and corporate bonds. Classification and subsequent measurement of debt instruments depend on:

a. The Group 's business model for managing the asset; and
b. The cash flow characteristics of the asset.

Business model: The business model reflects how the Group manages the assets in order to generate cash flows. That is whether the Group 's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (for example, financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

Factors considered by the Group in determining the business model for the Group assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at fair value through profit or loss ("FVTPL").

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the "SPPI test").

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks, and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, it is mandatory for the financial asset to be measured at FVTPL.

Notes Continued

Financial assets measured at fair value through profit or loss.
The group on initial recognition has the option to irrevocably designate a financial asset as at FVTPL for government securities because they are held for trading purposes in the normal course of business.

The table below shows the classification and measurement of financial assets:

Category	Classification and Measurement
Cash and balances with Bank of Uganda	Amortised Cost
Loans and advances to customers including asset finance loans and loans from managed funds proceeds	Amortised Cost
Government securities – held to collect	Amortised Cost
Government securities – held for trading	Fair value through profit or loss
Due from other banks	Amortised Cost
Other financial assets	Amortised Cost

Impairment
The Group assesses on a forward-looking basis the expected credit loss (ECL'') associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from loan commitments. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes.
- The time value of money.
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

Refer to Notes 3 and 4 for more details on ECL determined in accordance with IFRS 9.

The Group is also required to determine provisions for impairment of loans and advances in accordance with the Financial Institutions Act [Cap 57].

Specific provision for loans and advances considered to be non-performing (impaired) based on the criteria, and classification of such loans and advances established by under the FIA are as follows:
Commercial, Salary, Home Improvements and Micro finance loans above Shs 5 million

- Substandard loans with arrears period between 90 to 179 days – 20%
- Doubtful loans with arrears period between 180 to 364 days – 50%
- Loss with arrears period exceeding 364 days – 100% provision

Microfinance loans below Shs 5 million

- Substandard loans with arrears period between 30 to 59 days – 25%
- Doubtful loans with arrears period between 60 to 89 days – 50%
- Loss with arrears period exceeding 90 days – 100% provision

General provision of 1% of credit facilities less specific provision and suspended interest.

In the event that provisions computed in accordance with the FIA exceed provisions determined in accordance with IFRS Accounting Standards, the excess is accounted for as an appropriation of retained earnings.

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

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

If the terms are substantially different, the Group derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred.

Notes Continued

However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition. If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss.

The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision.

Derecognition other than on a modification

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

- The Group transfers substantially all the risks and rewards of ownership, or
- The Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

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

a. Has no obligation to make payments unless it collects equivalent amounts from the assets.
b. Is prohibited from selling or pledging the assets; and
c. Has an obligation to remit any cash it collects from the assets without material delay.

Collateral (shares and bonds) furnished by the Group under standard repurchase agreements and securities lending and borrowing transactions are not derecognised because the Group retains substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met.

(ii) Financial liabilities

Classification and measurement

In both the current and prior period, all of the financial liabilities are classified as subsequently measured at amortised cost. However, the Group may also classify and subsequently measure financial liabilities at fair value through profit or loss. At the reporting date, the Group did not have liabilities measured at fair value through profit and loss.

Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer. In subsequent periods, the Group recognises any expense incurred on the financial liability.

The table below shows the classification and measurement of financial liabilities:

Category	Classification and Measurement
Deposits due to customers and other banks	Amortised cost
Managed funds	Amortised cost
Borrowed funds	Amortised cost
Derivative liabilities	Fair value through profit or loss
Other financial liabilities	Amortised cost

Derecognition

Financial liabilities are derecognised when they are extinguished (i.e., when the obligation specified in the contract is discharged, cancelled or expires). The exchange between the Group and its original lenders

of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

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

(d) Loan commitments, letters of credit and guarantees

The Group measures a loss allowance in respect of loan commitments, letters of credit and guarantees provided to customers. The Group has not provided any commitment to provide loans at a below-market interest rate (in exception of staff loans), or that can be settled net in cash or by delivering or issuing another financial instrument. For loan commitments the loss allowance is deducted from loans and advances to customers. For contracts that include both a loan and an undrawn commitment, the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision. The expected credit losses measured against letters of credit and guarantees are recognised as a provision.

(e) Derivative financial instruments

A derivative is a financial instrument or other contract in the scope of IFRS 9 that has all of the following features:

- its value changes in response to one or more underlying variables - e.g. an interest rate, exchange rate
- it has an initial net investment that is smaller than would be required for other instruments that have a similar response to the variable
- it will be settled at a future date

The Group has derivative financial instruments that comprise of currency swaps initially recognised at fair value on the date the derivative contract is entered into and subsequently measured at fair value. The fair value is determined using exchange market rates at the reporting date. Changes in the fair value of derivatives are recognised immediately in the Statement of comprehensive income.

(f) Interest income and expense

Net interest income comprises interest income and interest expense calculated using both the effective interest method. These are disclosed separately on the face of the income statement for both interest income and interest expense to provide symmetrical and comparable information.

In its Interest income/ expense calculated using the effective interest method, the Group only includes interest on those financial instruments that are set out in note 5.

The Group calculates interest income on financial assets, other than those considered credit-impaired, by applying the EIR to the gross carrying amount of the financial asset.

When a financial asset becomes credit-impaired the Group calculates interest income by applying the EIR to the net amortised cost of the financial asset. If the financial asset cures, and is no longer credit-impaired, the Bank reverts to calculating interest income on a gross basis.

Notes Continued

(g) Fees and commission income

Fee and commission income is earned from a diverse range of financial services provided to customers. Fee and commission income is recognised at an amount that reflects the consideration to which the Bank expects to be entitled in exchange for providing the services.

The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract. The revenue contracts do not include multiple performance obligations, as explained further in Notes (e) (i) and (e) (ii) below.

When a service to a customers, consideration is invoiced and is due immediately upon satisfaction of a service provided at a point in time or at the end of the contract period for a service provided over time (unless otherwise specified in Notes (e) (i) and (e) (ii) below).

The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Fee and commission income from services where performance obligations are satisfied over time

Performance obligations satisfied over time include asset management, custody and other services, where the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

The Group's fee and commission income from services where performance obligations are satisfied over time include the following:

- Loan processing and commitment fees – these are fees for loans that are likely to be drawn down. The fees are deferred (together with related direct costs) and recognised as an adjustment to the effective interest rate on the loan.
- Ledger fees – income

h) Translation of foreign currencies

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Uganda Shillings ("Shs") rounded to the nearest thousand, which is the Group's functional currency.

(ii) Transactions and balances

Foreign currency transactions are translated into Uganda Shillings using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. The translation of a foreign subsidiary's transactions to Uganda Shillings has created a translation reserve in the Group's consolidated statement of changes in equity and consolidated statement of financial position.

The results and financial position of an entity whose functional currency is the currency of a hyperinflationary economy shall be translated into the group's presentation currency using the following procedure: all amounts (i.e. assets, liabilities, equity items, income and expenses) shall be translated at the closing rate at the date of the most recent statement of financial position. When amounts are translated into the currency of a non-hyperinflationary economy, comparative amounts

shall be those that were presented as current year amounts in the relevant prior year financial statements (i.e. not adjusted for subsequent changes in the price level or subsequent changes in exchange rates).

i) Hyperinflation accounting

One of the Group's Subsidiary, Centenary Bank Limited is domiciled in Malawi. With effect from 2024, the Malawian economy was considered to be hyperinflationary in accordance with the criteria of IAS 29: *Financial Reporting in Hyperinflationary Economies.* IAS 29 requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of a measuring unit current at the reporting date and that corresponding figures for previous periods be stated in the same terms to the latest balance sheet date. The restatement has been calculated by means of conversion factors derived from Consumer Price Index (CPI). Exchange differences arising on the translation of results and financial position of each of the Group's consolidated entities are included in components of other comprehensive income and taken to a separate component of equity.

Notes Continued

Because the Group is not in a hyperinflationary economy and the presentation currency is not hyperinflationary, the comparative amounts have not been restated for changes during the current reporting period in either the general price level in the functional currency (i.e. as would otherwise be required by IAS 29) or the exchange rate between the functional and presentation currencies. As such, the comparative amounts remain those amounts reported as current for the previous reporting period.
The restatement procedures are summarised as follows:

- Selection of a general price index - Most governments issue periodic price indices.
- Segregation of monetary and non-monetary items - Monetary items do not need to be restated, because they represent money held, to be received or to be paid.
- Restatement of Non-monetary items - non-monetary assets and liabilities are restated in terms of the measuring unit current at the end of the reporting period.
- Restatement of shareholders' equity - All components of shareholders' equity are restated by applying a general price index from the beginning of the period or the date of contribution, if later
- Restatement of the income statement - All items in comprehensive income are restated by applying the change in the general price index from the dates when the items of income and expense were originally recorded.
- Calculation and proof of the monetary gain or loss – The difference between the historical cost amounts and the result from the restatement of non-monetary items, shareholders' equity, items in the statement of comprehensive income and the adjustment of index-linked items to year end purchasing power.
- Calculation of deferred tax based on the restated values by adjusting the deferred tax balances for inflation from the opening statement date to the reporting date using the change in the price index.

j) Property and equipment

Recognition and measurement
Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs.

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

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

Depreciation
Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets under finance leases are depreciated over the shorter lease term and their useful lives. Land is not depreciated. Depreciation methods, useful lives, and residual values are reassessed at each financial year-end and adjusted if appropriate.

Derecognition
Property and equipment is derecognized at their disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition or the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in other operating income in profit or loss in the year the asset is derecognized.

k) Intangible assets

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Group. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-

Notes Continued

end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of the expected useful lives of three years except for the Core Banking System (''CBS'') whose useful life is 7 years.

Costs associated with developing or maintaining computer software programs are recognized as an expense as and when incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Direct costs include software development employee costs and an appropriate portion of relevant overheads.

l) Goodwill

Goodwill represents the excess of the cost of an acquisition over the Group's interest in the net fair value of the acquired company's identifiable assets, liabilities, and contingent liabilities as at the date of acquisition. Goodwill is stated at cost less accumulated impairment losses.

Goodwill is reviewed annually to determine whether there is any indication of impairment. The task involves comparing the carrying value of a cash generating unit (CGU) including cashflows, discounted at a rate of interest that reflects inherent risk of the CGU to which the goodwill relates to. The CGU discounted cashflows are compared with the net carrying amount plus goodwill to test for impairment triggers. Impairment is required whenever the cashflows are materially lower than carrying value.

m) Taxation

The Group is subject to various government taxes under the Ugandan tax laws. Significant judgement is required in determining the provision for income taxes. Significant estimates and judgements are required in determining the provision for taxes on certain transactions. For these transactions, the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. The deferred tax asset /liability is indicated in Note 22.

Current income tax

Income tax expense is the aggregate of the charge to profit or loss in respect of current income tax and deferred income tax. Current income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Ugandan Income Tax Act. Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised directly in equity or other comprehensive income is recognised directly in equity or other comprehensive income and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which the tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Notes Continued

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

n) Employee benefits

The Group and all its employees contribute to the National Social Security Fund, which is a defined contribution plan. The Group also operates a defined contribution benefits plan for its employees. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The assets of the scheme are held in a separate trustee administered fund, which is funded by contributions from both the Group and employees. The Group's contributions to the defined contributions schemes are charged to profit or loss in the year in which they relate.

The estimated monetary liability for employees accrued annual leave entitlement at the reporting date is recognised as an expense accrual.

The Group pays its employees a performance-based short-term bonus which is recognised as an expense in the period to which it relates. However, payments are made only after obtaining relevant approvals.

o) Contingent liabilities and commitments

Contingent liabilities and commitments comprise of letters of credit, acceptances, guarantees, and commitments to extend credit. They are accounted for as off SOFP transactions and are disclosed as contingent liabilities and commitments. Expected credit losses are measured against the off SOFP items and recognised as a liability.

p) Share capital

Ordinary shares and irredeemable preference shares are classified as 'share capital' in equity. Any premium received over and above the par value of the shares is classified as 'share premium' in equity.

Dividends on shares are charged to equity in the period in which they are declared. Proposed dividends are shown as a separate component of equity until declared.

q) Cash and cash equivalents

Cash and cash equivalents include cash at hand, deposits held at call with banks, float money, other short-term highly liquid investments with original maturities of three months or less, including: cash and unrestricted balances with the Central Bank, Treasury, and other eligible bills, and amounts due from other Banks.

r) Managed funds and borrowed funds

Managed funds are funds borrowed at a subsidized interest from partners to be disbursed to different groups of people through the Group channels upon meeting relevant criteria and approval by the partners at a higher interest. These are maintained as liabilities because the Group pays back the funds on a quarterly basis to the partners inclusive of interest. They are accounted for at amortised cost.

The Group borrows funds from specific parties for advancement to customers that belong to specified industries. Upon advancement of funds to customers, they are recorded under loans and advances to customers. Details of the funds are included in Notes 25 and 26.

s) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

Notes Continued

Group acting as a lessee

On the commencement date of each lease (excluding leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value) the Group recognises a right-of-use asset and a lease liability. The lease liability is measured at the present value of the lease payments that are not paid on that date.

The lease payments include fixed payments, variable payments that depend on an index or a rate, amounts expected to be payable under residual value guarantees, and the exercise price of a purchase option if the Group is reasonably certain to exercise that option. The lease payments are discounted at the interest rate implicit in the lease.

If that rate cannot be readily determined, the Group's incremental borrowing rate is used. For leases that contain non-lease components, the Group allocates the consideration payable to the lease and non-lease components based on their relative stand-alone components.

The right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability, any lease payments made on or before the commencement date, any initial direct costs incurred, and an estimate of the costs of restoring the underlying asset to the condition required under the terms of the lease. Subsequently the lease liability is measured at amortised cost, subject to remeasurement to reflect any reassessment, lease modifications, or revised fixed lease payments.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses, adjusted for any remeasurement of the lease liability. Depreciation is calculated using the straight-line method to write down the cost of each asset to its residual value over its estimated useful life. If ownership of the underlying asset is not expected to pass to the Group at the end of the lease term, the estimated useful life would not exceed the lease term. Increases in the carrying amount arising on revaluation are recognised in other comprehensive income and accumulated in equity under the heading of revaluation surplus.

Decreases that offset previous increases of the same asset are recognised in other comprehensive income. All other decreases are charged to the profit and loss account. Annually, the difference between the depreciation charge based on the revalued carrying amount of the asset charged to the profit and loss account and depreciation based on the asset's original cost (excess depreciation) is transferred from the revaluation surplus reserve to retained earnings.

For leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value, the total lease payments are recognised in profit or loss on a straight-line basis over the lease period.

Group acting as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone selling prices.

When the Group acts as a lessor, it determines at lease inception whether the lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

t) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Notes Continued

u) Dividends

Dividends on shares are recognised as a liability in the year in which they are declared. Proposed dividends are shown as a separate component of equity until declared.

v) Earnings per ordinary share

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

w) Regulatory credit risk reserve

The regulatory credit risk reserve represents the amount by which the provision for impairment of loans and advances determined in accordance with IFRS Accounting Standards is lower than the amount determined in accordance with the Financial Institutions Act [Cap 57]. The reserve is shown as a separate component of equity, and it is neither distributable nor does it form part of capital for regulatory purposes.

x) Grants

Grants are recognised at their fair value when received and there is reasonable assurance that all attached conditions will be complied with.

When the grant relates to an expense item, (revenue grant) it is recognised as income over periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, (capital grant) it is recognised in the statement of comprehensive income on a systematic basis over the expected useful life of the relevant asset.

y) Comparatives

Where necessary the comparative figures have been adjusted to conform to changes in presentation in the current year. Refer to notes 10, 12,14 20,22, 21,27 and 28 as well as the cash flow statement for details of the reclassifications made in the consolidated and company financial statements. The classifications have had an impact on the respective comparative balances in the statement of comprehensive income, statement of financial position and the statement of cashflows, respectively.

z) Consolidation of subsidiaries

The consolidated financial statements comprise the financial statements of Centenary Rural Development Group Limited and its subsidiaries, Centenary Rural Development Bank Limited, Centenary Bank Limited (Malawi), Centenary Group Foundation Limited, and Centenary Technology Services Limited.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Company financial statements

In the company financial statements, investments in subsidiaries and associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. Dividend income is recognised when the right to receive payment is established.

aa) Investment property

Property held for long term rental yields and not occupied by the Company is classified as investment property. All the property is significantly occupied by the Company's subsidiary, Centenary Rural Development Bank Limited, and is classified as property, plant, and equipment in the consolidated financial statements. The portion occupied by the company is insignificant and therefore no apportionment has been made on the property between property, plant and Equipment and Investment properties.

An investment property is defined under IAS 40, Investment property, as a property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both, rather than for:

- use in the production or supply of goods or services or for administrative purposes; or
- sale in the ordinary course of business.

Investment property is measured at cost less accumulated depreciation. The buildings are depreciated over 25 years, and the land is not depreciated.

Notes Continued

ab) Business combination

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.
If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset, or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. When the group acquires or disposes any interest in an existing subsidiary and there is no change in control, all transactions with non-controlling interests are recorded in equity.

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Inter-company transactions, balances, income, and expenses on transactions between group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

3. Critical accounting estimates and judgments in applying accounting policies

The Group makes estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and accompanying disclosures, as well as the disclosure of contingent liabilities within the next financial year.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Determining fair values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Additional fair value disclosures are included in Note 4.

Notes Continued

Impairment losses on loans and advances

The Group reviews its loan portfolio to assess impairment at least on a quarterly basis. In determining whether an ECL should be recorded in profit or loss, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio.

This evidence may include observable and forward-looking data indicating that there has been an adverse change in the payment status of borrowers in a group, or national or local economic conditions that correlate with defaults on assets. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience. The carrying amount of loans and advances is disclosed in Note 19.

Key sources of estimation uncertainty

The following are key estimations that the directors have used in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in consolidated and company financial statements:

a. Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and determining the forward-looking information relevant to each scenario. When measuring ECL the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.
b. The Directors are of the view that reasonably expected changes in macroeconomic variables included in the ECL computations over the next 12 months would not bring about significant change to the estimated ECL in view of largely stable economic factors and average age of outstanding loans of 3 years. Refer to note 4(a) for the sensitivity analysis.
c. Probability of default: PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.
d. Loss Given Default: LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.
e. SICR: At each reporting date, the Group performs both qualitative and quantitative assessments whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition.
f. Credit risk disclosures: Determination of the inputs in the credit risk disclosure require data and managements judgements and assumptions in determination of classifications, sensitivity analysis, fair value of collateral, among others.

Impairment of goodwill

At each reporting date, the Group reviews the carrying amounts of its Cash Generating Units (CGUs) to determine whether there is any indication of impairment. If any such indication exists, then the CGU's recoverable amount is estimated.

The 'recoverable amount' of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 'Value in use' is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

4. Financial risk management

The Group's activities expose it to variety of financial and non-financial risks. These activities involve the analysis, evaluation, acceptance, and management of some degree of risk or combination of risks. Taking risk is core to the Group's business, and the operational risks are inevitable consequences of being in business. The effective management of risk is critical to earnings and statement of financial position growth within the Group where the culture encourages sound commercial decision making, which adequately balances risk and reward. The identification and management of risk remains a high priority and underpins all business activities.

Notes Continued

i) Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group has governance standards for all major risk types. All standards are applied consistently across the Group and are approved by the Board of Directors through the Asset and Liability Management Committee (ALCO) or Board Risk Management Committee (BRMC).

The Group's approach to risk management is based on a well-established risk, compliance and governance process and relies both on individual responsibility and collective oversight supported by comprehensive reporting. This approach balances strong corporate oversight at Head Office level with risk management structures within the business units. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board Audit Committee.

The governance standards form an integral part of the Group's governance infrastructure reflecting the expectations and requirement of the Board in respect of key areas control across the Group. The standards ensure alignment and consistency in the manner major risk types across the Group are identified, measured, managed, controlled and are reported.

The standards underpin the Group's governance principles, which are:

Shareholder value: The Group's primary objective is to protect and enhance shareholder value. As such the risks to this objective drive the Group's system of internal control.

- **Embedded:** The Group's culture reflects its appetite for risk. Risk management is achieved at all levels of the business through a suitable organisational structure, policies, and procedure, and appropriate staff training. Responsibility for risk management resides at all levels of management from the Board down through the organisation to individuals in office. Each business manager is accountable for managing risk in his or her business area.
- **Supported and assured:** The system of governance and internal control provide management and Board with assurance that risks are being managed appropriately. The designated executives and Board Committees regularly receive and review reports on risks, compliance, governance, and control process.
- **Reviewed:** The Board of Directors considers the effectiveness of the internal control system and risk management processes, at least annually. The major risks to which the Group is exposed, including non – financial risks are credit risk, operational risk, compliance risk, reputation risk, business risk, strategic risk, market risk, liquidity risk, and taxation risk.

A combination of these risks occurring concurrently would be the most likely cause of significant loss. The Group's approach to managing risk on a holistic basis therefore ensures that risk types are not managed in isolation.

a) Credit risk

Credit risk is the risk of suffering financial loss, should any of the Group 's customers, clients or counterparties fail to fulfil their contractual obligations to the Group. Credit risk arises mainly from interbank, commercial and consumer loans and advances, and loan commitments arising from such lending activities but can also arise from credit enhancement provided, such as acceptances and letters of credit, performance bonds and guarantees. The Group is also exposed to other credit risks arising from investments in debt securities and other exposures arising from its trading activities ('trading exposures') including settlement balances with market counterparties and reverse repurchase agreements.

(i) Settlement risk

The Group's activities may give rise to risk at the time of settlement of transactions and trades. 'Settlement risk' is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

Notes Continued

For certain types of transaction, the Group mitigates this risk by conducting settlements through a settlement/ clearing agent to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations. Settlement limits form part of the credit approval/limit monitoring process described earlier. Acceptance of settlement risk on free-settlement trades requires transaction-specific or counterparty-specific approvals from Group Risk.

(ii) Management of credit risk

The Board of Directors created the Management and Group credit committees for the oversight of credit risk. A separate Group Credit administration division, reporting to the Board Credit Committee, is responsible for managing the Group's credit risk, including the following.

- Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- Establishing the authorisation structure for the approval and renewal of credit facilities. Authorisation limits are allocated to business unit Credit Officers. Larger facilities require approval by Managers in Credit administration, the General Manager of Credit Administration, the Board Credit Committee, or the Board of Directors, as appropriate.
- Reviewing and assessing credit risk: Group Credit assesses all credit exposures in excess of designated limits, before facilities are committed to customers by the business unit concerned. Renewals and reviews of facilities are subject to the same review process.
- Limiting concentrations of exposure to counterparties, geographies, and industries (for loans and advances, financial guarantees, and similar exposures), and by issuer, credit rating band, market liquidity, and country (for investment securities).
- Developing and maintaining the Group's risk gradings to categorise exposures according to the degree of risk of default. The current risk grading framework consists of 3 grades reflecting varying degrees of risk of default. The responsibility for setting risk grades lies with the final approving executive or committee, as appropriate. Risk grades are subject to regular reviews by Group's credit administration division.
- Developing and maintaining the Group's processes for measuring ECL: This includes processes for:

— initial approval, regular validation, and back-testing of the models used.
— determining and monitoring significant increase in credit risk; and
— incorporation of forward-looking information.

- Reviewing compliance of business units with agreed exposure limits, including those for selected industries, country risk, and product types. Regular reports on the credit quality of local portfolios are provided to Credit, which may require appropriate corrective action to be taken. These include reports containing estimates of ECL allowances.
- Providing advice, guidance, and specialist skills to business units to promote best practice throughout the Group in the management of credit risk.

Each Group branch is required to implement the Group's credit policies and procedures, with credit approval authorities delegated from the Management and Board Credit Committees. Each branch has a credit manager who reports on all credit-related matters to credit administration division. Each business unit is responsible for the quality and performance of its credit portfolio and for monitoring and controlling all credit risks in its portfolios, including those subject to central approval. Regular audits of business units and Group Credit processes are undertaken by Internal Audit.

Assessment of restructures

As at 31 December 2025, the Group had restructured facilities amounting to Shs 108,117 million (2024: Shs 106,869 million). The net modification gain on the restructured facilities was Shs 762 million (2024: loss of Shs 63 million).

None of the facilities that were restructured during the year have cured/ been moved to stage 1. The Financial Institutions Act [Cap 57] requires that restructured facilities cannot be upgraded to a better credit classification until the borrower has demonstrated consistent performance under the new terms for a specific period, usually one year.

(iii) Credit risk measurement

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Group measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD). This is consistent with the approach for measuring Expected Credit Loss under IFRS 9.

Notes Continued

Internal credit risk classifications

The Group uses internal credit risk classifications that reflect its assessment of the credit status and likelihood of loss of individual counterparties. Driven primarily by days past due analysis of borrowers, the system also relies on borrower and loan specific information collected at the time of application (such as disposable income, and level of collateral for retail exposures; and turnover and industry type for wholesale exposures). The classification process also benefits from expert judgement from the Credit Department to cater for considerations which may not be captured as part of the other data inputs into the model.

The table below provides a mapping of the Group credit risk grades in line with the FIA:

Risk grade	Characteristics
Standard	Items that are fully current and the full repayment of the contractual principal and interest amounts are expected. It also includes items past due between 1 and 30 days for Uganda banking subsidiary and between 0 and 29 days for Malawi banking subsidiary.
Watchlist	Items past due between 31 and 90 days for Uganda banking subsidiary and between 30 and 60 days for Malawi banking subsidiary ; or items for which the borrower is experiencing difficulties. Ultimate loss is not expected but could occur if adverse conditions persist.
Substandard	Items between 91- 180 days past due for Uganda banking subsidiary and between 61 and 90 days for Malawi banking subsidiary or items that show underlying well-defined weaknesses that could lead to probable loss if not corrected. The risk that these items may be impaired is probable and the subsidiaries rely to a large extent on the available security.
Doubtful	Items that are 181 – 365 days past due, for Uganda banking subsidiary and between 91 and 365 days for Malawi banking subsidiary or items considered to be impaired but are not yet considered final losses because of pending factors, which may strengthen the quality of the items.
Loss	Items past due by more than 365 days or items that are considered to be uncollectible and where the realisation of collateral and institution of legal proceedings have been unsuccessful.

Micro finance loans below Shs 5 million are classified as standard if past due between 1 to 7 days; watchlist if past due between 8 and 30 days; substandard for 31 to 59 days past due, doubtful for 61 to 89 days past due; and loss if overdue by more than 90 days.

The table below provides a mapping of the Group's credit risk grades in line with IFRS 9:

Risk grade	Characteristics
Micro Finance <5M	
Performing	Items that are fully current and the full repayment of the contractual principal and interest amounts are expected. It also includes items past due between 0 and 7 days.
Significant Increase in Credit Risk	Items past due between 8 and 29 days; or items for which the borrower is experiencing difficulties. Ultimate loss is not expected but could occur if adverse conditions persist.
Non-Performing	Items that are 30 and above days past due, or items considered to be impaired but are not yet considered final losses because of pending factors, which may strengthen the quality of the items.
Micro & other Business Loans >= 5M	
Performing	Items that are fully current and the full repayment of the contractual principal and interest amounts are expected. It also includes items past due between 0 and 29 days.
Significant Increase in Credit Risk	Items past due between 30 and 89 days or items for which the borrower is experiencing difficulties. Ultimate loss is not expected but could occur if adverse conditions persist.
Non-Performing	Items that are 90 and above days past due, or items considered to be impaired but are not yet considered final losses because of pending factors, which may strengthen the quality of the items.

Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data.

Notes Continued

Expected credit loss measurement

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

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Group.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information.
- Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

The key judgments and assumptions adopted by the Group in addressing the requirements of IFRS 9 are discussed below:

Significant increase in credit risk ("SICR")

The Group monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the historical experience and expert credit assessment.

Multiple economic scenarios applied in various segments form the basis of determining the probability of default at initial recognition and at subsequent reporting dates.

Different economic scenarios will lead to a different probability of default. It is the weighting of these different scenarios that forms the basis of a weighted average probability of default that is used to determine whether credit risk has significantly increased.

Forward-looking information includes economic forecasts with local economic indicators and concentration to certain industries.

The quantitative information is a primary indicator of significant increase in credit risk and is based on days past due for a particular exposure.

The qualitative factors that indicate significant increase in credit risk are reflected in PD models on a timely basis. However, the Group still considers separately some qualitative factors to assess if credit risk has increased significantly. For all loans there is particular focus on assets that are included on a 'watch list' given an exposure is on a watch list once there is a concern that the creditworthiness of the specific counter party has deteriorated. For retail lending the Group considers events such as unemployment or death.

The Group considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, when a micro-business loan which is less than Shs 5 million becomes 8 days past due and when a micro-business loan which is greater than Shs 5 million or a non-micro loan becomes 30 days past due. The loss allowance is measured as lifetime ECL.

In addition, any other loans that are individually assessed and are included on a watch list are in stage 2 of the impairment model. As noted, if there is evidence of credit-impairment the assets are at stage 3 of the impairment model.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk as noted above.

The Group considers the following as constituting an event of default:

Notes Continued

- the borrower is past due more than 30 days for micro finance loans and 90 days for the Uganda banking subsidiary and 60 days for the Malawi banking subsidiary for non-micro finance loans on any material credit obligation to the Group's banking subsidiaries.
- the borrower is unlikely to pay its credit obligations to the Group in full owing to unfavourable market conditions, the customer's operating performance, or their breach of covenants; and
- borrowers with more than one credit facilities and same source of payment, if one defaults, all other facilities are subjectively classified under default. Credit facilities whose installments are collected at source shall not affect staging of sister loans. This is because the process is centrally managed between the employer and the Group.

This definition of default is used by the Group for accounting purposes as well as for internal credit risk management purposes and is broadly aligned to the regulatory definition of default. The definition of default is appropriately tailored to reflect different characteristics of different types of assets.

When assessing if the borrower is unlikely to pay its credit obligation, the Group takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the economic sector performance, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

The Group uses a variety of sources of information to assess default. As noted in the definition of credit impaired financial assets below, default is evidence that an asset is credit impaired. Therefore credit impaired assets will include defaulted assets, but will also include other non-defaulted given the definition of credit impaired is broader than the definition of default.

Credit impaired assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider; or
- the disappearance of an active market for a security because of financial difficulties.

It may not be possible to identify a single discrete event instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Group assess whether debt instruments that are financial assets measured at amortised cost or FVOCI are credit-impaired at each reporting date. To assess if sovereign and other Group debt instruments are credit impaired, the subsidiaries considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default (see below) includes unlikeliness to pay indicators and a back- stop if amounts are overdue for 90 days for the Uganda banking subsidiary or 60 days for the Malawi banking subsidiary or more.

ECL measurement – explanation of inputs, assumptions, and estimation techniques

The key inputs used for measuring ECL are:

- probability of default ("PD");
- loss given default ("LGD"); and
- exposure at default ("EAD").

These figures are generally derived from internally developed statistical models and other historical data, and they are adjusted to reflect probability-weighted forward-looking information.

PD is an estimate of the likelihood of default over a given time horizon, 12 months or lifetime. The calculation is based on statistical rating models and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on market data (where available), as well as internal data comprising both quantitative and qualitative factors. PDs are estimated considering the contractual maturities of exposures. The estimation is based on current conditions, adjusted to take into account estimates of future conditions that will impact PD.

Notes Continued

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from any collateral. The LGD models for secured assets consider forecasts of future collateral valuation taking into account sale discounts, time to realisation of collateral, cost of realisation of collateral and cure rates (i.e. exit from non-performing status). LGD models for unsecured assets consider time of recovery and recovery rates. The calculation is on a discounted cash flow basis, where the cash flows are discounted by the original EIR of the loan.

EAD is an estimate of the exposure at a future default date, taking into account expected changes

in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities. The Group's modelling approach for EAD reflects expected changes in the balance outstanding over the lifetime of the loan exposure that are permitted by the current contractual terms, such as amortisation profiles, early repayment or overpayment, changes in utilisation of undrawn commitments and credit mitigation actions taken before default. The Group uses EAD models that reflect the characteristics of the portfolios.

ECL is determined by projecting PD, LGD, and EAD for each future month and for each collective segment. These three components are multiplied together and adjusted for the likelihood of survival. This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate.

Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

For revolving products, the exposure at default is predicted by taking current drawn balance and adding a "credit conversion factor" which allows for the expected drawdown of the remaining limit by the time of default. These assumptions vary by product type and current limit utilisation band, based on analysis of the Group's recent default data.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

- For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.
- For unsecured products, LGD's are typically set at product level due to the limited differentiation in recoveries achieved across different borrowers and is based on historical recovery patterns.

The Group measures ECL considering the risk of default over the maximum contractual period over which the entity is exposed to credit risk and not a longer period, even if contract extension or renewal is common business practice.

However, for financial instruments such as revolving credit facilities and overdraft facilities that include both a drawn and an undrawn commitment component, the Group's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Group's exposure to credit losses to the contractual notice period.

The measurement of ECL is based on probability weighted average credit loss. As a result, the measurement of the loss allowance should be the same regardless of whether it is measured on an individual basis or a collective basis (although measurement on a collective basis is more practical for large portfolios of items).

For such financial instruments the Group measures ECL over the period that it is exposed to credit risk and ECL would not be mitigated by credit risk management actions, even if that period extends beyond the maximum contractual period.

However, the Group does not enforce in the normal day-to-day management the contractual right to cancel these financial instruments. This is because these financial instruments are managed on a collective basis and are cancelled only when the Group becomes aware of an increase in credit risk at the facility level.

Notes Continued

This longer period is estimated taking into account the credit risk management actions that the Group expects to take to mitigate ECL, e.g. reduction in limits or cancellation of the loan commitment.

POCI Financial assets

POCI financial assets that are credit impaired on initial recognition. For POCI assets, lifetime ECL are incorporated. Consequently, POCI assets do not carry an impairment allowance on initial recognition. The amount recognised as a loss allowance subsequent to initial recognition is equal to the changes in lifetime ECL since initial recognition of the asset. As at 31 December 2024 the Group did not have any POCI financial assets.

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is assessed. The gross carrying amount of financial assets below also represents the Group 's maximum exposure to credit risk on loans and advances to customers.

	Stage 1 12-month ECL Shs' 000	Stage 2 Lifetime ECL Shs' 000	Stage 3 Lifetime ECL Shs' 000	Total Shs' 000
At 31 December 2025				
Loans and advances to customers at amortized cost				
Agriculture, Fishing & Forestry	506,038,757	33,223,539	19,224,801	558,487,097
Building, Mortgage, Construction, Real Estate	553,238,871	94,141,326	15,934,482	663,314,679
Community, Social, Other Services	352,972,617	74,367,547	19,789,305	447,129,469
Other Activities	62,037,535	4,939,960	9,565,282	76,542,777
Personal Loans and Household Loans	1,897,510,842	46,156,337	52,733,584	1,996,400,763
Trade	437,279,127	44,154,738	16,937,971	498,371,836
Transport and Communication	103,458,071	6,055,991	1,936,874	111,450,936
Gross loans and advances	**3,912,535,820**	**303,039,438**	**136,122,299**	**4,351,697,557**
Loss allowance	(32,955,318)	(1,704,552)	(41,352,578)	(76,012,448)
Carrying amount	**3,879,580,502**	**301,334,886**	**94,769,721**	**4,275,685,109**
Other financial assets				
Cash and balances with central banks	1,444,241,163	-	-	1,444,241,163
Due from other banks	155,404,758	-	-	155,404,758
Government securities	721,117,354	-	-	721,117,354
Other financial assets	29,159,254	-	-	29,159,254
Gross amount	**2,349,922,529**	**-**	**-**	**2,349,922,529**
Loss allowance	(13,760,614)	-	-	(13,760,614)
Carrying amount	**2,336,161,915**	**-**	**-**	**2,336,161,915**

Notes Continued

At 31 December 2024	Stage 1 12-month ECL Shs' 000	Stage 2 Lifetime ECL Shs' 000	Stage 3 Lifetime ECL Shs' 000	Total Shs' 000
Loans and advances to customers at amortised cost				
Agriculture, Fishing & Forestry	439,455,642	33,598,952	19,137,426	492,192,020
Building, Mortgage, Construction, Real Estate	432,556,149	78,179,886	25,502,288	536,238,323
Community, Social, Other Services	343,693,693	104,405,289	16,391,442	464,490,424
Other Activities	49,130,107	15,043,077	2,148,556	66,321,740
Personal Loans and Household Loans	1,704,228,244	39,193,301	40,673,830	1,784,095,375
Trade	349,677,573	62,530,721	26,707,313	438,915,607
Transport and Communication	30,809,808	87,764,825	4,021,437	122,596,070
Gross loans and advances	**3,349,551,216**	**420,716,051**	**134,582,292**	**3,904,849,559**
Loss allowance	(34,245,342)	(2,692,999)	(28,846,576)	(65,784,917)
Carrying amount	**3,315,305,874**	**418,023,052**	**105,735,716**	**3,839,064,642**
Other financial assets				
Cash and balances with central banks	840,436,290	-	-	840,436,290
Due from other banks	322,501,237	-	-	322,501,237
Government securities	517,656,590	-	-	517,656,590
Other financial assets	61,919,755	-	-	61,919,755
Gross amount	**1,742,513,872**	**-**	**-**	**1,742,513,872**
Loss allowance	(9,377,754)	-	-	(9,377,754)
Carrying amount	**1,733,136,118**	**-**	**-**	**1,733,136,118**

The movement in the loss allowance is set out in Notes 16,17,18 and19.

Notes Continued

The following table contains an analysis of the credit risk exposure of off-balance sheet financial instruments for which an ECL allowance is assessed after incorporating the credit conversion factor.

At 31 December 2025	Stage 1 12-month ECL Shs' 000	Stage 2 Lifetime ECL Shs' 000	Stage 3 Lifetime ECL Shs' 000	Total Shs' 000
Loan Commitments				
Agriculture, Fishing & Forestry	5,328,718	80,600	58,950	5,468,268
Building, Mortgage, Construction, Real Estate	15,074,579	2,465,299	711,350	18,251,228
Community, Social, Other Services	50,787,473	170,168	-	50,957,641
Other Activities	1,878,126	150	-	1,878,276
Personal Loans and Household Loans	32,074,739	296,647	389,100	32,760,486
Trade	3,820,341	128,640	6,687	3,955,668
Transport and Communication	1,530,971	-	-	1,530,971
Gross off-balance sheet loans and advances	**110,494,947**	**3,141,504**	**1,166,087**	**114,802,538**
Loss allowance	(276,966)	(7,955)	(53,907)	(338,828)
Net off-balance sheet loans and advances	**110,217,981**	**3,133,549**	**1,112,180**	**114,463,710**
At 31 December 2024				
Loan Commitments				
Agriculture, Fishing & Forestry	4,668,120	49,150	301,250	5,018,520
Building, Mortgage, Construction, Real Estate	17,798,519	1,604,244	496,427	19,899,190
Community, Social, Other Services	27,078,931	5,020,094	19,000	32,118,025
Other Activities	609,053	150	-	609,203
Personal Loans and Household Loans	30,430,397	807,575	467,138	31,705,110
Trade	1,797,448	59,399	26,000	1,882,847
Transport and Communication	778,288	1,500	-	779,788
Gross off-balance sheet loans and advances	**83,160,756**	**7,542,112**	**1,309,815**	**92,012,683**
Loss allowance	(437,763)	(15,277)	(211,193)	(664,233)
Net off-balance sheet loans and advances	**82,722,993**	**7,526,835**	**1,098,622**	**91,348,450**

The following table sets out information about the overdue status of loans and advances to customers in Stages 1, 2 and 3 without considering impairment.

Notes Continued

2025	Stage 1 Shs'000	Stage 2 Shs'000	Stage 3 Shs'000	Total Shs'000
Current	3,673,925,249	-	-	3,673,925,249
Overdue < 30 days	238,610,571	-	-	238,610,571
Overdue > 30 days	-	303,039,438	136,122,299	439,161,737
	3,912,535,820	**303,039,438**	**136,122,299**	**4,351,697,557**
2024				
Current	3,015,830,373	189,729,967	439,701	3,206,000,041
Overdue < 30 days	333,720,843	60,028,968	1,486,316	395,236,127
Overdue > 30 days	-	170,957,116	132,656,275	303,613,391
	3,349,551,216	**420,716,051**	**134,582,292**	**3,904,849,559**

The Group holds treasury bills and treasury bonds issued by the Government of Uganda and the Government of following table sets out the credit quality of debt securities all of which are sovereign instruments issued in the respective currency of the issuer. The analysis has been based on Fitch Rating Agency ratings.

As disclosed in Note 17, the Group holds treasury bills and bonds issued by the Governments of Uganda and Malawi in their respective currencies. These instruments are deemed to be of high credit quality being sovereign debt issued in local currency and without a history of default.

Retail lending

The following tables stratify credit exposures from mortgage loans and advances to retail customers by ranges of loan-to-value (LTV) ratio. LTV is calculated as the ratio of the gross amount of the loan – or the amount committed for loan commitments – to the value of the collateral. The valuation of the collateral excludes any adjustments for obtaining and selling the collateral. The value of the collateral for retail loans is based on the collateral value at origination updated based on changes in forced sale value upon revaluation.

LTV ratio	2025 Shs'000	2024 Shs'000
Less than 50%	2,710,637,435	2,514,472,306
51 – 70%	354,365,251	250,098,255
71 – 90%	300,243,575	241,490,000
91 – 100%	72,133,097	98,994,257
More than 100%	21,918,322	13,486,112
Total	**3,459,297,680**	**3,118,540,930**

Notes Continued

Loans and advances to corporate customers
The general creditworthiness of a corporate customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional security, and the Group generally requests that corporate borrowers provide it. The Group may take collateral in the form of a first charge over real estate, floating charges over all corporate assets and other liens and guarantees.

Generally, estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as impaired.

The table below sets out the carrying amount and the value of identifiable collateral (mainly commercial property) held against loans and advances to corporate customers measured at amortised cost. For each loan, the value of disclosed collateral is capped at the nominal amount of the loan that it is held against.

	2025		2024	
	Carrying amount Shs'000	Collateral Shs'000	Carrying amount Shs'000	Collateral Shs'000
Stages 1 and 2	792,353,075	2,555,312,344	842,825,983	842,825,983
Stage 3	123,244,726	85,599,026	31,544,120	29,762,231

In addition to the collateral included in the tables above, the Group holds other types of collateral and credit enhancements, such as invoice discounting and guarantees for which specific values are not generally available.

Incorporation of forward-looking information
The Group incorporates forward-looking information in its measurement of ECLs. The Group formulates a 'base case' view of the future direction of relevant economic variables and a representative range of other possible forecast scenarios based on advice from the Group's experts and consideration of a variety of external actual and forecast information. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios. External information may include economic data and forecasts published by governmental bodies and monetary authorities. The base case will represent a most-likely outcome and be aligned with information used by the Group for other purposes, such as strategic planning and budgeting.

The other scenarios will represent more optimistic and more pessimistic outcomes. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of loans and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses. These key drivers include, among others, inflation rates, GDP forecasts, balance of trade, unemployment rates and interest rates. Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets are developed based on analysis of historical data. In the ECL model, the weightings allocated to the different macro-economic scenarios are 50:40:10 (Base: Pessimistic: Optimistic).

Notes Continued

Collateral and other credit enhancements

The Group employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds advanced. The Group has internal policies on the acceptability of specific classes of collateral or credit risk mitigation.

The following table sets out the principal types of collateral held against different types of financial assets.

	Percentage of exposure that is subject to collateral requirements		
Type of credit exposure	2025	2024	Principal type of collateral held
Loans and advances to retail customers			
Education Loans	100	100	Property
Micro Finance <=5M	100	100	Property and equipment
Micro Finance >5M to 30M	100	100	Property and equipment
Micro Housing Loans	100	100	Property
Mortgage Loans	100	100	Residential property
Overdrafts	100	100	Property
Salary Loans	6	6	Property
Staff Loans	87	87	Property and equipment
Loans and advances to corporate customers			
Leases	100	100	Property and equipment, commercial property
Corporate loans	100	100	Property and equipment, commercial property
SME loans	100	100	Property and equipment, commercial property

Collateral held

The Group holds collateral against loans and advances to customers in the form of mortgage interests over property such as land and buildings and plant and machinery, other registered securities over assets e.g. chattels for micro loans, and corporate guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as impaired. Collateral generally is not held over loans and advances to Group within the board approved risk tolerance limit, except when securities are held as part of reverse repurchase and securities borrowing activity. Collateral usually is not held against government securities and deposits with other banks and no such collateral was held at 31 December 2025 or 31 December 2024.

The Group closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Group will take possession of collateral to mitigate potential credit losses.

Notes Continued

Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses as at 31 December 2025 are shown below:

At 31 December 2025	Gross exposure Shs'000	Impairment allowance Shs'000	Carrying amount of collateral held Shs'000	Fair value of collateral held Shs'000
Corporate loans	63,444,078	2,142,886	61,301,192	86,904,679
Education loans	1,983,427	437,937	1,545,490	1,464,715
Micro business loans < Shs 5m	9,692,048	1,706,445	7,985,603	9,518
Micro business loans > Shs 5m	16,789,574	356,397	16,433,177	14,304,752
Micro housing loans	4,714,298	352,185	4,362,113	4,221,007
Mortgage loans	1,733,788	7,014	1,726,774	2,079,804
Salary loans	80,356,506	28,826,569	51,529,937	2,560,016
SME loans	44,164,580	4,726,615	39,437,965	142,200,374
Staff loans	9,036,183	1,123,194	7,912,989	5,189,197
Overdrafts	17,097,549	2,857,168	14,240,381	46,921,471
Leases	634,294	-	634,294	8
Total	**249,646,325**	**42,536,410**	**207,109,915**	**305,855,541**

At 31 December 2024	Gross exposure Shs'000	Impairment allowance Shs'000	Carrying amount of collateral held Shs'000	Fair value of collateral held Shs'000
Corporate loans	31,544,120	(2,981,703)	28,562,417	29,762,230
Education loans	1,292,568	(427,963)	864,605	960,330
Micro business loans < Shs 5m	9,065,747	(249,563)	8,816,184	994,586
Micro business loans > Shs 5m	11,008,818	(1,405)	11,007,413	11,144,517
Micro housing loans	4,446,768	(432,820)	4,013,948	4,152,305
Mortgage loans	2,578,828	-	2,578,828	2,578,828
Salary loans	37,848,910	(20,942,578)	16,906,332	904,569
SME loans	23,879,687	(1,798,601)	22,081,086	36,297,797
Staff loans	974,329	(71,808)	902,521	936,218
Overdrafts	9,874,495	(1,874,440)	8,000,055	46,219,255
Leases	2,068,022	(65,695)	2,002,327	5,344,217
Total	**134,582,292**	**(28,846,576)**	**105,735,716**	**139,294,852**

As at 31 December 2025, the Group had no loans and advances to a single borrower or group of related borrowers exceeding 25% of core capital (2024: nil).

Notes Continued

Maximum exposure to credit risk before collateral held:

	2025 Shs '000	2024 Shs '000
Credit risk exposure relating to statement of financial position items:		
Mobile money float (Note 15)	95,357,005	126,771,816
Balances with Central Banks (Note 15)	991,671,725	441,036,831
Deposits and balances due from other Banks (Note 16)	155,404,758	322,501,237
Government securities (Note 17)	2,738,072,691	525,548,762
Loans and advances (Note 19)	4,275,685,109	3,839,064,642
Other financial assets	29,159,254	54,525,763
	8,285,350,542	**5,309,449,051**
Credit risk exposures relating to off statement of financial position items:		
Letters of credit, guarantees and performance bonds (Note 35)	181,756,492	156,398,473
Commitments to extend credit (Note 35)	67,672,522	144,630,790
Undrawn loan commitments (Note 35)	50,321,143	50,390,853
	299,750,157	**351,420,116**
	8,585,100,699	**5,660,869,167**

The above table represents the worst-case scenario of credit risk exposure to the Group at 31 December 2025 and 31 December 2024; without taking into account any collateral held or other credit enhancements attached. As shown above, 53.10% (2024: 53.45%) of the total maximum exposure is derived from loans and advances to customers. Government securities represents 28.96% (2024: 27.19% of the total maximum exposure whilst balances with Central Banks represent 6.10% of the total maximum exposure (2024: 5.77%).

The maximum exposure to credit risk on loans and advances to customers may be further analysed by economic sector and business segment as follows:

Economic sector	Stage1 12-Month ECL Shs'000	Stage 2 Lifetime ECL Shs'000	Stage3 Lifetime ECL Shs'000	2025 Total Shs'000	2024 Shs'000
Agriculture, Fishing & Forestry	513,063,949	33,681,703	19,482,454	566,228,106	492,192,020
Building, mortgage, construction, real estate	511,010,414	86,571,986	16,121,295	613,703,695	536,238,323
Community, Social, Other Services	357,763,122	75,394,594	20,062,156	453,219,872	464,490,424
Personal Loans and Household Loans	1,919,968,580	51,822,856	51,741,777	2,023,533,213	1,784,095,375
Trade	443,209,804	44,347,310	17,128,894	504,686,008	438,915,607
Transport and Communication	104,842,230	6,212,711	1,887,846	112,942,787	122,596,070
Other Activities	62,677,721	5,008,278	9,697,877	77,383,876	66,321,740
Gross Carrying Amount	**3,912,535,820**	**303,039,438**	**136,122,299**	**4,351,697,557**	**3,904,849,559**
Loss allowance	(32,955,318)	(1,704,552)	(41,352,578)	(76,012,448)	(65,784,917)
Carrying Amount	**3,879,580,502**	**296,270,274**	**96,178,407**	**4,275,685,109**	**3,839,064,642**

Notes Continued

Business segment	Stage1 12-Month ECL Shs'000	Stage 2 Lifetime ECL Shs'000	Stage3 Lifetime ECL Shs'000	2025 Total Shs'000	2024 Shs'000
Corporate loans	921,775,328	147,159,143	39,654,927	1,108,589,398	862,191,907
Education loans	18,858,375	1,819,321	1,983,427	22,661,123	24,841,191
Micro business < Shs 5m	92,766,772	8,914,647	9,692,048	111,373,467	100,430,235
Micro business >Shs 5m	328,342,744	27,448,748	13,989,138	369,780,630	376,381,805
Micro housing loans	141,548,188	13,657,368	4,714,298	159,919,854	164,167,483
Mortgage loans	18,223,465	6,470,209	1,708,028	26,401,702	27,595,022
Salary loans	1,751,361,765	44,239,011	37,849,302	1,833,450,078	1,661,342,753
SME	406,695,336	39,741,525	14,453,115	460,889,976	410,302,408
Staff loans	79,479,105	2,167,913	1,823,947	83,470,965	74,130,971
Overdrafts	92,534,313	8,198,018	9,619,775	110,352,106	114,810,074
Leases	60,950,429	3,223,535	634,294	64,808,258	88,655,710
Gross carrying amount	**3,912,535,820**	**303,039,438**	**136,122,299**	**4,351,697,557**	**3,904,849,559**
Loss allowance	(32,955,318)	(1,704,552)	(41,352,578)	(76,012,448)	(65,784,917)
Carrying amount	**3,879,580,502**	**301,334,886**	**94,769,721**	**4,275,685,109**	**3,839,064,642**

Other financial assets and off-balance sheet items	Stage1 Shs'000	Stage 2 Shs'000	Stage3 Shs'000	2025 Shs'000	2024 Shs'000
Cash and balances with the central bank (note 15)	110,619	-	-	-	**92,636**
Deposits and balances due from other banks (note 16)	42	-	-	-	**43**
Government securities (note 17)	6,937,174	-	-	-	**2,107,828**
Other assets (note 18)	6,712,779	-	-	-	**7,177,247**
Off balance sheet items (note 28)	338,828	-	-	-	**664,233**
Total	**14,099,442**	**-**	**-**	**-**	**10,041,987**

The expected credit losses on off balance sheet items and other financial assets is as follows:

The movement in the loss allowance is set out in Notes 15,16,17,18 and 28.

Modified financial assets

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value in accordance with the accounting policy set out in Note 2(c)(i)(d).

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

— its remaining lifetime PD at the reporting date based on the modified terms; with
— the remaining lifetime PD estimated based on data on initial recognition and the original contractual terms.

When modification results in derecognition, a new loan is recognised and allocated to Stage 1 (assuming it is not credit-impaired at that time).

The Group renegotiates loans to customers in financial difficulties (referred to as 'forbearance activities) to maximise collection opportunities and minimise the risk of default. Under the Group's credit policy, loan forbearance

is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Credit Monitoring unit within the credit administration divisions of respective subsidiaries regularly review reports on forbearance activities until the debtor is no longer in this category and is ultimately derecognized as discussed in note 2(c)(i)(f).

For financial assets modified as part of the Group's forbearance policy, the estimate of PD reflects whether the modification has improved or restored the Group's ability to collect interest and principal and the subsidiaries previous experience of similar forbearance action. As part of this process, the subsidiaries evaluate the borrower's payment performance against the modified contractual terms and considers various behavioural indicators.

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and an expectation of forbearance may constitute evidence that an exposure is credit-impaired or in default. A customer needs to demonstrate consistently good payment behaviour over a period of time before the exposure is no longer considered to be credit-impaired/in default or the PD is considered to have decreased such that it falls within the 12-month PD ranges for the asset to be considered Stage 1.

In relation to other financial assets such as balances with other banks and other receivables, the Group considers the following factors while assessing significant increase in credit risk: payment delays and past due information (30 -day rule); and indicators of counterparty financial distress such as cash flow or liquidity issues. The key inputs in determining ECL are PD, LGD and EAD.

Management determines significant increase in credit risk on government securities when the credit rating of the country deteriorates from one grade category to another since initial recognition. There hasn't been any significant increase in credit risk since initial recognition of the government securities. The Government of Uganda has been within the speculative grade: highly speculative for almost 20 years since 2005. Based on that, management has graded the bonds as stage 1 and considered a 12 months PD in the ECL computation. The credit rating grade of the investment securities at amortised cost is B category based on fitch, S & P and Moody's.

b) Market risk

Market risk arises from decrease in the market value of a portfolio of financial instruments caused by adverse movements in the market variables such as currency exchange rates, interest rates, credit spreads and implied volatilities on all the above. The objective of market risk management is to manage and control market risk exposures within acceptable limits, while optimizing the return on risk. The Group Board grants the general authority to take on market risk exposures to the Board Asset and Liability Committee (ALCO). The ALCO sets market risk standards and policies to ensure that the measurement, reporting, monitoring and management of market risk is maintained. The day-to-day implementation of these policies rests with the Treasury Department.

The Group manages risk through a range of market risk and capital risk limits. Stress testing and basic risk management measures (permissible instruments, concentration of exposures, gap limits and maximum tenor) are used to facilitate this process.

i) Interest rate risk

Methods of measuring and managing the interest rate risk

The interest rate risk arises from fluctuation of interest rates on interest bearing financial instruments. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. Interest margins may increase as a result of such changes but may reduce or create losses in the event that unexpected movements arise. The Group's Asset and Liability Committee sets limits on the level of mismatch of interest rate repricing that may be undertaken, which is monitored monthly.

Gap analysis

The Group's operations are subject to the risk of interest rate fluctuations to the extent that interest earning assets and interest-bearing liabilities mature or reprice at

Notes Continued

different times or in differing amounts. Risk management activities are aimed at optimizing net interest income, given market interest rates levels consistent with the Group's business strategies. Interest rate monitoring is done through the Group's Asset and Liability Committee (''ALCO'').

The Group utilises gap analysis for measuring and managing interest rate risk. A positive gap indicates that the Group has more interest rate sensitive assets than interest rate sensitive liabilities. A positive or asset sensitive gap means that an increase in market interest rates could cause an increase in the net interest margin and vice versa. Conversely, a negative or liability sensitive gap implies that the Group net interest margin could decline as a result of increase in market rates and vice versa.

The table below summaries the Group's exposure to interest rate risks. Included in the table are the Group's assets and liabilities at carrying amounts, categorized by the earlier of contractual re-pricing or maturity dates. The carrying amounts of derivative financial instruments which are principally used to reduce the exposure to interest rate movements are included in 'Other Assets' and 'Other Liabilities" under the heading 'Non-interest Bearing'.

The off-statement of financial position gap represents the net notional amounts of all interest-sensitive off statement of financial position items.

b) Market risk

At 31 December 2025	<1 month Shs'000	1-12 month Shs'000	1-5 Years Shs'000	Over 5 Years Shs'000	Non-interest bearing <1 month Shs'000	Total Shs'000
Financial assets						
Cash and short-term funds	-	-	-	-	1,444,351,782	**1,444,351,782**
Due from other banks	-	-	-	-	155,404,800	**155,404,800**
Government securities	97,708,854	1,766,823,768	499,222,366	376,576,931	-	**2,740,331,919**
Loans and advances to customers	110,158,140	960,533,815	1,220,795,207	2,060,210,395	-	**4,351,697,557**
Other financial assets	-	-	-	-	29,159,254	**29,159,254**
Total financial assets	**207,866,994**	**2,727,357,583**	**1,720,017,573**	**2,436,787,326**	**1,628,915,836**	**8,720,945,312**
Financial liabilities						
Due to customers and other banks	4,007,954,322	836,510,995	108,291,109	-	1,329,605,817	6,282,362,243
Derivative liabilities	-	-	-	-	-	-
Managed funds					28,905,913	28,905,913
Borrowed funds	314,032,390	-	314,032,390	-	-	628,064,780
Lease liabilities	-	30,451,268	122,843,527	-	-	153,294,795
Other financial liabilities	-	-	9,636,740	-	249,258,308	258,895,048
Total financial liabilities	**4,321,986,712**	**866,962,263**	**554,803,766**	**-**	**1,607,770,038**	**7,351,522,779**
Net on balance sheet gap	**(4,114,119,718)**	**1,860,395,320**	**1,165,213,807**	**2,436,787,326**	**21,145,798**	**1,369,422,533**
Off balance sheet items, contingencies and commitments	1,781,410	221,461,906	85,449,856	-	-	308,693,172
Total interest sensitivity gap	**(4,112,338,308)**	**2,081,857,226**	**1,250,663,663**	**2,436,787,326**	**21,145,798**	**1,678,115,705**

Notes Continued

b) Market risk

At 31 December 2024	<1 month Shs'000	1-12 month Shs'000	1-5 Years Shs'000	Over 5 Years Shs'000	Non-interest bearing <1 month Shs'000	Total Shs'000
Financial assets						
Cash and short-term funds	-	-	-	-	840,343,654	**840,343,654**
Due from other banks	-	-	-	-	322,501,237	**322,501,237**
Government securities	55,971,804	1,320,877,483	396,034,551	331,345,367	-	**2,104,229,205**
Loans and advances to customers	141,965,292	848,032,319	1,723,973,304	1,125,093,727	-	**3,839,064,642**
Other financial assets	-	-	-	-	54,525,763	**54,525,763**
Total financial assets	**197,937,096**	**2,168,909,802**	**2,120,007,855**	**1,456,439,094**	**1,217,370,654**	**7,160,664,501**
Financial liabilities						
Due to customers and other banks	3,432,527,874	645,350,443	67,122,977	7,332,718	947,386,214	**5,099,720,226**
Managed funds	-	12,996	-	-	-	**12,996**
Borrowed funds	-	-	-	-	19,935,915	**19,935,915**
Lease liabilities	-	-	377,313,682	-	-	**377,313,682**
Other Liabilities	-	12,269,194	82,987,289	-	-	**95,256,483**
Total financial liabilities	**3,432,527,874**	**657,632,633**	**527,423,948**	**7,332,718**	**967,322,129**	**5,592,239,302**
Net on balance sheet gap	**(3,234,590,778)**	**1,511,277,169**	**1,592,583,907**	**1,449,106,376**	**250,048,525**	**1,568,425,199**
Off balance sheet items, contingencies and commitments	12,794,007	332,752,570	5,873,539	-	-	**351,420,116**
Total interest sensitivity gap	**(3,221,796,771)**	**1,844,029,739**	**1,598,457,446**	**1,449,106,376**	**250,048,525**	**1,919,845,315**

i) Interest sensitivity analysis

The Group performs forward looking sensitivity analysis for interest rate risk to which the Group is exposed at the end of each reporting period, showing how profit or loss and equity would have been affected by changes in the interest rates that were reasonably possible at reporting date. The Group considered the Central Bank rate change history which averages between 0.5% to 1% at each change instance. The Group has considered to use 1% in deriving the sensitivity analysis to interest rate changes.

As at 31 December 2025, if the interest rates on interest bearing assets and liabilities had been 1% higher/ lower, with all other variables held constant, post tax profit for the year would have been Shs 7,277 million higher/ lower (2024: Shs 8,227 million).

ii) Currency risk

The Group takes on exposure to effects of fluctuations in the prevailing foreign currency exchange rates on its statement of financial position and cash flows. The Asset and Liability Committee sets limits on the level of exposure by currency and in total for both overnight and intra-day positions, which are monitored daily.

Notes Continued

The Group performs forward looking sensitivity analysis for foreign exchange rate risk to which the Group is exposed at the end of each reporting period, showing how profit or loss and equity would have been affected by changes in the exchange rates that were reasonably possible at reporting date. The Group has considered the annual official mid-rate change history as published by Bank of Uganda for the last four financial years 2025 inclusive, with an average annual change of 10.71%. The Group has considered to therefore use 10% appreciation/ depreciation in deriving the sensitivity analysis to foreign exchange rate changes.

At 31 December 2025, if the shilling had weakened/ strengthened by 10% against the major trading currencies with all other variables held constant, post-tax profit for the year and equity would have been Shs 4,367 million higher/ lower (2024: Shs 11,024 million).

c) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet their payment obligations associated with their financial liabilities as they fall due and to replace funds when they are withdrawn.

The Group is exposed to daily calls on their available cash resources from overnight deposits, current accounts, maturing deposits, and calls on cash settled contingencies. The Group does not maintain cash resources to meet all of these needs as experience shows that a minimum level of reinvestment of maturing funds can be predicted with a high level of certainty. Central Banks requires that the Group maintain a cash reserve ratio of 10% of total deposits. In addition, the Central Banks set limits on the minimum proportion of liquid assets available to meet such calls at 20% and other borrowing facilities that should be in place to cover withdraws at unexpected levels of demand. The Treasury Department monitors liquidity ratios.

The Group's approach to managing negative gaps in liquidity risk is to ensure, there is sufficient liquidity to meet their liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to their reputation. The daily liquidity position is monitored, and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions. All liquidity policies and procedures are subject to review and approval by Group's Risk Management Committee. The Risk Management Committee also monitor the liquidity gap and at first instance source funds from the market using interbank borrowings and as a last resort, use repo and reverse repo arrangements with the central banks.

The Group incorporates the following elements as part of a cohesive liquidity management process:

- Short term and long-term cash flow managements
- Maintaining a structurally sound financial position
- Foreign currency liquidity management
- Preserving a diversified funding base
- Undertaking regular liquidity stress testing
- Maintaining adequate liquidity contingency plan.

Notes Continued

The table below presents the undiscounted cash flows of the Group's financial instruments by remaining contractual maturities at the reporting date.

2025	Carrying amount	Contractual Cash flows				
	Total	Total	<1 month	1-12 month	1-5 Years	Over 5 Years
	Shs' 000	Shs' 000	Shs' 000	Shs' 000	Shs' 000	Shs' 000
Assets						
Cash and short-term funds	1,444,241,163	1,444,241,163	1,444,241,163	-	-	-
Due from other banks	155,404,758	155,491,782	155,491,782	-	-	-
Investments	2,575,394,134	3,771,939,706	37,560,195	637,207,739	1,726,772,840	1,370,398,932
Loans and Advances at amortised cost	4,454,664,029	6,630,976,362	118,156,778	1,303,370,033	3,634,901,600	1,574,547,951
Other financial assets	29,159,254	18,767,155	11,239,289	7,527,866	-	-
	8,658,863,338	**12,021,416,168**	**1,766,689,207**	**1,948,105,638**	**5,361,674,440**	**2,944,946,883**
Liabilities						
Due to customers and other banks	6,282,362,238	6,454,227,299	5,406,063,220	936,586,608	111,577,471	-
Derivative financial instruments	28,905,913	28,905,914	-	-	28,905,914	-
Managed funds	314,032,391	319,819,805	-	296,828,552	22,991,253	-
Borrowed funds	136,802,585	139,475,611	139,475,611	-	-	-
Lease liabilities	153,294,795	183,530,440	-	39,562,057	130,571,031	13,397,352
Other financial liabilities	261,463,507	261,463,507	148,278,854	100,979,454	12,205,199	-
	7,176,861,429	**7,387,422,576**	**5,693,817,685**	**1,373,956,671**	**306,250,868**	**13,397,352**
Liquidity risk gap	**1,482,001,909**	**4,633,993,592**	**(3,927,128,478)**	**574,148,967**	**5,055,423,572**	**2,931,549,531**

* The Group does not assess an exposure in the liquidity gap for less than one month because the biggest contributor to the gap is customer deposits comprised of savings and current accounts that do not have a tenor and the Group does not expect all deposits to be withdrawn within one month. There are no conditions at the statement of financial position date that would indicate a possibility of withdrawal of all deposits within one month.

Notes Continued

The table below presents the undiscounted cash flows of the Group's financial instruments by remaining contractual maturities at the reporting date.

2024	Carrying amount	Contractual Cash flows				
	Total Shs' 000	Total Shs' 000	<1 month Shs' 000	1-12 month Shs' 000	1-5 Years Shs' 000	Over 5 Years Shs' 000
Assets						
Cash and short-term funds	840,343,654	840,343,654	840,343,654	-	-	-
Due from other banks	322,501,237	322,501,237	322,501,237	-	-	-
Investments	2,104,229,205	3,041,524,115	265,364,320	922,407,840	1,260,398,791	593,353,164
Loans and Advances at amortised cost	3,839,064,642	3,982,164,114	142,002,850	834,348,790	2,050,987,819	954,824,655
Other financial assets	54,525,763	54,525,763	45,713,685	8,812,078	-	-
	7,160,664,501	**8,241,058,883**	**1,615,925,746**	**1,765,568,708**	**3,311,386,610**	**1,548,177,819**
Liabilities						
Due to customers and other banks	5,099,720,226	5,146,525,502	4,608,805,656	440,044,346	97,674,276	1,224
Managed funds	12,996	12,996	-	12,996	-	-
Borrowed funds	19,935,915	19,935,915	-	-	19,935,915	-
Lease liabilities	377,313,682	392,463,561	51,494,921	318,705,954	22,262,686	-
Other financial liabilities	95,256,483	104,615,657	132,923	28,594,940	67,836,402	8,051,392
	5,592,239,302	**5,663,553,631**	**4,660,433,500**	**787,358,236**	**207,709,279**	**8,052,616**
Liquidity risk gap	**1,568,425,199**	**2,577,505,252**	**(3,044,507,754)**	**978,210,472**	**3,103,677,331**	**1,540,125,203**

Notes Continued

iv) Fair value measurement

i. Fair value versus carrying amounts of financial assets and liabilities

The fair values of financial assets and liabilities together with the carrying value shown in the consolidated and company statement of financial position are analysed as follows:

	31 December 2025		31 December 2024	
Financial instrument categories	Carrying Amount Shs '000	Fair Value Shs '000	Carrying Amount Shs '000	Fair Value Shs '000
Financial assets at amortised cost				
Cash and Balances with central bank	1,444,241,163	1,444,241,163	840,343,654	840,343,654
Due from other banks	155,404,758	155,404,758	322,501,237	322,501,237
Loans and advances at amortised cost	4,275,685,109	4,264,497,497	3,839,064,642	3,659,210,329
Other financial assets	29,159,254	261,463,507	54,525,763	54,525,763
Government securities and other investments	714,180,180	689,824,893	525,548,762	496,732,031
Financial assets at fair value				
Government securities	2,072,865,028	2,072,865,028	1,578,680,443	1,578,680,443
	8,691,535,492	**8,888,296,846**	**7,160,664,501**	**6,951,993,457**
Liabilities				
Financial liabilities measured at amortised cost				
Due to customers and other banks	6,401,011,622	4,661,530,071	5,099,720,226	4,796,051,462
Managed funds	28,905,913	28,905,913	19,935,915	19,935,915
Borrowed funds	314,032,390	314,032,390	377,313,682	375,472,458
Other financial liabilities	54,525,763	54,525,763	221,364,617	221,364,617
Financial assets at fair value				
Derivative financial instruments	-	-	12,996	12,996
	6,798,475,688	**5,058,994,137**	**5,718,347,436**	**5,412,837,448**

ii. Fair value hierarchy

The Group measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Notes Continued

iii. Financial instruments measured at fair value – Fair value hierarchy

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

At 31 December 2025	Level 1 Shs '000	Level 2 Shs '000	Level 3 Shs '000	Total Shs '000	Carrying amount Shs '000
Assets measured at fair value					
Government securities at fair value	-	2,072,865,028	-	2,072,865,028	2,072,865,028
Liabilities measured at fair value					
Derivative liabilities	-	-	-	-	-
At 31 December 2024					
Assets at fair value					
Government securities at fair value	-	1,578,680,443	-	1,578,680,443	1,578,680,443
Liabilities measured at fair value					
Derivative liabilities	-	(12,996)	-	(12,996)	(12,996)

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The fair value for government securities is estimated using market prices for securities with similar credit, maturity and yield characteristics in the primary and secondary market.
- The Group's subsidiary Centenary Rural Development Bank Limited entered into a derivative in form of a currency swap. The estimated fair value of the derivative is based on market exchange rates and interest rates.

iv. Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value whose fair value does not approximate the carrying amount and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised.

At 31 December 2025	Level 1 Shs '000	Level 2 Shs '000	Level 3 Shs '000	Total Shs '000	Carrying amount Shs '000
Cash and Balances with central bank	-	1,444,241,163	-	**1,444,241,163**	**1,444,241,163**
Due from other banks	-	155,404,758	-	**155,404,758**	**155,404,758**
Government securities at amortised cost	-	714,180,180	-	**714,180,180**	**714,180,180**
Loans and advances	-	-	4,264,497,497	**4,264,497,497**	**4,275,685,109**
Other financial assets	-	29,159,254		**29,159,254**	**29,159,254**
Managed funds	-	28,905,913		**28,905,913**	**28,905,913**
Borrowed funds	-	314,032,390		**314,032,390**	**314,032,390**
Deposits due to customers and other banks	-	4,661,530,071	-	**4,661,530,071**	**6,401,011,622**
Other financial liabilities	-	261,463,507	-	**261,463,507**	**261,463,507**

Notes Continued

At 31 December 2024	Level 1 Shs '000	Level 2 Shs '000	Level 3 Shs '000	Total Shs '000	Carrying amount Shs '000
Cash and Balances with central bank	-	840,343,654	-	**840,343,654**	**840,343,654**
Due from other banks	-	322,501,237	-	**322,501,237**	**322,501,237**
Government securities at amortised cost	-	496,732,031	-	**496,732,031**	**525,548,762**
Loans and advances	-	-	3,659,210,329	**3,659,210,329**	**3,839,064,642**
Other financial assets	-	54,525,763	-	**54,525,763**	**54,525,763**
Managed funds	-	(19,935,915)	-	**(19,935,915)**	**(19,935,915)**
Borrowed funds	-	(375,472,458)	-	**(375,472,458)**	**(377,313,682)**
Deposits due to customers and other banks	-	(4,796,051,462)	-	**(4,796,051,462)**	**(5,099,720,226)**
Other financial liabilities	-	(221,364,617)	-	**(221,364,617)**	**(221,364,617)**

The fair value of financial instruments above is based on observable market transactions.

The credit risk on the fair value of the financial liabilities is assessed as low and therefore not material to the fair valuation.

i. Loans and advances

The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows for loans are discounted at the year-end prime lending rate to determine fair value. Input into the valuation techniques includes expected lifetime credit losses and interest rates. For collateral dependent impaired loans, the fair value is measured based on the value of the underlying collateral.

ii. Government securities

The fair value for government securities is estimated using market prices for securities with similar credit, maturity and yield characteristics in the primary and secondary market.

iii. Deposits due to customers and other banks

The estimated fair value of deposits with no stated maturity, which includes non-interest-bearing deposits, is the amount repayable on demand and this is the carrying amount. The estimated fair value of interest-bearing deposits not quoted in an active market is based on discounted cash flows using weighted average rate of the Group's deposits.

iv. Due from other banks and cash balances with the central bank

The estimated value fair value of balances due from other banks and the balances with the central bank include non-interest bearing amount and the amounts are repayable on demand which is approximate to the carrying amount.

v. Borrowings

The interest rates charged on borrowings held by the Group are based on the average borrowing rate of the Group, which reflects its credit risk. The interest rates are variable and in line with market rates for similar facilities. The fair values of such interest-bearing borrowings not quoted in an active market is based on discounted cash flows using market interest rates.

vi. Managed Funds

Managed funds are nature and non-interest bearing amounts and therefore equivalent to the carrying amount. Therefore the managed funds are a reasonable approximation of the carrying amount.

vii. Other financial assets and other financial liabilities

Other financial assets are short term in nature and non-interest bearing amounts and these are a reasonable approximation of the carrying amount.

Notes Continued

v. Classification of financial assets and financial liabilities

The following table provides a reconciliation between line items in the statement of financial position and categories of financial instruments.

At 31 December 2025	Designated at FVPTL Shs'000	FVOCI – debt instruments Shs'000	Amortised cost Shs'000	Total carrying amount Shs'000
Cash and balances with central bank	-	-	1,444,241,163	1,444,241,163
Deposits and balances due from other banks	-	-	155,404,758	155,404,758
Loans and advances to customers measured at amortised cost	-	-	4,275,685,109	4,275,685,109
Government securities:				
Measured at fair value	2,072,865,028	-	-	2,072,865,028
Measured at amortised cost	-	-	714,180,180	714,180,180
Other financial assets	-	-	29,159,254	29,159,254
Total financial assets	**2,072,865,028**	**-**	**6,618,670,464**	**8,691,535,492**
Deposits due to customers and other banks	-	-	712,000,565	712,000,565
Managed funds	-	-	28,905,913	28,905,913
Borrowed funds	-	-	314,032,390	314,032,390
Lease liabilities	-	-	115,512,214	115,512,214
Derivative financial instrument	-	-	-	-
Other financial liabilities			261,463,507	261,463,507
Total financial liabilities	**-**	**-**	**1,431,914,589**	**1,431,914,589**

At 31 December 2024	Designated at FVPTL Shs'000	FVOCI – debt instruments Shs'000	Amortised cost Shs'000	Total carrying amount Shs'000
Cash and balances with central bank	-	-	840,343,654	840,343,654
Deposits and balances due from other banks	-	-	322,501,237	322,501,237
Loans and advances to customers* measured at amortised cost	-	-	3,839,064,642	3,839,064,642
Government securities:				
Measured at fair value	1,578,680,443	-		1,578,680,443
Measured at amortised cost	-	-	525,548,762	525,548,762
Other financial assets	-	-	54,525,763	54,525,763
Total financial assets	**1,578,680,443**	**-**	**5,581,984,058**	**7,160,664,501**
Deposits due to customers and other banks	-	-	5,099,720,226	5,099,720,226
Managed funds	-	-	19,935,915	19,935,915
Borrowed funds	-	-	377,313,682	377,313,682
Lease liabilities	-	-	95,256,483	95,256,483
Derivative financial instrument	12,996	-	-	12,996
Other financial liabilities	-	-	221,364,617	221,364,617
Total financial liabilities	**12,996**	**-**	**5,813,590,923**	**5,813,603,919**

Notes Continued

v. Capital risk management

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends payment to shareholders or return capital to shareholders. The Group and Company consider equity as the capital, which has been disclosed in the statement of financial position on page 207.

No changes have been made to the objectives, policies and processes from previous years. However, they are under constant review by the Board.

The banking subsidiaries, Centenary Rural Development Bank Limited (Uganda) and Centenary Bank Limited (Malawi) are regulated by Bank of Uganda and Reserve Bank of Malawi respectively. Both subsidiaries have been complying with their respective minimum capital requirements, for Tier 1 and Tier 2. The minimum capital requirements (Tier 1 and Tier 2) are Shs 150 billion in Uganda and Shs 20.654 billion (MWK 10 billion) in Malawi.

The table below summaries the composition of regulatory capital and the ratios of the Banks as at 31 December 2025 and 31 December 2024.

	Centenary Rural Development Bank Limited			Centenary Bank Limited		
	Actual		Minimum requirements	Actual		Minimum requirements
	2025 Shs '000	2024 Shs '000	Shs '000	2025 Shs '000	2024 Shs '000	Shs '000
Tier capital	1,429,840,175	1,288,007,619	150,000,000	40,818,204	31,819,233	20,654,200
Total capital	1,474,658,451	1,331,159,520	150,000,000	40,793,234	31,827,339	20,654,200
Tier 1 ratio	**28.60%**	**28.32%**	**13.00%**	**18.89%**	**15.73%**	**10.00%**
Tier 2 ratio	**29.50%**	**29.27%**	**15.00%**	**18.88%**	**15.73%**	**15.00%**
Risk weighted assets	**4,999,017,285**	**4,548,191,400**		**216,065,856**	**202,335,274**	

The Banks exceeded the minimum core capital and total capital as of 31 December 2025 and 2024.

Notes Continued

5. Interest income

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Interest on loans and advances	823,066,221	737,016,157	-	-
Interest on treasury bills at amortised cost	77,768,554	53,133,210	6,964,628	3,874,432
Interest on treasury notes at amortised cost	19,652,332	9,237,758	-	-
Interest on placements with other Banks	36,447,287	18,990,830	-	-
Processing fees on loans and advances	52,176,784	47,318,902	-	-
	1,009,111,178	**865,696,857**	**6,964,628**	**3,874,432**

The interest income above is recognized over time using the effective interest method and relates to the following financial assets.

	Group	
	2025 Shs'000	2024 Shs'000
Deposits and balances due from other banks (Note 16)	155,404,758	225,462,821
Government securities held to maturity (Note 17)	714,180,180	517,656,590
Loans and advances to customers (Note 19)	4,275,685,109	3,839,064,642
	5,145,270,047	**4,582,184,053**

6. Interest expense

	Group	
	2025 Shs'000	2024 Shs'000
Arising on:	55,921,833	66,658,482
Savings accounts	55,921,833	66,658,482
Current accounts	16,789,122	16,105,101
Time deposits	101,358,267	66,416,437
Borrowed funds	42,903,893	21,083,301
Deposits due to other banks	3,870,948	4,114,974
Lease liabilities (Note 6)	8,786,012	7,085,096
	229,630,074	**181,463,391**

The interest expense above is calculated under the effective interest method that relate to the following financial liabilities:

Notes Continued

	Group	
	2025 Shs'000	2024 Shs'000
Savings accounts (Note 23)	3,294,576,116	2,830,202,639
Current accounts (Note 23)	1,654,883,705	1,147,564,331
Time deposits (Note 23)	739,551,236	515,060,814
Deposits due to other banks (Note 24)	712,000,565	606,892,442
Borrowed funds (Note 26)	314,032,390	377,313,682
Lease liabilities (Note 37)	115,512,214	95,256,483
	6,824,154,563	**5,572,290,391**

7. Fee and commission income

In the following table, fee and commission income from contracts with customers in the scope of IFRS 15 is disaggregated by major service lines.

	Group	
	2025 Shs'000	2024 Shs'000
Processing fees on guarantees and letters of credit	1,751,943	2,413,106
Ledger fees	47,899,846	50,396,736
Commission on EFT and RTGS transfers	24,378,730	22,469,240
Commission on guarantees, bonds and letters of credit	3,228,884	5,212,335
Commission western union and foreign transactions	9,308,500	9,195,566
Charges on ATM and counter withdrawal transactions	52,856,705	27,375,129
Commission on account statements	5,653,074	5,393,719
Commission on salaries entries and school fees handling charges	3,603,965	3,385,968
Visa card fees, commission on centemobile and agency banking	43,679,790	33,740,126
Other fees and commissions	73,943,216	50,340,447
	266,304,653	**209,922,372**

Fee and commission income is recognised at a point in time or over time for each transaction type as discussed in the accounting policies. Total amounts recognised in each category were as follows:

	Group	
	2025 Shs'000	2024 Shs'000
Fee and commission income recognised at a point in time	216,652,864	157,112,530
Fee and commission income recognised over time	49,651,789	52,809,842
	266,304,653	**209,922,372**

Notes Continued

8. Fee and commission expense

	Group	
	2025 Shs'000	2024 Shs'000
Visa expenses	13,170,202	19,138,086
SMS alert and bank charges	20,578,302	17,154,789
Agent banking expenses	46,312,229	40,296,410
Other fee and commission expense	8,688,951	5,694,309
	88,749,684	**82,283,594**

9. Net trading income

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Interest on government securities at fair value through profit or loss (FVTPL)	243,517,768	184,616,199	-	-
Unrealised changes in fair value of government securities at FVTPL	23,087,143	(15,712,469)	-	-
Gain/ (loss) on sale of securities	3,800,735	2,655,313	(74,026)	(62,768)
Foreign currency trading income	49,296,800	45,737,557	-	-
Unrealised gain/(loss) on foreign exchange	194,689	(511,009)	(282,956)	(541,773)
Realised foreign exchange differences	(94,161)	157,894	-	-
	319,802,974	**216,943,485**	**(356,982)**	**(604,541)**

10. Other operating income

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Sale of ATM cards and banking stationery	11,872,232	11,882,855	-	-
Grant income (Note 29)	1,863,439	1,155,045	-	-
Rental income from investment properties**	-	-	11,112,612	11,268,699
Other income*	5,313,968	8,814,735	-	-
Dividends income	-	-	135,630,939	118,835,030
Income from ICT advisory services	2,657,742	1,578,750	-	-
Income from ICT managed services	5,023,137	5,476,762	-	-
	26,730,518	**28,908,147**	**146,743,551**	**130,103,729**

Notes Continued

*Other income comprise income from penalty in lieu of notice, overs on teller transactions, staff ID replacements, commission on foreign nostro accounts, sale of internet banking tokens and unrealised foreign exchange gains or losses on monetary items.

**Rental income arises from the Company's investment properties. All the buildings are rented by Centenary Rural Development Bank Limited. As a result, the income and related rent expense are eliminated on consolidation.

11. Employee benefits expense

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Staff salaries	176,160,986	160,986,974	1,510,661	974,160
Staff performance incentive	41,485,957	42,168,606	-	-
Performance bonuses	24,393,946	15,780,414	206,668	153,868
NSSF contributions	23,164,913	21,593,369	330,319	261,516
Retirement plan contributions	12,798,597	12,178,527	441,354	378,183
Other staff costs	37,529,860	34,139,738	295,191	264,091
	315,534,259	**286,847,628**	**2,784,193**	**2,031,818**

Retirement benefit obligations

The Company and all its subsidiaries participate in the Centenary Group Staff Defined Contribution Scheme and substantially all of the Group's employees are eligible to participate in this scheme. The Group is required to make annual contributions to the scheme at a rate of 8% of basic pay for all eligible employees. Employees contribute 3% of their basic salary. The Group has no other material obligation for the payment of retirement benefits beyond the annual contributions under this scheme.

The Group also makes contributions to the statutory retirement benefit scheme, the National Social Security Fund. Contributions are determined by local statute and are shared between the employer and employee.

The staff incentive scheme includes commissions paid to the employees of the Bank in Uganda especially in the credit department and performance bonuses to staff. The commissions are based on new clients booked, deposits maintained and loans disbursed.

12. Credit loss expense

The charge to profit or loss for credit losses for the year was as follows:	Group	
	2025 Shs'000	2024 Shs'000
Deposits and balances due from banks (Note 16)	(1)	(2,921)
Government securities (Note 17)	4,829,346	2,107,828
Cash and balances with Bank of Uganda (Note 15)	17,983	92,636
Loans and advances to customers (Note 19)	78,012,360	42,180,967
Off-balance sheet items (Note 28)	(325,406)	(1,070,772)
Other assets (Note 18)	3,371,081	1,355,486
Recovery of written off loans*	(20,826,993)	(17,242,079)
	65,078,370	**27,421,145**

Notes Continued

13. Operating expenses

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Office expenses*	19,158,273	16,856,195	133,027	66,154
Software maintenance costs	62,632,180	48,992,483	30,307	-
Insurance	24,990,749	23,495,999	151,099	213,288
Premises costs (rent, maintenance and utilities)	19,299,596	18,122,473	367,677	438,387
Transport and travel expenses	13,193,778	11,446,911	130,550	79,790
Telephone, telex, internet and postage	15,726,431	14,616,873	-	-
Advertising and marketing	15,110,190	11,369,275	245,258	141,958
Stationery	10,229,772	8,526,137	147,047	152,756
Directors' fees and other expenses	10,073,264	9,992,123	2,297,720	2,444,627
Security	6,873,619	6,166,467	13,200	3,726
Cash shortages and other losses	18,318,443	11,792,774	-	-
Motor vehicle & motorcycle repair expenses	4,485,441	4,260,900	49,465	46,923
Consultancy and legal fees	12,812,282	8,559,613	411,673	268,978
Equipment expenses	13,209,071	9,054,228	2,165	1,388
Other operating expenses*	17,245,810	17,806,192	380,620	451,361
Recruitment and training	5,996,717	4,943,427	130,023	52,294
Corporate Social Responsibility (CSR) expenses	7,339,620	4,036,842	40,569	-
Staff transfers	1,909,852	1,697,920	-	-
Subscription	1,554,506	917,363	5,758	31,448
Auditor's remuneration	1,118,901	1,673,480	141,886	354,747
Donations	1,675,139	600,000	1,675,139	600,000
	282,953,634	**234,927,675**	**6,353,183**	**5,347,825**

*Office expenses comprise staff welfare and lunch, maintenance of furniture and equipment, generator fuel, casual labour and staff security costs. Other operating expenses comprise management fees, loan recovery expenses, business promotion, and license fees.

Notes Continued

14 (a) Income tax expense

The income tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Profit/ (loss) before income tax	706,895,018	567,233,318	141,441,939	123,363,249
Tax calculated at 30%	212,068,506	169,664,860	42,432,582	37,008,975
Tax effect of:				
- Non-deductible income/ expenses	(36,800,962)	(31,296,879)	(39,775,840)	(33,212,677)
- Income not subject to tax at 30%:				
interest on government securities	(77,020,107)	(69,249,654)	-	(1,162,329)
- Prior year additional tax	-	1,436,636	-	1,384,327
- Prior year under provision for deferred income tax	(1,396,883)	2,746,656	-	-
- Final tax on government securities	47,456,366	29,952,947	1,272,225	278,164
Income tax expense	**144,306,920**	**103,254,566**	**3,928,967**	**4,296,460**

14 (b) Income tax payable

The movement in current income tax payable was as follows:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
At start of year	17,023,786	14,573,462	129,680	(1,156,025)
Charge/ (credit) for the year	151,384,746	101,732,727	2,918,420	3,352,796
Income tax paid during the year	(91,030,603)	(-75,493,702)	(1,404,338)	(1,951,352)
Withholding tax deducted at source	(36,591,128)	(23,687,913)	(1,109,958)	(115,739)
Effects of movements in foreign exchange rates	(227,626)	(100,788)	-	-
At end of year	**40,559,175**	**17,023,786**	**533,804**	**129,680**

Notes Continued

15. Cash and balances with central banks

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Coins and notes	984,078,499	272,535,007	14,752,039	1,536,354
Balances with central banks	364,916,278	441,129,467	-	-
Mobile money float	95,357,005	126,771,816	-	-
	1,444,351,782	**840,436,290**	**14,752,039**	**1,536,354**
Less: provision for expected credit losses	(110,619)	(92,636)	-	-
	1,444,241,163	**840,343,654**	**14,752,039**	**1,536,354**
Movement in impairment of cash and balances with the Central banks				
At start of year	92,636	-	-	-
Charge to profit and loss (Note 12)	17,983	92,636	-	-
Provision at end of year	**110,619**	**92,636**	**-**	**-**

Balances with central banks represent cash held with Bank of Uganda and the Reserve Bank of Malawi. They are non-interest bearing and include the minimum cash reserve requirements in Uganda and Malawi. See Note 34 for further information. Repos are short-term monetary instruments issued by Bank of Uganda and Reserve Bank of Malawi. The carrying amount of cash and balances with Bank of Uganda and the Reserve Bank of Malawi approximates the fair value.

The Group has assessed expected credit losses on cash and balances with central banks using the general model in IFRS 9 as the product of exposure at default (EAD), probability of default (PD) and loss given default (LGD).

The Group's cash and balances with central banks have been assessed by the Directors as low credit risk in view of the strength of their financial positions and liquidity and absence of a history of default. The Directors have therefore applied the low credit risk exemption under IFRS 9 to cash and balances with central banks. As a result of this, cash and balances with central banks are not assessed for significant increase in credit risk (SICR) and credit losses are measured at an amount equal to 12-months ECL. Furthermore, given no history of default, the Group has applied the highest probability of default (PD) applicable to investment grade instruments of similar risk profile as a proxy for PD. Furthermore, it has been assumed that LGD is 100%.

Notes Continued

16. Deposits and balances due from other banks

	Group	
	2025 Shs'000	2024 Shs'000
Balances with foreign banks	61,194,371	96,747,749
Balances with local banks	33,235,781	290,710
Placements with local banks	60,974,648	225,462,821
	155,404,800	**322,501,280**
Less: provision for expected credit losses	(42)	(43)
	155,404,758	**322,501,237**
Movement in impairment of balances with other banks		
At start of year	43	2,964
Credit to profit or loss (Note 12)	(1)	(2,921)
At year end	**42**	**43**

The weighted average effective interest rate on placements with other banks denominated in Uganda Shillings was 10.0% (2024: 11.2%) and nil for USD denominated placements (2024: 5%). The carrying amount of deposits and balances due from other banks approximates the fair value. Deposits and balances due from other banks are due within twelve months after the reporting period.

The weighted average effective interest rate on placements with other banks denominated in Malawi Kwacha was 23.9% (2024: 23.2%) and 0.03% for USD denominated placements (2024: 0.03%). The carrying amount of deposits and balances due from other banks approximates the fair value. Deposits and balances due from other banks are due within twelve months after the reporting period.

Expected credit losses on deposits and balances with other banks have been estimated using the general model in IFRS 9. In so doing, the Group has designated these balances as low credit risk given the strength of their financial positions, liquidity and absence of a history of default. Consequently, these instruments are not subjected to an assessment for significant increase in credit risk and ECL is measured on a 12 month basis.

In preparing the estimate for ECL, the Group has applied the highest probability of default (PD) applicable to investment grade instruments of similar risk profile as a proxy for PD and assumed LGD of 100%.

Notes Continued

17. Government securities

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
At fair value through profit or loss:				
- Treasury bills	1,732,162,541	1,139,336,891	-	-
- Treasury bonds	340,702,488	439,343,552	-	-
	2,072,865,029	**1,578,680,443**	**-**	**-**
At amortised cost:				
- Treasury bonds	371,219,509	342,990,730	-	-
- Treasury bills	157,370,990	102,970,861	53,650,463	46,437,709
- Treasury notes	192,526,856	71,694,999	-	-
- Bank of Uganda deposit auction	-	-	-	-
Less: provision for expected credit losses	(6,937,174)	(2,107,828)	-	-
	2,787,045,209	**2,094,229,205**	**53,650,463**	**46,437,709**
Treasury bills pledged as collateral for failure to settle clearing obligation – at amortised cost	-	10,000,000	-	-
	2,787,045,209	**2,104,229,205**	**53,650,463**	**46,437,709**
Movement in impairment of government securities				
At start of year	2,107,828	-	-	-
Charge to profit and loss (Note 12)	4,829,346	2,107,828	-	-
At end of year	**6,937,174**	**2,107,828**	**-**	**-**

Government of Uganda and Malawi treasury bills, bonds and notes are debt securities issued by the Central Banks of respective countries. The Group determines whether to classify the securities under either the amortised cost, fair value through profit or loss or fair value through OCI portfolio based on the business model test and the contractual cash flows test. Treasury bills bear a term of three months, six months and twelve months, whilst bonds and notes mature over two years, three years, five years ten years and twenty years. The Bank of Uganda deposit auctions mature over a period of 2 months.

The provision for expected credit losses on government securities was Shs 6,937 million (2024: Shs 2,107 million). This was performed on a 12 month basis using the highest probability of default for instruments with a similar risk profile and LGD of 100%. In addition, the Group applied the exemption from performing a SICR assessment,

The weighted average effective interest rate on treasury bills and bonds for the bank in Uganda was 8.99% (2024: 7.80%) and 14.39 % (2024: 15.05%) respectively. In the table below is an analysis of government securities based on days to maturity.

The average all type yield on treasury notes was 31.95% (2024: 31.95%), and the average interest rate for treasury bills was 20.67% (2024: 20.67%). Interest rates on treasury bills and treasury notes are at fixed rates for the bank in Malawi.

Notes Continued

18. Other assets

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Accounts receivable	26,776,655	46,365,649	20,919,183	23,611,163
Prepayments	37,197,782	31,814,407	174,710	109,614
Western Union receivable	2,443,498	2,771,648	-	-
Deferred staff benefits	36,866,493	33,458,739	-	-
Value added tax receivable	6,236,626	1,579,591	4,663,748	640,211
Items in transit	3,544,431	4,460,839	-	-
Sundry assets	18,381,290	12,387,255	-	-
Less: Provision for expected credit losses	(6,712,779)	(7,177,247)	-	-
	124,733,996	**125,660,881**	**25,757,641**	**24,360,988**

Movement in IFRS 9 impairment provisions

	Group	
	2025 Shs'000	2024 Shs'000
At start of year	7,177,247	5,852,164
Increase in provision for impairment (Note 12)	3,371,081	1,355,486
Effects of movements in foreign exchange rates	(3,835,549)	(30,403)
At end of year	**6,712,779**	**7,177,247**

The carrying amount of other assets approximates the fair value. Other financial assets are all due within twelve months after the reporting period.

Deferred staff benefits relates to the day 1 loss arising on measurement at fair value of staff loans issued at below market interest rates. The loss is recognized as a defined benefit over the expected life of loans and amortized to profit or loss over the same period.

Notes Continued

The tables below illustrate the changes in the loss allowance on other assets:

	Stage 2 Lifetime ECL Shs'000	Stage 3 Lifetime ECL Shs'000	Total Shs'000
Year ended 31 December 2025			
Year ended 31 December 2025			
At start of year	1,804,971	5,372,276	**7,177,247**
Movements with profit or loss impact:			
Additional provision required (charge to profit or loss)	(1,352,656)	4,723,737	**3,371,081**
Effects of movements in exchange rates at translation	-	(3,835,549)	**(3,835,549)**
At end of year	**452,315**	**6,260,464**	**6,712,779**
Year ended 31 December 2024			
At start of year	1,734,963	4,117,201	**5,852,164**
Movements with profit or loss impact:			
Additional provision required (charge to profit or loss)	70,028	1,285,458	**1,355,486**
Acquired			
Effects of movements in foreign exchange rates	(20)	(30,383)	**(30,403)**
At end of year	**1,804,971**	**5,372,276**	**7,177,247**

19. Loans and advances to customers

	2025 Shs'000	2024 Shs'000
Overdrafts	97,381,369	115,117,788
Commercial loans	2,141,726,668	1,729,934,360
Micro finance loans	1,963,572,360	1,894,780,623
Asset finance loans	64,808,258	89,938,973
Staff loans	84,208,902	75,077,815
Gross loans and advances	**4,351,697,557**	**3,904,849,559**
Provision for loan impairment – Stage 1	(32,955,318)	(34,245,342)
Provision for loan impairment – Stage 2	(1,704,551)	(2,692,999)
Provision for loan impairment – Stage 3	(41,352,579)	(28,846,576)
Net loans and advances	**4,275,685,109**	**3,839,064,642**

Notes Continued

Asset finance loans are analysed as follows:

	2025 Shs'000	2024 Shs'000
Gross investments in asset finance loans		
No later than 1 year	4,182,906	4,072,427
Later than 1 year but no later than 5 years	61,462,722	85,702,277
Later than 5 years	262,858	164,269
Gross loans and advances	**65,908,486**	**89,938,973**
Unearned future finance income on asset finance loans	(1,100,228)	(5,368,615)
Net investment in asset finance loans	**64,808,258**	**84,570,358**
Analysis of net investment in asset finance loans		
No later than 1 year	4,113,079	3,829,336
Later than 1 year but no later than 5 years	60,436,709	80,586,558
Later than 5 years	258,470	154,464
	64,808,258	**84,570,358**

Asset financing is a form of financing an asset where the asset serves as the main security. The facilities are offered for a period of between 1 to 5 years depending on the type of equipment financed and the anticipated cash flows. The average interest rate on these facilities for 2025 was 17.16 % for facilities in Shs and 8.12 % for USD facilities (2024: 17.27% and 8.10% respectively).

The table below shows the gross carrying amounts per segment as per IFRS 9 staging:

	Stage1 12-Month ECL Shs'000	Stage 2 Lifetime ECL Shs'000	Stage3 Lifetime ECL Shs'000	2025 Total Shs'000	2024 Shs'000
Business segment					
Corporate loans	921,775,328	147,159,143	39,654,927	1,108,589,398	**862,191,907**
Education loans	18,858,375	1,819,321	1,983,427	22,661,123	**24,841,191**
Micro business < Shs 5m	92,766,772	8,914,647	9,692,048	111,373,467	**100,430,235**
Micro business >Shs 5m	328,342,744	27,448,748	13,989,138	369,780,630	**376,381,805**
Micro housing loans	141,548,188	13,657,368	4,714,298	159,919,854	**164,167,483**
Mortgage loans	18,223,465	6,470,209	1,708,028	26,401,702	**27,595,022**
Salary loans	1,751,361,765	44,239,011	37,849,302	1,833,450,078	**1,661,342,753**
SME	406,695,336	39,741,525	14,453,115	460,889,976	**410,302,408**
Staff loans	79,479,105	2,167,913	1,823,947	83,470,965	**74,130,971**
Overdrafts	92,534,313	8,198,018	9,619,775	110,352,106	**114,810,074**
Leases	60,950,429	3,223,535	634,294	64,808,258	**88,655,710**
Gross carrying amount	3,912,535,820	303,039,438	136,122,299	4,351,697,557	**3,904,849,559**
Loss allowance	(32,955,318)	(1,704,551)	(41,352,579)	(76,012,448)	**(65,784,917)**
Carrying amount	3,879,580,502	301,334,887	94,769,720	4,275,685,109	**3,839,064,642**

Notes Continued

Movement in the provision for impairment of loans and advances:	2025 Shs'000	2024 Shs'000
At start of year	**65,784,917**	**69,005,070**
Movement in profit or loss		
Increase in provision	**80,784,541**	**45,633,809**
Provisions released	(2,772,181)	(3,452,842)
Impairment charge to the profit or loss (Note 12)	**78,012,360**	**42,180,967**
Impaired accounts written off	(60,414,558)	(45,154,396)
Changes in interest accruals	(7,216,868)	1,511,737
Effects of movements in exchange rates at translation	(153,403)	(1,758,461)
At end of year	**76,012,448**	**65,784,917**

The tables below illustrate the changes in the loss allowance on loans and advances between the start of end of the year based on the factors indicated therein.

	Stage 1 12-Month ECL Shs'000	Stage 2 Lifetime ECL Shs'000	Stage 3 Life ECL Shs'000	Total Shs'000
Year ended 31 December 2025				
At start of year	**34,245,342**	**2,692,999**	**28,846,576**	**65,784,917**
Movements with profit or loss impact:				
Additional provisions required	13,264,506	7,404,323	28,362,034	49,030,863
Reversals of provisions	(1,118,998)	(546,064)	(635,080)	(2,300,142)
Financial assets derecognized during the year	(99,828)	(142,514)	(229,697)	(472,039)
New loans in the year	21,584,745	1,955,893	8,213,040	31,753,677
Charge to profit or loss	**33,630,424**	**8,671,638**	**35,710,297**	**78,012,359**
Movements with no profit or loss impact:				
Improvements				
Stage 2 to stage 1	803,251	(803,251)	-	-
Stage 3 to stage 2	-	27,698	(27,698)	-
Stage 3 to stage 1	109,060	-	(109,060)	-
Declines				
Stage 1 to stage 3	(15,585,980)	-	15,585,980	-
Stage 1 to stage 2	(2,124,195)	2,124,195	-	-
Stage 2 to stage 3	-	(4,174,721)	4,174,721	-
Net movements	**(16,797,864)**	**(2,826,079)**	**19,623,943**	**-**
Impaired accounts written off	-	-	(60,414,558)	(60,414,558)
Changes in interest accruals	(17,624,145)	(6,334,235)	16,741,512	(7,216,868)
Effects of movements in foreign exchange rates	(498,439)	(499,772)	844,809	(153,402)
At end of year	**32,955,318**	**1,704,551**	**41,352,579**	**76,012,448**

Notes Continued

	Stage 1 12-Month ECL Shs'000	Stage 2 Lifetime ECL Shs'000	Stage 3 Life ECL Shs'000	Total Shs'000
Year ended 31 December 2024				
At start of year	**34,311,570**	**3,522,648**	**31,170,852**	**69,005,070**
Movements with profit or loss impact:				
Additional provisions required	11,867,476	8,137,202	5,227,785	25,232,463
Reversals of provisions	(1,595,797)	(4,789,737)	(969,476)	(7,355,010)
Financial assets derecognized during the year	(69,932)	(126,370)	(423,042)	(619,344)
New loans in the year	18,320,500	941,742	5,660,616	24,922,858
Charge to profit or loss	**28,522,247**	**4,162,837**	**9,495,883**	**42,180,967**
Movements with no profit or loss impact:				
Improvements				
Stage 2 to stage 1	400,532	(400,532)	-	-
Stage 3 to stage 2	-	1,330	(1,330)	-
Stage 3 to stage 1	98,086	-	(98,086)	-
				-
Declines				-
Stage 1 to stage 3	(16,907,922)	-	16,907,922	-
Stage 1 to stage 2	(1,330,673)	1,330,673	-	-
Stage 2 to stage 3	-	(4,270,042)	4,270,042	-
Net movements	**(17,739,977)**	**(3,338,571)**	**21,078,548**	**-**
Impaired accounts written off	-	-	(45,154,396)	**(45,154,396)**
Changes in interest accruals	(10,628,305)	(1,565,900)	13,705,943	**1,511,738**
Effects of movements in foreign exchange rates	(220,193)	(88,015)	(1,450,254)	**(1,758,462)**
At end of year	**34,245,342**	**2,692,999**	**28,846,576**	**65,784,917**

Notes Continued

Loss Allowance

The loss allowance recognised in the year is impacted by a variety of factors, as described below:

i. Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL.
ii. Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period.
iii. Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models; and
iv. Financial assets derecognized related to assets that were written off during the year.

20. Property and equipment

GROUP	Land & Buildings Shs '000	Motor Vehicles & Cycles Shs'000	Computer Equipment & Accessories Shs'000	Furniture Fixtures & Equipment Shs'000	Leasehold renovations Shs'000	Work in progress (WIP) Shs'000	Total Shs'000
Year ended 31 December 2025							
Cost							
At start of year	**107,576,800**	**12,678,771**	**129,605,840**	**130,109,739**	**4,337,630**	**17,666,136**	**401,974,916**
Additions	1,862,250	-	908,563	1,146,176	73,373	38,737,526	**42,727,888**
Disposals		(1,005,416)	(7,557,468)	(2,063,733)	-	-	**(10,626,617)**
Transfer from WIP	9,891,543	502,938	2,503,751	10,016,605	-	(22,914,837)	**-**
Other adjustments - items expensed	-	-	-	-	-	-	**-**
Hyper inflation adjustment		960,199	1,261,727	5,935,450	5,247,990	-	**13,405,366**
Effects of movements in foreign exchange rates	-	-	-	-	-	-	**-**
At end of year	**119,330,593**	**13,136,492**	**126,722,413**	**145,144,237**	**9,658,993**	**33,488,825**	**447,481,553**
Depreciation							
At start of year	**24,547,342**	**8,054,179**	**104,812,927**	**99,968,611**	**2,284,454**	**-**	**239,667,513**
Charge for the year	2,294,362	1,777,803	8,950,852	7,796,051	585,237	-	**21,404,305**
On disposals	-	(1,005,416)	(7,385,842)	(1,451,128)	-	-	**(9,842,386)**
Hyper inflation adjustment	-	707,884	265,897	4,905,322	4,359,444	-	**10,238,547**
Effects of movements in foreign exchange rates	-	-	-	-	-	-	**-**
At end of year	**26,841,704**	**9,534,450**	**106,643,834**	**111,218,856**	**7,229,135**	**-**	**261,467,979**
Net carrying amount	**92,488,889**	**3,602,042**	**20,078,579**	**33,925,381**	**2,429,858**	**33,488,825**	**186,013,574**

Notes Continued

GROUP	Land & Buildings	Motor Vehicles & Cycles	Computer Equipment & Accessories	Furniture Fixtures & Equipment	Leasehold renovations	Work in progress (WIP)	Total
	Shs '000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Year ended 31 December 2024							
Cost							
At start of year	104,339,863	12,245,274	117,201,179	118,127,601	3,310,230	4,380,231	**359,604,378**
Additions	-	-	425,677	2,705,006	406,894	48,234,647	**51,772,224**
Disposals	-	(1,294,607)	(10,473,031)	(1,183,380)	-	-	**(12,951,018)**
Transfer from WIP	3,236,937	1,517,204	21,994,968	8,041,358	-	(34,790,467)	**-**
Other adjustments - items expensed	-	-	-	(2,539)	-	(158,275)	**(160,814)**
Hyper inflation adjustment		281,372	590,865	3,121,449	812,632	-	**4,806,318**
Effects of movements in exchange rates at translation	-	(70,472)	(133,818)	(699,756)	(192,126)	-	**(1,096,172)**
At end of year	**107,576,800**	**12,678,771**	**129,605,840**	**130,109,739**	**4,337,630**	**17,666,136**	**401,974,916**
Depreciation							
At start of year	22,342,320	7,505,776	102,863,455	92,856,490	1,671,611	-	**227,239,652**
Charge for the year	2,205,022	1,679,994	12,020,530	6,270,981	286,615	-	**22,463,142**
On disposals	-	(1,281,823)	(10,469,428)	(1,013,734)	-	-	**(12,764,985)**
Hyper inflation adjustment		190,075	511,861	2,402,302	423,247	-	**3,527,485**
Effects of movements in exchange rates at translation	-	(39,843)	(113,491)	(547,428)	(97,019)	-	**(797,781)**
At end of year	**24,547,342**	**8,054,179**	**104,812,927**	**99,968,611**	**2,284,454**	**-**	**239,667,513**
Net carrying amount	**83,029,458**	**4,624,592**	**24,792,913**	**30,141,128**	**2,053,176**	**17,666,136**	**162,307,403**

Assets are stated on the Group's books of accounts at historical cost less accumulated depreciation and amortization (of tangible assets, such as goodwill or leaseholds). The asset balance includes the price of the item plus all costs relating to the acquisition of the assets, including freight and installation costs

Notes Continued

COMPANY	Motor vehicles & cycles	Computer Equipment & Accessories	Furniture Fixtures & Equipment	Work in progress (WIP)	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Year ended 31 December 2025					
Cost					
At start of year	468,527	134,781	5,909,188	10,309,482	16,821,978
Additions	-	50,767	247,555	32,879,244	33,177,566
Transfers from WIP*	-	-	2,245	(9,893,789)	(9,891,544)
At end of year	**468,527**	**185,548**	**6,158,988**	**33,294,937**	**40,108,000**
Depreciation					
At start of year	276,554	110,497	3,991,110	-	4,378,161
Charge for the year	93,705	20,872	340,120	-	454,697
At end of year	**370,259**	**131,369**	**4,331,230**	**-**	**4,832,858**
Net carrying amount	**98,268**	**54,179**	**1,827,759**	**33,294,936**	**35,275,142**
Year ended 31 December 2024					
Cost					
At start of year	468,527	127,251	4,956,057	4,059,738	9,611,573
Additions	-	7,530	953,131	9,486,681	10,447,342
Transfers from WIP*	-	-	-	(3,236,937)	(3,236,937)
At end of year	**468,527**	**134,781**	**5,909,188**	**10,309,482**	**16,821,978**
Depreciation					
At start of year	182,849	77,418	3,715,013	-	3,975,280
Charge for the year	93,705	33,079	276,097	-	402,881
At end of year	**276,554**	**110,497**	**3,991,110**	**-**	**4,378,161**
Net carrying amount	**191,973**	**24,284**	**1,918,078**	**10,309,482**	**12,443,817**

Notes Continued

21. Intangible assets

	Group		
	Software	Work in progress	Total
	Shs'000	Shs'000	Shs'000
Year ended 31 December 2025			
Cost			
At start of year	136,190,773	44,353,824	180,544,597
Additions	607,822	80,300,444	80,908,266
Transfers from WIP	185,568	(185,568)	-
Disposals	11,743,492	(11,743,492)	-
Hyper inflation adjustment	(13,956,355)	(1,450)	(13,957,805)
At end of year	**134,771,300**	**112,723,758**	**247,495,058**
Amortisation			
At start of year	**111,953,121**	**-**	**111,953,121**
Charge for the year	9,179,671	-	9,179,671
Hyper inflation adjustment	(14,893,994)	-	(14,893,994)
At end of year	**106,238,798**	**-**	**106,238,798**
Net carrying amount	**28,532,295**	**112,723,965**	**141,256,260**
Year ended 31 December 2024			
Cost			
At start of year	125,739,343	1,620,201	127,359,544
Additions	6,534,514	43,934,528	50,469,042
Transfers from WIP	1,566,983	(1,566,983)	-
Disposals	(135,231)	-	(135,231)
Hyper inflation adjustment	3,208,549	460,116	3,668,665
Effects of movements in exchange rates at translation	(723,385)	(94,037)	(817,422)
At end of year*	**136,190,773**	**44,353,825**	**180,544,598**
Amortisation			
At start of year	102,534,842	-	102,534,842
Charge for the year	7,938,578	-	7,938,578
Disposals	(135,231)	-	(135,231)
Hyper inflation adjustment	2,316,114		2,316,114
Effects of movements in exchange rates at translation	(701,182)	-	(701,182)
At end of year	**111,953,121**	**-**	**111,953,121**
Net carrying amount	**24,237,652**	**44,353,825**	**68,591,477**

* The work in progress of Shs 112,724 million includes Shs 109,900 million that relates to the ongoing project for the implementation of a new core banking software (Flexcube) that is still scheduled for completion and go live in 2026. The carrying amount of software of Shs 23,582 million is mainly comprised of the Omnichannel switch software with a carrying amount of Shs 11.6 billion.

Notes Continued

22. Deferred income tax

Deferred income taxes are calculated on all temporary differences under the liability method at the applicable rate of 30%. Deferred income tax assets are only recognised to the extent that realisation of the related tax benefit is probable. The deferred tax asset has been recognised on the basis that it is probable that sufficient future taxable profits will be available to utilise the asset. The movement on the deferred income tax account is as follows:

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
At start of year	51,063,624	52,367,839	(10,135,024)	(9,191,360)
Credit/ (charge) to profit or loss	8,062,318	(1,304,215)	(1,010,546)	(943,664)
At end of year	**59,125,942**	**51,063,624**	**(11,145,570)**	**(10,135,024)**

(a) Deferred income tax asset

GROUP	At start of year	Charge/ (credit) to profit or loss	Translation differences	At end of year
	Shs'000	Shs'000	Shs'000	Shs'000
Year ended 31 December 2025				
Accelerated tax depreciation	(389,740)	198,162	-	(191,578)
Fair value adjustments	8,085,606	(6,926,143)	-	1,159,463
Provisions	16,868,967	22,143,979	-	39,012,946
Deferred income on loans	16,510,041	1,265,641	-	17,775,682
Tax losses	14,958,672	(13,621,172)	-	1,337,500
Effect of foreign exchange differences	(4,969,922)	5,027,898	(26,047)	31,929
At end of year	**51,063,624**	**8,088,365**	**(26,047)**	**59,125,942**
Year ended 31 December 2024				
Accelerated tax depreciation	547,726	(937,466)	-	(389,740)
Fair value adjustments	3,371,866	4,713,740	-	8,085,606
Provisions	21,223,524	(4,354,557)	-	16,868,967
Deferred income on loans	18,932,485	(2,422,444)	-	16,510,041
Tax losses	13,446,447	(645,989)	2,158,214	14,958,672
Amounts not recognised	(910,327)	910,327	-	-
Effect of foreign exchange differences	(4,243,882)	(726,040)	-	(4,969,922)
At end of year	**52,367,839**	**(3,462,429)**	**2,158,214**	**51,063,624**

Notes Continued

(b) Deferred income tax liability

COMPANY	At start of year Shs'000	Charge to profit or loss Shs'000	At end of year Shs'000
Year ended 31 December 2025			
Accelerated tax depreciation	10,135,024	1,010,546	**11,145,570**
Year ended 31 December 2025			
Accelerated tax depreciation	9,191,360	943,664	**10,135,024**

23. Customer deposits

	Group	
	2025 Shs'000	2024 Shs'000
Current accounts	1,654,883,705	1,147,564,331
Savings accounts	3,294,576,116	2,830,202,639
Time deposits	739,551,236	515,060,814
	5,689,011,057	**4,492,827,784**

The weighted average effective interest rate on customer deposits was 1.5% (2024: 2.0%). All customer deposit balances are due within one year according to the contractual maturity profiles

24. Deposits and balances due to other banks and financial institutions

	Group	
	2025 Shs'000	2024 Shs'000
Balances due to local banks	19,082,878	49,736,903
Balances due to other financial institutions	556,115,102	557,155,539
Borrowings from banks in Uganda (Note 24(b))	136,802,585	-
	712,000,565	**606,892,442**

Deposits and balances due to other banks and financial institutions are expected to fall due within twelve months after the reporting period.

Deposits and balances due to other financial institutions include balances from other financial institutions, local banks, savings and credit cooperative societies (SACCOs), credit institutions and microfinance deposit taking institutions.

24(b) Borrowings from banks in Uganda

The Group has borrowed funds from Absa Bank Uganda Limited and Stanbic Bank Uganda Limited of USD 10 million and USD 7.5 million, respectively. The Group also secured a repo loan from Absa Bank Uganda Limited of USD 20 million.

Notes Continued

	2025 Shs'000	2024 Shs'000
Repo loan from Absa Bank Uganda Limited	73,452,585	-
Borrowing from Stanbic Bank Uganda Limited	27,150,000	-
Borrowing from Absa Bank Uganda Limited	36,200,000	-
	136,802,585	**-**
At start of year	-	-
Additions	135,750,000	-
Interest accrued	1,052,585	-
At end of year	**136,802,585**	**-**

24(b) Borrowings from banks in Uganda

During the year ended 31 December 2025, the Group entered into 2 cross-currency agreements with Absa Bank Uganda Limited under which Absa Bank provided USD 10 million and USD 20 million respectively to the Group. The loans are each repayable upon maturity in twelve months, with interest payable quarterly. In addition, the Bank provided collateral to Absa Bank in the form of Government of Uganda securities with a face value of Shs 49.7 billion and 93.6 billion respectively.

The Group also entered into a cross-currency agreement with Stanbic Bank Uganda Limited under which Stanbic Bank Uganda Limited provided USD 7.5 million to the Group. The loan is repayable upon maturity in twelve months, with interest payable quarterly. In addition, the Bank provided collateral to Stanbic Bank in the form of Government of Uganda securities with a face value of Shs 73.6 billion.

25. Managed funds

	Group	
	2025 Shs'000	2024 Shs'000
Bank of Uganda Agricultural Credit Facility	19,872,092	10,793,508
Government of Uganda Youth Venture Capital Fund	6,410,088	6,414,019
KCCA Youth Venture Capital Fund	2,535,957	2,548,388
Small Business Recovery Fund	87,776	180,000
	28,905,913	**19,935,915**

Bank of Uganda – Agricultural Credit Facility (''BOU-ACF'')

The Government of Uganda through the central bank in partnership with commercial banks, Uganda Development Bank Ltd and micro-deposit taking institutions (MDIs) created the Agricultural Credit Facility. The facility was created for the provision of medium-term credit facilities to agriculture and agro-processing projects on more favourable terms as opposed to the open market. The credit facilities are advanced to customers at an interest rate of 15% for grain trade and the rest of the activities at 12%.

The other objectives of the facility include the promotion of commercial agriculture, increasing access to finance by agribusinesses, increased agricultural production thus food security as well as boosting the confidence of financial institution in lending to agriculture.

Notes Continued

Government of Uganda Youth Venture Capital Fund

The Group's Uganda banking subsidiary is a participating partner in the Government of Uganda (GOU) revolving Youth Venture Capital Fund (YVCF) established in Financial Year 2011/12 to facilitate job creation and employment generation by supporting financially viable start-up micro, Small and Medium Enterprises operated by youth entrepreneurs. Under the scheme the subsidiary makes an equal contribution to the revolving fund.

KCCA Youth Venture Capital Fund

The Group's Uganda banking subsidiary, in collaboration with Kampala Capital City Authority, signed a Memorandum of Understanding (''MOU'') on 30 October 2012 to take custody and on-lend the authority's Youth Venture Capital funds worth Shs 3.3 billion to eligible youth. The fund was for an initial renewable term of 5 years. The MOU was renewed on 2 April 2019. The funds are to support expansion of business ventures owned by youth residing and working in Kampala District.

Small Business Recovery Fund (SBRF).

The Government of Uganda signed a Memorandum of Understanding (''MOU'') with licensed credit institutions on 23 November 2021 to provide financial loans to small businesses that have suffered financial distress arising from the effects of COVID-19 and can show potential for recovery. Managed funds are expected to fall due over twelve months after the reporting period.

The movement in managed funds during the year was as follows:

	TPO	BOU - ACF	KCCA - Youth Venture	GOU - Youth Venture	SBRF	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Year ended 31 December 2025						
At start of year	-	10,793,509	2,548,388	6,414,019	180,000	**19,935,916**
Additions	-	16,226,484	11,161	26,430	10,000	**16,274,075**
Repayments	-	(7,147,901)	(23,592)	(30,362)	(102,223)	**(7,304,078)**
At end of year	**-**	**19,872,092**	**2,535,957**	**6,410,087**	**87,777**	**28,905,913**
Year ended 31 December 2024						
At start of year	43,786	8,300,618	2,547,594	6,432,083	9,000	**17,333,081**
Additions	-	7,398,145	55,714	187,407	174,000	**7,815,266**
Repayments	(43,786)	(4,905,254)	(54,919)	(205,473)	(3,000)	**(5,212,432)**
At end of year	**-**	**10,793,509**	**2,548,389**	**6,414,017**	**180,000**	**19,935,915**

26. Borrowed funds

	Group	
	2025	2024
	Shs'000	Shs'000
European Investment Bank (EIB) (I)	-	29,467,025
European Investment Bank (EIB) (II)	194,436,652	196,558,792
European Investment Bank (EIB) (III)	-	7,054,006
aBi Finance Limited	22,940,546	33,487,992
UECCC Solar loan	5,386,805	9,106,715
Proparco	34,178,762	51,268,143
East African Development Bank	34,098,209	28,827,664
Private Sector Foundation Uganda	16,589,753	12,074,959
World Bank/RBM Fines	6,401,663	9,468,386
	314,032,390	**377,313,682**

Notes Continued

European Investment Bank (EIB) (I)

The loan agreement was signed in December 2014 for an agreed maximum amount of the Shillings equivalent of EUR 20 million. The loan agreement allows for minimum and maximum tenures of 4 years and 7 years, respectively. Rates vary by tenure but not exceeding 10%.

European Investment Bank (EIB) (II)

This is a Global Facility from the Cotonou Investment Facility that was received in April 2020 with a principal that amounted to EUR 15 million. The purpose of the facility is to finance small-holder farmers, micro and small agri-food business.

European Investment Bank (EIB) (III)

This is a Facility from European Investment Bank (EIB) in the range of 5-8 million Euros. The objective of such financing is to support lending to small and medium enterprises in Uganda. In addition, this facility will result in more funding being available to more previously unbanked people. The loan tenure is 7 years.

Agricultural Business Initiative (aBi) Finance Limited loans

These 4 lines of credit from aBi Finance Limited target the agribusiness sector and are denominated in Uganda Shillings. The interest rates on these facilities are fixed and range between 10.5% and 12.5%. The latest maturity date in 2029.

UECCC Solar loan

A Solar Refinance facility of USD 250,000 with Uganda Energy Credit Capitalisation Company on 12 July 2012. The refinance facility is denominated in Uganda Shillings, and the Shilling liability is determined at the exchange rate applicable on every release of funds. The refinance interest rate is fixed at 8.15% per annum. The repayment of the principal borrowed is in 18 equal half yearly instalments commencing 12 months after drawing down. The funds are applied exclusively for the purpose of provision of solar loans to rural households. The loans are secured by promissory notes. Additional funding of Shs 600 million at a fixed interest rate of 5% per annum.

East African Development Bank (EADB) loan

In 2017, a facility of EUR 5 million was obtained at a fixed interest rate of 13.5% and tenure of 5 years. An addendum was signed in 2018 increasing the loan by Shs 7 billion. In 2019, another addendum was signed for an additional amount of Shs 13 billion. The tenure of two additional facility is 5 years starting from the date of disbursement with a fixed interest rate of 10.25%. These facilities are majorly targeted for on lending to agri-business and other rural based medium, small and micro enterprises in Uganda.

Société de Promotion et de Participation Pour la Coopération Économique s.a. (Proparco).

Proparco made available a senior term loan facility of the equivalent in Shs of Euros sixteen million and five hundred thousand (EUR 16,500,000). The Borrower shall apply all amounts borrowed by it under the Facility for the sole purpose of on-lending to eligible sub-borrowers.

The Private Sector Foundation of Uganda (PSFU).

On 27 June 2024, PSFU was assigned the Apex role of the GFF (Grow Financing Facility) under delegated authority form Ministry of Finance Planning and Economic Development. Interest applicable to each tranche will be 2% per annum unless otherwise revised by PSFU. The loan is currently subject to an interest holiday and is not accruing interest during the reporting period. The beneficiaries are:

- Level 1: New micro enterprise – women who have enterprises but have overgrown most micro-credit and livelihood programs.
- Level 2: women owned micro-enterprises with potential to transition from micro to small.
- Level 3: small growth- women owned enterprises with the potential to transition from small to medium.

All foreign denominated loans are disbursed and repaid in local currency. The movement in borrowed funds during the year was as follows:

Notes Continued

The movement in borrowed funds during the year was as follows:

	EIB	aBi	EADB	UECCC	PSFU	Proparco	Reserve Bank of Malawi	World Bank / RBM Fines	Total
	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000	Shs'000
Year ended 31 December 2025									
At start of year	**233,079,823**	**33,487,992**	**28,827,664**	**9,106,715**	**12,074,959**	**51,268,143**	**-**	**9,468,386**	**377,313,682**
Additions	-	-	10,000,000	-	4,200,000	-	-	-	14,200,000
Interest accrued	30,412,171	3,600,290	3,565,620	403,024	314,794	4,505,861	-	102,133	42,903,893
Repayments	(69,055,342)	(14,147,736)	(8,295,075)	(4,122,934)	-	(21,595,242)	-	(2,931,965)	(120,148,294)
Effects of movements in exchange rates at translation	-	-	-	-	-	-	-	(236,891)	(236,891)
At end of year	**194,436,652**	**22,940,546**	**34,098,209**	**5,386,805**	**16,589,753**	**34,178,762**	**-**	**6,401,663**	**314,032,390**
Year ended 31 December 2024									
At start of year	**61,289,609**	**19,789,625**	**19,579,124**	**1,544,083**	**-**	**68,335,926**	**21,923,368**	**8,389,044**	**200,850,779**
Additions	193,890,855	20,000,000	10,000,000	10,000,000	12,000,000	-	-	2,095,240	247,986,095
Interest accrued	9,249,644	2,634,412	2,230,404	214,735	74,951	6,517,165	13,357	148,633	21,083,301
Repayments	(31,349,882)	(8,936,044)	(2,981,863)	(2,652,500)	-	(23,584,948)	(21,241,339)	(692,414)	(91,438,990)
Effects of movements in exchange rates at translation	-	-	-	-	-	-	(695,386)	(472,117)	(1,167,503)
At end of year	**233,080,226**	**33,487,993**	**28,827,665**	**9,106,318**	**12,074,951**	**51,268,143**	**-**	**9,468,386**	**377,313,682**

The Group was in compliance with the financial covenants of borrowing facilities as at 31 December 2025 and 2024.

27. Other liabilities

	Group		Company	
	2025	2024	2025	2024
	Shs'000	Shs'000	Shs'000	Shs'000
Items in transit	29,167,264	25,352,084	-	-
Guarantees - cash collateral	5,501,792	3,760,143	-	-
Contract staff (terminal benefits)	1,927,969	1,793,449	132,175	97,273
Accrued expenses	72,943,926	50,889,204	148,474	206,814
Other taxes and social security contributions payable	23,702,984	21,027,729	539,517	345,624
Accounts payable	10,826,340	15,471,924	-	-
Uganda Revenue Authority- collection account	80,180,803	76,275,373	-	-
Other payables	32,426,831	25,889,820	836,682	287,357
Mortgage fees payable	573,293	904,688	-	-
Deferred rental income	-	-	5,364,690	5,348,058
	257,251,202	**221,364,617**	**7,021,538**	**6,285,126**

Notes Continued

28. Provisions

	Group	
	2025 Shs'000	2024 Shs'000
Litigation provision	816,850	649,550
Provision for expected credit losses on off statement of financial position items (Note 4.34)	338,828	664,233
	1,155,678	**1,313,783**

The movement in litigation provisions during the year was as follows.

	2025 Shs'000	2024 Shs'000
At start of year	649,550	961,117
Additions	765,237	-
Payments made	(597,937)	(103,581)
At end of year	**816,850**	**649,550**

The Group is a defendant in a number of ongoing legal cases arising in the normal course of business. In the opinion of the Directors, after taking appropriate independent professional legal advice, the outcomes of such actions are not expected to give rise to cash outflows over and above amounts provided for.

Provisions are expected to fall due within twelve months of the reporting date.

The Group assessed expected credit losses on off statement of financial position items as required by IFRS 9. The tables below illustrate the changes in the loss allowance on off statement of financial position items.

Year ended 31 December 2025	Lifetime ECL Shs'000	Total Shs'000
At start of year	664,233	664,233
Credit to profit or loss	(325,405)	(325,405)
At end of year	**338,828**	**338,828**
Year ended 31 December 2024		
At start of year	1,735,005	1,735,005
Credit to profit or loss	(1,070,772)	(1,070,772)
At end of year	**664,233**	**664,233**

Notes Continued

29. Deferred grants

All grants that the Group has are conditional grants with conditions attached to them and are initially recognised as deferred income at fair value. All the grants relate to expenses and are recognised as income over the periods to match the cost.

	Group	
	2025 Shs'000	2024 Shs'000
At start of year	1,464,922	1,213,511
Additions	1,998,929	1,406,455
Amount utilized – Grant income	(1,863,439)	(1,155,044)
At end of year	1,600,412	1,464,922

World Saving and Retail Banking Institute (WSBI)

The agreement dated May 2019 is to support financial inclusion in Uganda until 31 August 2021 with a total contribution of USD 895,000 on condition of matching the financial support by 20% (USD 179,000). The date of completion was extended to 30 June 2022. The project is currently in its final closure phase.

Goal Dynamic

The partnership with Goal in May 2019 was intended to support an action titled "Driving Youth led New Agribusiness and Microenterprise" (DYNAMIC) in Karamoja and 5 districts in Northern Uganda (Amudat, Moroto, Kotido, Kaabong & Karenga). The project is currently in its final closure phase.

Goal Young Africa

The agreement with GOAL Relief and Development Organisation was entered into to train 12,000 young women and men in financial literacy. The project is currently in its final closure phase.

Goal Covid 19

GOAL entered into an agreement with Mastercard Foundation dated 7 May 2020 pursuant to which GOAL will receive funding from Mastercard Foundation Funding to support an action entitled "Covid 19 Response and Resilience Program" in Uganda the "Partner Action". The project is currently in its final closure phase.

Mercy Corps Uganda

The purpose of the partnership was to support funding of agribusiness and micro enterprise in Karamoja and 5 districts in Northern Uganda (Amudat, Moroto, Kotido, Kaabong & Karenga). The project is funded by USAID. The partnership was effective 9 December 2019 with the completion date of 10 December 2020. The completion date was extended to 30 September 2022.

Mercy Corps Dream Project

A fixed amount subaward was entered into with Mercy Corps (referred to as FAS) effective November, 2024. The completion date of this FAS is 30 June 2025 or upon completion of the final milestone, whichever date is earlier. Mercy corps awarded 162,547,800 for purposes of this FAS.

The major purpose of FAS is to provide financial literacy to identified groups. Topics include savings mobilization, financial management, budget planning, credit management, insurance, Mindset change, business planning and group dynamics. The project is currently in its final closure phase.

Grow Beneficiary

Generating Growth Opportunities and Productivity of Women Enterprise (GROW) Project is a World Bank project being managed by Private Sector Foundation Uganda on behalf of Government under the Ministry of Finance and Economic Development (MOFPED), with the Ministry of Gender, Labor and Social Development (MGLSD) being the overall implementation entity for the project.

Participating Institutions are required to implement subcomponents 2B and 2C of the GROW project which support all women entrepreneurs including refugees and those from Refugee host communities to meet their capital needs for business expansion and growth. The project is currently ongoing.

Notes Continued

Grow Beneficiary Performance Grant.
This is given to women entrepreneurs who have paid half or more of their loan balance.

Grow Portfolio Expansion Grant.
This is a fund that supports mobilisation, sensitisation and training of both Grow beneficiaries and prospects. It also enables us to reach out to marginalized communities like Busoga, Bukedi and Karamoja plus the minority tribes of the IK, Tepeth, Benet and Batwa plus special categories like the PWDs and little people. The project is currently ongoing.

Water.Org
An agreement was entered into on 15 July 2024 with Water.Org, a not-for-profit corporation with registered offices at 117 W. 20th Street, Suite 203, Kansas City. MO 64108, USA, to fund activities aimed at increasing access to safe water and sanitation.

Water.org granted the total amount of two hundred thousand United States dollars (US $200,000), of which an immediate (US$25,000) was disbursed. The grant is intended for the provision of household water and sanitation credit. The project is currently ongoing.

30. Share capital and other reserves

	2025 Shs'000	2024 Shs'000
Authorized		
28,825,356 ordinary shares (2021: 28,825,356) of Shs 1,000 each	28,825,356	28,825,356
150,000 non-redeemable preference shares of Shs 1,000 each	150,000	150,000
At end of year	**28,975,356**	**28,975,356**
Issued and fully paid		
25,000,000 ordinary shares (2022: 25,000,000) of Shs 1,000 each	25,000,000	25,000,000
116,624 preference shares (2022: 116,624) of Shs 1,000 each	116,624	116,624
	25,116,624	**25,116,624**

The holders of ordinary shares are entitled to receive dividends from time to time and are entitled to one vote per share at meetings of the Company. Holders of preference shares receive a non-cumulative coupon of 100.0% but they do not have the right to vote at meetings of the Company.

30(b) Share premium

The share premium arose from issuance of 25,000,000 ordinary shares in the Company at a premium of Shs 45.55 per share.

Notes Continued

31. Proposed dividends from the Group's shareholders

Proposed dividends includes dividends proposed by the Directors of the Company to its ordinary shareholders amounting to Shs 106,058 million in respect of the year ended 31 December 2025 (2024: Shs 85,571 million) and dividends proposed to preference shareholders of Centenary Rural Development Bank Limited of Shs 117 million for the year ended 31 December 2025 (2024: Shs 117 million). Proposed dividends on preference shares relate to non-controlling interests of the Group.

Dividends are subject to withholding tax at rates which vary depending on the tax residence of the recipient.

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
At start of year	85,687,654	74,388,520	85,571,030	74,271,896
Dividends paid - ordinary shares	(85,571,030)	(74,271,896)	(85,571,030)	(74,271,896)
Proposed dividends - ordinary shares	106,058,853	85,571,030	106,058,853	85,571,030
Dividends paid - preference shares	(116,624)	(116,624)	-	-
Proposed dividends - preference shares	116,624	116,624	-	-
At end of year	**106,175,477**	**85,687,654**	**106,058,853**	**85,571,030**

32. Regulatory credit risk reserve

	2025 Shs'000	2024 Shs'000
At start of year	23,968,001	12,858,293
Transfer from retained earnings	8,096,007	11,109,708
At end of year	**32,064,008**	**23,968,001**

The regulatory credit risk reserve represents the difference between the provision for impairment of loans and advances determined in accordance with IFRS and the Financial Institutions Act [Cap 57]. The reserve is as follows:

	2025 Shs'000	2024 Shs'000
FIA loan provisions		
■ General provisions	44,818,276	40,921,470
■ Specific provisions	46,957,816	38,052,959
Total FIA loan provisions	**91,776,092**	**78,974,429**
IFRS loan provisions	(59,712,085)	(55,006,428)
Regulatory credit risk reserve	**32,064,007**	**23,968,001**

Notes Continued

33. Reserves

a) Other reserves

As part of the re-organization into a Group structure, the shareholders of Centenary Rural Development Group Limited agreed that the current preference shares shall be converted into a professionally managed and well-regulated entity, possibly a Collective Investment Scheme. In addition to issuing shares to the Transferor, the Group was required to, and did establish, a fund of Shs 8 billion for the anticipated redemption of preference shares.

b) Revaluation surplus

Land owned by the Company was revalued during the year ended 31 December 2020 by independent external valuers, at open market value. The book values of the assets were adjusted to the revaluations, and the resultant surplus was credited to the revaluation reserve in shareholders' equity.

The revaluation reserve represents solely the surplus on the revaluation of freehold land. It is non-distributable.

c) Translation reserve

The translation reserve relates to foreign exchange differences arising from translation of the financial statements of the Company's foreign subsidiary at different exchange rates for the profit or loss items, the opening and closing statement of financial position. The movements during the year were as follows:

	Group	
	2025 Shs'000	2024 Shs'000
At start of year	5,304,294	12,220,785
Charge/ (credit) to profit or loss	4,465,136	(17,525,079)
At end of year	**9,769,430**	**5,304,294**

Notes Continued

34. Cash and cash equivalents

	Group		Company	
	2025 Shs'000	Restated 2024 Shs'000	2025 Shs'000	2024 Shs'000
Cash and balances with the Central Banks (Note 15)	1,444,241,163	840,343,654	14,752,039	1,536,354
Less: cash reserve requirement	(271,310,000)	(227,525,000)	-	-
Deposits and balances due from other banks (Note 16)	155,404,758	322,501,237	-	-
Government securities maturing within 90 days from the acquisition date	210,986,858	184,275,248	-	-
	1,539,322,779	**1,119,595,139**	**14,752,039**	**1,536,354**

Cash and cash equivalents include investments with a maturity of three months or less from the date of acquisition. Cash and cash equivalents are due within twelve months after the reporting period.

Banks in Uganda are required to maintain a prescribed minimum cash reserve comprising cash in hand and balances with Bank of Uganda. The amount is determined as a percentage of the average outstanding customer deposits over a cash reserve cycle period of 14 days. Up to 50% of this reserve is available for use in the Bank's day-to-day activities provided that the daily average balance over the 14 day cycle is at or above the minimum amount. There are regulatory sanctions should these conditions not be met or the balance falls below 50% of the minimum amount.

Accordingly, 50% of the cash reserve requirement is treated as restricted for purposes of defining cash and cash equivalents. The minimum cash reserve requirement as at 31 December 2025 was Shs 542,620 million (2024: Shs 405,050 million).

35. Off-balance sheet items, contingencies, and commitments

	Group 2025 Shs'000	Group 2024 Shs'000
Guarantees and performance bonds		
Letters of credit and acceptances	69,606,224	12,334,199
Performance bonds	19,102,878	105,376,065
Bid securities bond guarantees	93,047,177	38,688,209
Commitments to extend credit	67,672,522	144,630,790
	249,428,801	**301,029,263**
Contingencies and commitments		
Undrawn loan commitments	50,321,143	50,390,853
Capital commitments	2,404,000	4,389,433
Contingent liabilities on legal cases	10,059,000	2,784,229
	62,784,143	**57,564,515**
Total off-balance sheet items	**312,212,944**	**358,593,778**

Notes Continued

For purposes of assessing the allowance for credit losses on off-balance sheet items, the Group applies a credit conversion factor to derive the exposures at default as at the reporting date. These are taken as the gross amounts and used in the assessment of credit quality in IFRS 7 disclosures in note 4 above. These are disclosed below:

Guarantees and performance bonds	2025 Shs'000	2024 Shs'000
Letters of credit and acceptances	-	-
Performance bonds	167,059	365,837
Bid securities bond guarantees	561,938	531,983
Commitments to extend credit	63,752,398	40,724,010
	64,481,395	**41,621,830**
Undrawn loan commitments	50,321,143	50,390,853
Gross off-balance sheet loans and advances	**114,802,538**	**92,012,683**

The Group assessed expected credit losses on off-balance sheet items as required by IFRS 9 and recorded these under provisions (Note 28).

36. Right-of-use assets

GROUP	Network Switches Shs'000	ATMs and CDMs Shs'000	Motor Vehicles Shs'000	Buildings Shs'000	Generator Shs'000	Leasehold Land Shs'000	Total Shs'000
Year ended 31 December 2025							
Cost							
At start of year	**3,237,491**	**42,072,740**	**22,294,452**	**118,135,988**	**-**	**2,004,217**	**187,744,888**
Lease remeasurement adjustments	-	-	-	22,481,526	-	-	22,481,526
Additions	2,283,585	7,290,185	6,456,027	16,250,640	1,517,597	-	33,798,034
Disposals	(1,998,762)	-	(6,547,878)	(26,613,983)	-	-	(35,160,623)
Hyper inflation adjustment	-	-	-	1,041,923	-	-	1,041,923
At end of year	**3,522,314**	**49,362,925**	**22,202,601**	**131,296,094**	**1,517,597**	**2,004,217**	**209,905,748**
Accumulated depreciation							
At start of year	**1,891,831**	**8,429,197**	**12,686,579**	**66,585,361**	**954,946**	**102,973**	**90,650,887**
Lease remeasurement adjustments	-	-	-	276,542	-	-	276,542
Disposals	(1,998,762)	-	(6,547,881)	(16,932,184)	-	-	(25,478,827)
Depreciation charge for the year	1,589,406	7,530,347	5,680,231	14,103,124	316,966	22,824	29,242,898
Hyper inflation adjustment	-	-	-	(637,844)	-	-	(637,844)
At end of year	**1,482,475**	**15,959,544**	**11,818,929**	**63,394,999**	**1,271,912**	**125,797**	**94,053,656**
Carrying amount	**2,039,839**	**33,403,381**	**10,383,672**	**67,901,095**	**245,685**	**1,878,420**	**115,852,092**

Notes Continued

GROUP	Network Switches Shs'000	ATMs Shs'000	Motor Vehicles Shs'000	Buildings Shs'000	Generator Shs'000	Leasehold Land Shs'000	Total Shs'000
Year ended 31 December 2024							
Cost							
At start of year	**4,523,397**	**34,629,725**	**21,762,662**	**114,425,987**	**-**	**2,004,217**	**177,345,988**
Lease remeasurement adjustments	(16,110)	(12,190)	52,182	82,606	-	-	106,488
Additions	-	7,455,205	3,487,173	4,903,706	-	-	15,846,084
Disposals	(1,269,796)	-	(3,007,565)	(2,496,965)	-	-	(6,774,326)
Hyper inflation adjustment	-	-	-	1,656,858	-	-	1,656,858
Effects of movements in exchange rates at translation	-	-	-	(436,204)	-	-	(436,204)
At end of year	**3,237,491**	**42,072,740**	**22,294,452**	**118,135,988**	**-**	**2,004,217**	**187,744,888**
Accumulated depreciation							
At start of year	**1,913,828**	**3,926,611**	**10,227,657**	**54,808,707**	**-**	**80,150**	70,956,953
Lease remeasurement adjustments	41,972	-	9,417	(35,087)	-	-	16,302
Disposals	(1,269,796)	-	(3,007,565)	(1,362,960)	-	-	(5,640,321)
Depreciation charge for the year	1,205,827	5,457,532	5,457,070	12,517,334	-	22,823	24,660,586
Hyper inflation adjustment	-	-	-	872,253	-	-	872,253
Effects of movements in exchange rates at translation	-	-	-	(214,886)	-	-	(214,886)
At end of year	**1,891,831**	**9,384,143**	**12,686,579**	**66,585,361**	**-**	**102,973**	**90,650,887**
Carrying amount	**1,345,660**	**32,688,597**	**9,607,873**	**51,550,627**	**-**	**1,901,244**	**97,094,001**

COMPANY	2025 Shs'000	2024 Shs'000
At start of year	1,901,244	1,924,067
Charge for the year	(22,824)	(22,823)
At end of year	**1,878,420**	**1,901,244**

The leasehold land balance relates to the prepaid operating lease rentals on the parcel of land situated on Burton Street, Kampala on which the Group's headquarters is located. The prepaid lease rentals are depreciated on a straight-line basis over the remaining term of the underlying lease.

Notes Continued

The right to use the leasehold land has been recognised as a right-of-use asset and is subsequently measured at cost less accumulated depreciation and any accumulated impairment losses. The depreciation charge for the year is recognised in profit or loss within depreciation expense.

37. Lease liabilities – Group

Due within 12 months after the reporting period	34,964,190	28,727,863
Due over 12 months after the reporting period	80,548,024	66,528,620
	115,512,214	**95,256,483**

Below is an analysis of movements in lease liabilities:

At start of year	95,256,483	106,233,998
Additions	32,368,261	15,846,084
Remeasurement adjustments	21,603,637	(1,012,487)
Payments of lease liability	(32,966,054)	(31,376,542)
Disposals	(9,507,842)	(1,219,273)
Interest charge for the year	8,786,012	7,085,096
Effects of movements in exchange rates at translation	(28,283)	(300,393)
At end of year	**115,512,214**	**95,256,483**

The statement of comprehensive income shows the following amounts relating to leases:

Amounts recognised in the statement of profit or loss

	2025 Shs'000	2024 Shs'000
Depreciation charge of right-of-use assets	26,908,405	24,660,586
Interest expense	8,786,012	7,085,096
Equipment lease expenses	8,334,088	6,520,704
	46,592,999	**38,266,386**

Amounts recognised in the statement of cashflows:

	2025 Shs'000	2024 Shs'000
Payment of principal portion of lease liabilities	24,180,042	24,291,446
Interest paid on lease liabilities	8,786,012	7,085,096
	32,966,054	**31,376,542**

The Group applied a discount factor equivalent to its weighted average cost of borrowing in deriving lease liabilities. The incremental borrowing rate used was 12.20% and 5.21% for Shs and USD leases, respectively, based on the Group's cost of borrowed funds (disclosed under note 26).

Notes Continued

Extension options

Some leases of office premises contain extension options exercisable by the Group before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

38. Related parties

The largest shareholder of the Company is The Registered Trustees of Catholic Diocese who own 45.23% of the Company's shares. There are other companies that are related to the Centenary Rural Development Group Limited through common shareholdings or common Directorships. Transactions with related parties and balances arising therefrom were as follows:

(i) Key management compensation

Key management includes Directors (executives and non-executives) and members of senior management. The compensation paid or payable to key management for employee services is shown below:

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Directors' remuneration	**8,275,031**	**7,343,950**	**2,297,891**	**2,190,824**
Other key management personnel:				
- Short-term employee benefits	16,025,205	15,800,069	596,926	571,110
- NSSF contributions	1,174,995	1,255,232	72,522	69,344
- Gratuity	2,500,589	2,070,668	128,291	122,333
	27,975,820	**26,469,919**	**3,095,630**	**2,953,611**

(ii) Loans and advances to related parties

	Group	
	2025 Shs'000	2024 Shs'000
At start of year	162,274,299	102,213,152
Advanced during the year	71,615,437	133,133,458
Repaid during the year	(48,969,212)	(73,072,311)
At end of year	**184,920,524**	**162,274,299**

Notes Continued

The loans and advances to related parties are credit facilities issued to shareholders and key management personnel of the Group.

(iii) Cash and balances with related parties

	Company	
	2025 Shs'000	2024 Shs'000
	14,752,039	1,536,354

(iv) Income from related parties

Dividend income	135,630,939	118,835,030
Rental income from investment properties	11,112,612	11,268,699
At end of year	**146,743,551**	**130,103,729**

(v) Directors' remuneration (included within key management compensation above)

	Group		Company	
	2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Fees to non-executive Directors	2,999,336	2,531,646	643,487	596,517
Emoluments to executive Directors:				
-Short-term employee benefits	3,810,475	3,812,331	1,266,249	1,217,267
-NSSF contributions	772,876	316,923	150,400	144,937
-Gratuity	692,344	683,050	237,755	232,103
	8,275,031	**7,343,950**	**2,297,891**	**2,190,824**

39. Reconciliation of cashflows from financing activities

Below is an analysis of net debt and the movements in net debt for each of the periods presented.

	2025 Shs'000	2024 Shs'000
Cash and cash equivalents (Note 15)	1,539,322,779	1,119,595,139
Borrowings (Notes 26)	(314,032,390)	(377,313,682)
Lease liabilities (Note 37)	(115,512,214)	(95,256,483)
	1,109,778,175	**647,024,974**

	Borrowings Shs'000	Lease liability Shs'000	Cash and cash equivalents Shs'000	Total Shs'000
Year ended 31 December 2025				
At start of year	(377,313,682)	(95,256,483)	1,119,595,139	647,024,974
Additions	(14,200,000)	(32,368,261)	-	(46,568,261)
Repayments	120,148,294	32,966,054	-	153,114,348

Notes Continued

	Borrowings Shs'000	Lease liability Shs'000	Cash and cash equivalents Shs'000	Total Shs'000
Year ended 31 December 2025				
Net foreign exchange difference	236,891	28,283	-	265,174
Other adjustments/ movements	(42,903,893)	(20,881,807)	419,727,640	355,941,940
At end of year	**(314,032,390)**	**(115,512,214)**	**1,539,322,779**	**1,109,778,175**
Year ended 31 December 2024				
At start of year	(200,850,779)	(106,233,998)	855,275,945	548,191,168
Additions	(247,986,095)	(15,846,084)	-	(263,832,179)
Repayments	91,438,990	31,437,279	-	122,876,269
Net foreign exchange difference	1,167,503	(182,601)	-	984,902
Other adjustments/ movements	(21,083,301)	(4,431,079)	264,319,194	238,804,814
At end of year	(377,313,682)	(95,256,483)	1,119,595,139	647,024,974

40. Investment in subsidiaries

Investment in subsidiaries at cost

Subsidiary	Country and Shareholding	2025 Shs'000	2024 Shs'000
Centenary Rural Development Bank Limited	Uganda, 99.9%	699,950,343	699,950,343
Centenary Bank Limited	Malawi, 51%	26,651,728	26,651,728
Centenary Technology Services Limited	Uganda, 100%	7,380,000	7,380,000
Centenary Group Foundation Limited	Uganda, 99%	-	-
		733,982,071	**733,982,071**

41. Investment property

Investment property comprises land and buildings at Plot 44-46, Mapeera House Kampala Road, Plot 20 Speke Road, Masaka, Plot 3 Avenue Road, Arua and Plot 54 Republic Street Mbale. This property is held for its rental and capital appreciation. The investment property has been stated on the historical cost basis in the Company financial statements.

	Company	
	2025 Shs'000	2024 Shs'000
Cost		
At start of year	107,576,800	104,339,863
Additions	1,862,250	-
Transfers from WIP	9,891,543	3,236,937
At end of year	**119,330,593**	**107,576,800**
Depreciation		
At start of year	24,547,344	22,342,320
Charge for the year	2,294,362	2,205,024
At end of year	**26,841,706**	**24,547,344**
Carrying amount	**92,488,887**	**83,029,456**

Notes Continued

42. Notes to the consolidated and company statement of cashflows

Cash flows from operating activities before changes in operating assets and liabilities

	Note	GROUP		COMPANY	
		2025 Shs'000	2024 Shs'000	2025 Shs'000	2024 Shs'000
Profit after tax		**429,086,229**	**346,756,911**	**137,512,972**	**119,066,789**
Depreciation on property and equipment	20	21,404,305	22,463,142	454,697	402,881
Depreciation on investment property	41	-	-	2,294,362	2,205,024
Amortisation of intangible assets	21	9,179,671	7,938,578	-	-
Depreciation on right of use assets	36	29,242,898	24,660,586	22,824	22,823
Interest expense on lease liabilities	37	8,786,012	7,085,096	-	-
Adjustments to property and equipment	20	-	160,814	-	-
Adjustment for hyper inflation		(4,387,550)	(3,415,988)	-	-
Adjustment for foreign exchange loss/ (gain) on cash balances	15	(8,021,150)	10,078,696	(1,706)	308,928
Gain/ (loss) on disposal of property and equipment	10	(3,015)	(99,579)	-	
Interest income for the year	5 & 9	(1,252,628,946)	(1,050,313,056)	(6,964,628)	(3,874,432)
interest expense for the year	6	171,641,578	147,882,198	-	-
IFRS 16 remeasurement adjustments	38	(427,393)	(1,102,673)	-	-
Accrued interest on borrowed funds	26	42,903,893	21,083,301	-	-
Profit or loss impact of intercompany transactions	31	(1,645,409)	(4,689,470)	-	-
Dividends income	10	-	-	(135,630,939)	(118,835,030)
Income tax expense	14	144,306,920	103,254,566	3,928,967	4,296,460
Foreign exchange impact on translation adjustments		438,466	(206,695)	-	-
Movement in NCI	43	5,335,672	3,313,071	-	-
Hyperinflationary gain/ (loss) on NCI	30 (c)	4,650,935	(5,880,751)	-	-
Translation reserve	33 (c)	4,465,136	17,525,079	-	-
Cash flows (used in)/ generated from operating activities before changes in operating assets and liabilities		**(395,671,748)**	**(353,506,174)**	**1,616,549**	**3,593,443**

Notes Continued

43. Non-controlling interests

The following table summarizes the information relating to the Group's subsidiary, Centenary Bank Limited, that has material non-controlling interests (NCI).

	2025 Shs'000	2024 Shs'000
NCI percentage	**49%**	**49%**
Net operating income	117,156,148	66,571,914
Total net profit for the year	1,397,422	1,139,962
Total comprehensive income	5,862,559	18,665,041
Total net profit for the year allocated to NCI	**684,737**	**558,581**
Total comprehensive income allocated to NCI	**2,872,654**	**9,145,870**
Net assets at reporting		
Share capital	87,323	47,454
Share premium	96,577,184	59,604,388
Other reserves	-	18,748,649
Retained earnings	(38,151,317)	(30,776,995)
Total	**58,513,190**	**47,623,496**
Movement in NCI		
At start of year	23,335,513	20,022,442
Effect of adjustments for hyperinflation (Note 46)	4,650,935	2,754,490
NCI share of profit after tax	684,737	558,581
At end of year	**28,671,185**	**23,335,513**

44. Goodwill

Consideration transferred	3,854,239	3,854,239
Fair value of identifiable net assets	(926,988)	(926,988)
Goodwill	**2,927,251**	**2,927,251**

Goodwill arose on acquisition of 51% of MyBucks Banking Corporation Limited which was subsequently renamed to Centenary Bank Limited. The Company is incorporated in Malawi.

Goodwill is assessed for impairment annually and is allocated to the Group as a whole due to the lack of cash generating units (CGUs) that generate largely independent cash flows. The recoverable amount is determined based on value in use (VIU) calculations. These calculations use discounted cash flow analysis.

As at 31 December 2025, the Group's impairment test results showed value in use of Shs 191,444 million and headroom of Shs 188,517 million compared to goodwill of Shs 2,927 million.

Notes Continued

The value in use and headroom resulting from the impairment assessment remain adequate to support the carrying amount of goodwill after applying the changes to major assumptions in the assessment. Variation of growth rate by 1% in the goodwill impairment assessment results in VIU ranging between Shs 152,687 million to Shs 266,011 million. The VIU remains above the carrying amount, reflecting sufficient headroom.

45. Derivative financial instrument

During 2024, the Centenary Rural Development Bank entered a derivative in form of a cross-currency swap with Absa Bank Uganda Limited where Centenary Rural Development Bank Limited exchanged Shs 37,200 million as a placement and received USD 10 million in form of a borrowing. This instrument matured in August 2025.

	2025 Shs'000	2024 Shs'000
Derivative financial liability	-	12,996

46. Loss on monetary position

In view of the ongoing designation of Malawi by appropriate international authorities as a hyperinflationary economy, the Group has applied IAS 29: Financial Reporting in Hyperinflationary Economies ("IAS 29") in consolidating its Malawian subsidiary, Centenary Bank Limited, on a current purchasing power basis of the functional currency at the reporting date. This was performed using the Malawi Revenue Authority (MRA) consumer price index (CPI), to adjust nonmonetary assets, nonmonetary liabilities, equity components, and income and expense items so they are presented in end of period real terms.

Year	CPI	Movement in CPI
2023	625,648	34%
2024	801,546	28%
2025	1,010,018	26%

The three-year cumulative inflation rate for Malawi is 117%. Monetary items are not restated because they already represent current monetary units.

We have estimated the gain or loss by applying the change in a general price index to the weighted average for the period of the difference between monetary assets and monetary liabilities. The gain or loss on the net monetary position may also be derived as the difference resulting from the restatement of non-monetary assets, owners' equity and items in the statement of comprehensive income and the adjustment of index linked assets and liabilities. This amount hits the profit or loss account for the respective period. The inflation adjusted information ensures the subsidiary's results and financial position are presented in terms of current purchasing power, as required by IAS 29.

Notes Continued

Impact of restatement

The impact of applying IAS 29 on the consolidated financial statements is summarized below:

	2025 Shs'000	2024 Shs'000
Monetary liabilities as at 1 January 2025	304,582,333	230,715,605
Increase in net monetary liabilities in the year	149,293,000	73,866,731
Monetary liabilities as at 31 December 2025	453,875,333	304,582,336
Restated monetary liabilities at end of the year	550,203,497	398,928,358
Gain on monetary liabilities (a)	96,328,164	94,346,022
Monetary assets as at 1 January 2025	324,718,932	233,033,096
Increase/ (decrease) in net monetary assets in the year	162,782,477	91,685,836
Monetary assets as at 31 December 2025	487,501,409	324,718,932
Restated monetary assets at end of the year	590,612,851	422,518,599
Loss on monetary assets (b)	(103,111,442)	(97,799,667)
Net loss on monetary position (c=a+b)	(6,783,278)	(3,453,645)

Monetary Gain or Loss

The gain or loss on the net monetary position arising from holding monetary assets and liabilities during a period of inflation has been recognized in profit or loss as required by IAS 29.

46. Events after the statement of financial position date

Significant volatility has been observed in global capital and commodity markets resulting from the ongoing conflicts in the Middle East. Disruptions to important trade routes and price pressures building up on oil and fuel are also apparent.

The Group monitors these developments for any direct and/ or indirect impacts on its customers, suppliers or operating environment. No adverse effects have been observed to date. Accordingly, no adjustments have been made to the amounts recognised in the financial statements for the year ended 31 December 2025.

47. Correction of a material error in the classification of the cash reserve requirement in the statement of cash flows

During the year, the Centenary Rural Development Bank Limited reviewed how it treats the regulatory cash reserve requirement for purposes of identifying cash and cash equivalents. The Bank considered its access, right and usual practice to utilise the cash reserve in day-to-day operations by up to 50% of the limit and concluded that 50% of the cash reserve requirement forms part of its cash and cash equivalents in the current and prior years. This conclusion marks a change from the prior year where the entire cash reserve was excluded from cash and cash equivalents for purposes of the statement of cash flows.

This resulted in a material understatement of the cash and cash equivalents at the end of the year in the statement of cash flows. The error has been corrected by restating each of the affected line items under the statement of cash flows for the prior periods as follows.

a. An increase in the cash used in operating activities as at 31 December 2024 of Shs 277,526 million.
b. An increase in the cash and cash equivalents at 31 December 2024 of Shs 277,526 million.

Centenary Group

Corporate Information

Principal place of business and registered office
Mapeera House
Plot 44-46, Kampala Road
P. O. Box 1892
Kampala, Uganda

Company Secretary
Mrs. Brenda Magoba
Mapeera House
Plot 44-46, Kampala Road
P. O. Box 1892
Kampala

Branch network in Uganda

Mapeera House	Entebbe Road	Kamuli	Kotido	Mubende	Tororo
Apac	Fort Portal	Kanungu	Kumi	Mukono	Wakiso
Arua	Gayaza	Kasese	Kyenjojo	Najjanankumbi	Wobulenzi
Adjumani	Gulu	Kapchorwa	Kyotera	Nakivubo Road	Yumbe
Amolatar	Gulu Market	Kawuku	Lira	Namirembe Road	
Bugiri	Hoima	Kawempe	Lugogo	Nansana	
Bundibugyo	Ibanda	Kayabwe	Lyantonde	Nateete	
Bwaise	Iganga	Kayunga	Makerere	Ntinda	
Bwera	Isingiro	Kiboga	Masaka	Ntungamo	
Busia	Ishaka	Kihihi	Mbale	Nebbi	
Bugembe	Jinja	Kikuubo	Mbarara	Paidha	
Bweyale	Kabalagala	Kireka	Masindi	Pallisa	
Bweyogerere	Kabale	Kitgum	Mityana	Rubaga	
Dokolo	Kabwohe	Kisoro	Moroto	Rukungiri	
Entebbe Road	Kagadi	Koboko	Mpigi	Soroti	

Branch network in Malawi

Blantyre	Dzaleka	Limbe	Mangochi	Mzuzu
Chikwawa	Gateway Mall	Madisi	Mchinji	Old Town
City Centre	Kasungu	Malangalanga	Mponela	Zomba
Koronga				

Correspondent Banks

CitiBank NA New York
111 Wall Street
New York NY 10043
USA

Absa Bank Uganda Limited
Head office
Plot 2 Hannington Road
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Bank of China
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15 Alice Alane, Sandton
Johannesburg, South Africa
Ivory Bank Sudan
P.O. Box 133
Juba, South Sudan

Standard Chartered Bank
1095 Avenue of the Americas
New York, N.Y. 10036

Sparkase Aachen Bank
Friedrich, Wilhelm-Platz 1-4
Munsterplatz 7-9, D52053 Aachen
Germany

Standard Chartered Bank
6TH Floor, 1 Basinghall Avenue
London EC2V 5DD, U.KSS

Auditor
PricewaterhouseCoopers
Certified Public Accountants
P.O. Box 882

GRI Index: Statement of use

Centenary Group has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025.

GRI 1 Used

Key	
IR	This Integrated Annual Report
ESG	Refers to our inaugural Environmental, Social and Governance Report

GR1 : Foundation 2021

	No.	Disclosure	Location
GRI 2: General Disclosures 2021	2-1	Organizational details	IR: ii, 18, 19
	2-2	Entities included in the organization's sustainability reporting	IR: 20 / ESG: 6
	2-3	Reporting period, frequency, and contact point	IR: 10 / ESG 6
	2-4	Restatements of information	IR: 172
	2-5	External assurance	IR: 5
	2-6	Activities, value chain and other business relationships	IR: ii, 18, 24, 58, 62, 130
	2-7	Employees	IR: 178
	2-8	Workers who are not employees	N/A
	2-9	Governance structure and composition	IR: 27, 30, 38, 147 / ESG: 30
	2-10	Nomination and selection of the highest governance body	IR: 51
	2-11	Chair of the highest governance body	IR: 30
	2-12	Role of the highest governance body in overseeing the management of impacts	IR: 40, 67, 147 / ESG: 29, 30
	2-13	Delegation of responsibility for managing impacts	IR: 40, 147 / ESG: 30
	2-14	Role of the highest governance body in sustainability reporting	ESG: 30
	2-15	Conflicts of interest	IR: 45
	2-16	Communication of critical concerns	N/A
	2-17	Collective knowledge of the highest governance body	IR:39 / ESG: 30
	2-18	Evaluation of the performance of the highest governance body	IR: 39
	2-19	Remuneration policies	IR: 50
	2-20	Process to determine remuneration	IR: 50
	2-21	Annual total compensation ratio	N/A
	2-22	Statement on sustainable development strategy	IR: 90, 92, 112, 146 ESG: 16, 18
	2-23	Policy commitments	IR: 146 / ESG: 30
	2-24	Embedding policy commitments	IR: 147
	2-25	Processes to remediate negative impacts	IR: 67, 69
	2-26	Mechanisms for seeking advice and raising concerns	N/A
	2-27	Compliance with laws and regulations	N/A
	2-28	Membership associations	N/A
	2-29	Approach to stakeholder engagement	IR: 62 / ESG: 39, 40
	2-30	Collective bargaining agreements	N/A

Centenary Group

GRI Content Index: Centenary Group 2025 Reports

GRI Standard	Disclosure	Location
GRI 3: Material Topics 2021	3-1 Process to determine material topics	**11, 65**
	3-2 List of material topics	**12, 65**
	3-3 Management of material topics	**65**
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	**N/A**
	101-2 Management of biodiversity impacts	**N/A**
	101-3 Access and benefit-sharing	**N/A**
	101-4 Identification of biodiversity impacts	**N/A**
	101-5 Locations with biodiversity impacts	**N/A**
	101-6 Direct drivers of biodiversity loss	**N/A**
	101-7 Changes to the state of biodiversity	**N/A**
	101-8 Ecosystem services	**N/A**
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	**N/A**
	304-2 Significant impacts of activities, products and services on biodiversity	**N/A**
	304-3 Habitats protected or restored	**N/A**
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	**N/A**
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	**IR: 150 / ESG: 48**
	201-2 Financial implications and other risks and opportunities due to climate change	**IR: 151**
	201-3 Defined benefit plan obligations and other retirement plans	**IR: 255**
	201-4 Financial assistance received from government	**N/A**
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	**N/A**
	202-2 Proportion of senior management hired from the local community	**N/A**
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	**IR: 148, 176**
	203-2 Significant indirect economic impacts	**IR: 148** **ESG: 64**
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	**IR: 192**
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	**N/A**
	205-2 Communication and training about anti-corruption policies and procedures	**N/A**
	205-3 Confirmed incidents of corruption and actions taken	**N/A**
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	**N/A**
GRI 207: Tax 2019	207-1 Approach to tax	**N/A**
	207-2 Tax governance, control, and risk management	**N/A**
	207-3 Stakeholder engagement and management of concerns related to tax	**N/A**
	207-4 Country-by-country reporting	**N/A**
GRI 301: Materials 2016	301-1 Materials used by weight or volume	**N/A**
	301-2 Recycled input materials used	**N/A**
	301-3 Reclaimed products and their packaging materials	**N/A**
GRI 302: Energy 2016	302-1 Energy consumption within the organization	**IR: 196 / ESG: 12**
	302-2 Energy consumption outside of the organization	**N/A**
	302-3 Energy intensity	**N/A**
	302-4 Reduction of energy consumption	**ESG: 53**
	302-5 Reductions in energy requirements of products and services	**N/A**

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GRI Standard	Disclosure	Location
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	N/A
	303-2 Management of water discharge-related impacts	N/A
	303-3 Water withdrawal	N/A
	303-4 Water discharge	N/A
	303-5 Water consumption	IR: 196
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	IR: 151 ESG: 12
	305-2 Energy indirect (Scope 2) GHG emissions	IR: 151 / ESG: 12
	305-3 Other indirect (Scope 3) GHG emissions	IR: 151 / ESG: 12
	305-4 GHG emissions intensity	N/A
	305-5 Reduction of GHG emissions	N/A
	305-6 Emissions of ozone-depleting substances (ODS)	N/A
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	N/A
GRI 306: Effluents and Waste 2016	306-3 Significant spills	N/A
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	N/A
	306-2 Management of significant waste-related impacts	N/A
	306-3 Waste generated	IR: 196 / ESG: 54
	306-4 Waste diverted from disposal	N/A
	306-5 Waste directed to disposal	N/A
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	N/A
	308-2 Negative environmental impacts in the supply chain and actions taken	N/A
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	IR: 178, 180, 182 ESG: 13,30
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	N/A
	401-3 Parental leave	IR: 180
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	N/A
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	N/A
	403-2 Hazard identification, risk assessment, and incident investigation	N/A
	403-3 Occupational health services	N/A
	403-4 Worker participation, consultation, and communication on occupational health and safety	N/A
	403-5 Worker training on occupational health and safety	N/A
	403-6 Promotion of worker health	N/A
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	N/A
	403-8 Workers covered by an occupational health and safety management system	N/A
	403-9 Work-related injuries	N/A
	403-10 Work-related ill health	N/A
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	IR: 184
	404-2 Programs for upgrading employee skills and transition assistance programs	IR: 184
	404-3 Percentage of employees receiving regular performance and career development reviews	IR: 184

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GRI Standard	Disclosure	Location (Page)
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	**IR: 178, 180 / ESG:50**
	405-2 Ratio of basic salary and remuneration of women to men	**IR: 180**
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	**IR: 189**
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	**N/A**
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	**N/A**
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	**N/A**
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	**N/A**
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	**N/A**
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	**IR: 148, 192, 194** **ESG: 48, 64**
	413-2 Operations with significant actual and potential negative impacts on local communities	**N/A**
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	**N/A**
	414-2 Negative social impacts in the supply chain and actions taken	**N/A**
GRI 415: Public Policy 2016	415-1 Political contributions	**N/A**
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	**N/A**
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	**N/A**
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labelling	**N/A**
	417-2 Incidents of non-compliance concerning product and service information and labeling	**N/A**
	417-3 Incidents of non-compliance concerning marketing communications	**N/A**
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	**IR: 103**

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