CANARA TANZANIA LIMITED (IN LIQUIDATION)

ANNUAL REPORT AND

Restricted

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2025

Restricted

CANARA (TANZANIA) LIMITED
Financial statements for the year 2025.

TABLE OF CONTENTS

Restricted

BANK INFORMATION

BOARD OF DIRECTORS

Mr. Santanu Kumar Majumdar	Chairman (Non-executive)	Indian
Mr. Mahesh M Pai	Director (Non-executive)	Indian
Mr. Rajshekhar Somashetty	Director (Executive)	Indian

INDEPENDENT AUDITOR

M/S Bakertilly
Office 10-2, Level 10, IT Plaza, Garden Avenue / Ohio Street,
P. O. Box 1314, Dar es Salaam, Tanzania
T: +255 653 222 299; 0768 222 299 ;0762 800 851

BANKERS

Bank of Baroda (T) Limited
P.O. Box 5356
Dar es Salaam

Bank of India (T) Limited
Maktaba Street
P.O. Box 7581
Dar es Salaam

REGISTERED CORPORATE OFFICE

Canara Tanzania Limited
P. O. Box 35970,
TDFL Building 2nd Floor,
Plot number 1008,
Block number 1 Ohio Road, Ohio street,
Ward Ilala, Dar Es Salaam. Postal code 12101

PARENT BANK CORPORATE OFFICE

Canara Bank India
Head Office
112, J C Road
Bengaluru
Karnataka - India 560002

COMPANY SECRETARY

Mr. Rajshekhar Somashetty
16/1 Elia Complex, Zanaki, Bibi Titi Street
P.O. Box 491, Dar es Salaam
Telephone: +255 760 233 777
Email: mdcbtl@canarabank.co.tz

TAX CONSULTANT

Auditax International, Auditax House, 3rd Floor, Coca-Cola Road
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Telephone: +255 22 212 0692
Email: info@auditaxinternational.co.tz

LEGAL CONSULTANT

LAWFIELDS Attorneys,
2nd Floor, TDFL Building, Ohio Street
Dar es Salaam, Tanzania
Telephone: +255 746 900 020
Email: info@lawfields.co.tz

STRATEGIC CONSULTANT FOR DIVESTMENT

BDO India LLP
Level 9, The Ruby, North West Wing,
Senapati Bapat Road, Dadar(W), Mumbai, India
Telephone : +91-9892335213/
Email: mauliksanhavi@bdo.on

REPORT OF THOSE CHARGED WITH GOVERNANCE

INTRODUCTION

We have great pleasure in presenting the Bank's 10th Annual Report along with the Audited financial statements for the year ended 31 December 2025.

Canara Bank (Tanzania) Ltd was registered under Tanzania Companies Act, 2002 on 2nd November 2015. The license to conduct Banking Business was granted to our Bank on 5th May 2016 by Bank of Tanzania in accordance with the provisions of Section 7 of the Banking and Financial Institutions Act 2006. However, actual Banking operations started on 9th May 2016 with opening of Dar es Salaam Branch.

PRINCIPAL ACTIVITIES

The principal activity of the Bank was to provide banking and related services stipulated by the Banking and Financial Institutions Act 2006. However, the banking business ceased on 20th December 2024 after sale of its business assets and liabilities to Exim Bank (Tanzania)Limited. More details are provided below and in note 15 of financial statements in this report.

DIVESTMENT OF CANARA BANK TANZANIA LIMITED

Strategic Decision for Divestment

As part of its strategic initiative to rationalize international operations, the Board of Directors of Canara Bank India resolved on 15th February 2022 to divest CBTL. The valuation process commenced in July 2022, with the final valuation reports received in May 2023.

Finalization of Business Transfer

To facilitate the divestment, BDO India LLP was appointed as a strategic consultant on 6th October 2023. By 9th February 2024, three parties had submitted Non-Binding Offers (NBOs). Following the due diligence process, Exim Bank (Tanzania) Limited emerged as the successful bidder.

The Asset Purchase Agreement (APA) was signed on 3rd September 2024. Additionally, an Escrow Agreement was executed on 2nd September 2024, with an initial payment of USD 1.3 million. The sale concluded on 20.12.2024 with transfer of entire deposits and advances to EXIM Bank. The consideration price was finalized at USD 10.52 million and the same was received by us on 29.01.2025. The closing agenda was signed on 18.03.2025 by both the banks marking the end of the deal.

Regulatory Approvals

Canara Bank obtained regulatory approvals for the sale transaction from the Bank of Tanzania (BoT) on 11th October 2024, from the Fair Competition Commission (FCC) on 18th November 2024 and from the Tanzania Revenue Authority (TRA) on 12th December 2024.

REPORT OF THOSE CHARGED WITH GOVERNANCE(CONTINUED)

DIVESTMENT OF CANARA BANK (TANZANIA) LIMITED(CONTINUED)

Operational Windup:

The data migration and business transfer to Exim Bank (Tanzania) Ltd were completed on 20th December 2024.

Canara Bank surrendered its banking and payment licenses to the Bank of Tanzania on 23rd December 2024. Employee retrenchment was also executed in December 2024, with all employees, except for a few retained for the liquidation process.

To oversee the divestment process, Legal, Tax and IT consultants were engaged. The TRA tax audit for the year 2023 & 2024 commenced in the month of May 2025 and concluded by 30.06.2025. The final tax liability for CBTL for the years 2023 & 2024 was Tzs 182.19 million (USD-72,876/- @2500 TZS/USD). The same was paid. The winding-up process continued on regular basis. Some of the major divestment activities completed during 2025 are highlighted as below:

1. Reconstitution of CTL Board.
2. Reduction in Capital.
3. Repatriation of surplus capital to Canara Bank India.
4. Change of Name of the company.
5. Change of Registered Office Address.
6. Vacation of Office premises.
7. Sale of fixed assets including ICT Equipment.
8. Receipt of recovery amount pending with the courts.
9. CBS and BI Reports back up at Canara Bank India.
10. Migration of mandatory email IDs to cloud.
11. Disintegration of servers and disposal of E-waste.

At present, CTL is having two pending issues with TRA. One is settlement of Deemed Dividend case pertains to year 2017 & 2018 and the second one is Refund of Corporate tax to the extent of Tzs 509.10 million. The same are being followed up closely and expected to resolve by January 2026.

OUR PARENT BANK: CANARA BANK, INDIA

Widely known as a customer-centric Bank, Canara Bank was founded by Shri Ammembal Subba Rao Pai, a great visionary and philanthropist, in July 1906, at Mangalore, then a small port town in Karnataka. The Bank has gone through the various phases of its growth trajectory over hundred and seventeen years of its existence. Growth of Canara Bank was phenomenal, especially after nationalization in the year 1969, attaining the status of a national level player in terms of geographical reach and clientele segments. The eventful journey of the Bank has been characterized by several memorable milestones. Today, Canara Bank occupies a premier position in the comity of Indian banks, with a business mix as on 30th September 2025 stood at USD 301.56 Billion with Operating Profit of USD 1929.63 Million and Net Profit of USD 1072.30 Million.

REPORT OF THOSE CHARGED WITH GOVERNANCE(CONTINUED)

OUR PARENT BANK: CANARA BANK, INDIA(CONTINUED)

Over the years, the Bank has scaled up its market position to emerge as a major 'Financial Conglomerate' with as many as thirteen subsidiaries/sponsored institutions/joint ventures in India and abroad. The amalgamation of Syndicate bank with Canara bank effective from April 1st, 2020 has led to further expansion of the Bank.

Not just in commercial banking, the Bank has also carved a distinctive mark, in various corporate social responsibilities, namely, serving national priorities, promoting rural development, enhancing rural self-employment through several training institutes and spearheading financial inclusion objective. A good bank is not only the financial heart of the community, but also one with an obligation of helping in every possible manner to improve the economic conditions of the common people".

These insightful words of the Bank's Founder continue to resonate even today in serving the society with a purpose. We strongly believe that the Bank's second century is going to be equally rewarding and eventful not only in service of the nation but also in helping the Bank emerge as a "Preferred Bank with Best Practices".

Presently, Government of India holds 62.93% of Bank's total shareholding.

CAPITAL STRUCTURE

The Bank's capital structure for the year under review is as follows:

Authorized, issued and fully paid

7,430,000 ordinary shares of TZS 1,000 each. Details of the capital structure are disclosed in Note 21 of this financial statements.

Shareholders

S/No	Name of Shareholder	No. of Shares Subscribed	Amount Subscribed
1	CANARA BANK (INDIA)	7,429,999	7,429,999,000
2	Rajshekhar Somashetty	1	1,000

REPORT OF THOSE CHARGED WITH GOVERNANCE(CONTINUED)

RELATED PARTY TRANSACTIONS

No loans/advances were due from the related parties to the Bank by virtue of common ownership. Further as at 31st December 2025 no deposits were due to Parent bank. Directors' remuneration for the year amounted to TZS 9.45 million. Details of related party transactions are disclosed under Note 22 of this financial statements.

CORPORATE GOVERNANCE

BOARD OF DIRECTORS

The Board is responsible and accountable for providing effective corporate governance, direction and control of the company. The directors have a duty to exercise leadership, enterprise, integrity and judgment based on transparency, fairness, accountability and responsibility. Directors are committed to the principles of good corporate governance and recognize the need to conduct the Banking business with best practices. Therefore, Directors confirm that:

- The Board of Directors conducted the meeting as and when required during the year 2025. This is mainly because there was no business activity and also no mandatory requirement by any regulators. The bank is moving towards liquidation.
- The position of the Chairman & Chief Executive officer is held by different persons.
- They have effective control over the company and its executive management.
- Board exercises the responsibility for policy decisions, budgeting & monitoring performance.

Composition of Board of Directors

The name of Board of Directors of Canara Tanzania Limited for the Financial Year 2025 are as under:

Name of directors	Date of Birth	Nationality	Qualification/Expertise	Date of appointment
Mr. Santanu K. Majumdar	15.01.1969	Indian	Banking/Accounting	13.05.2019
Mr. Mahesh M Pai	04.01.1976	Indian	Banking/Treasury	18.09.2024
Mr. Rajshekhar Somashetty	22.07.1971	Indian	Banking/ Finance /Law	02.04.2024

Board Committees

Following the surrender of the banking license and the closure of banking operations on **December 23, 2024**, all Board Sub-Committees were dissolved as their regulatory requirements ceased to apply. Consequently, no sub-committee meetings were convened throughout **2025**.

Board Meetings

Board met one time during the year 2025. Board meetings during year 2025 were held on 12th March 2025.

Changes in Board of CTL.

During 2025, following changes took place in the structure of Board of CTL. The changes mainly on account of superannuation of few directors and resignation of other directors on account of closure of banking business. As there were no regulatory requirements to have subcommittees and also with regard to number of Board members, a comprehensive reconstitution of Board was permitted by Shareholders on 5th July 2025. Accordingly, the updation were effected in BRELA.

The following Board members have resigned from CTL Board.

S. No	Name	Designation	Remarks
1	Mr. Debashish Mukherjee	Chairman	Resigned on 31.05.2025
2	Ms. Kota Kalyan	Director	Resigned on 31.03.2025
3	Ms. Mwanaidi Athuman Mtanda	Director	Resigned on 04.07.2025
4	Mr. Deus Nagaruko	Director	Resigned on 03.07.2025
5	Mr. Indiael Kaaya	Director	Resigned on 04.07.2025
6	Mr. Raman Kumar	Director	Resigned on 04.07.2025

Directors' Responsibility

The Board of Directors confirms that in the preparation of Annual financial statement for the year ended 31st December 2025.

- Accounting policies formed in accordance with the guidelines of Bank of Tanzania, were consistently applied.
- The applicable accounting standards have been followed.
- Proper and sufficient care was taken for maintenance of adequate accounting records with the provisions of applicable guidelines governing Banks in Tanzania.
- True and fair view of the state of affairs of the Bank and profit of the Bank is given at the year ended 31st December 2025.

Management

Earlier the management of the bank was under the Managing Director organized into the following departments

- Credit
- Treasury and Trade Finance
- Business Operations
- Information Communication Technology
- Finance & Human Resources
- Risk and Compliance
- Internal Audit

REPORT OF THOSE CHARGED WITH GOVERNANCE (CONTINUED)

BOARD OF DIRECTORS(CONTINUED)
Management (Continued)

However, on account of closure of banking business, the above departments have been closed down and employees have been retrenched. Only certain employees were put on board to look after completion of divestment process. These include Head of Finance, Head of IT and other support staff along with three IBOs.

Management Team

Name	Position
Mr. Rajshekhar Somashetty	Managing Director
Mr. Raman Kumar	Deputy CEO & COO
Mr. Raveendra Nath Maurya	General Manager Credit
Mr. Jacob Kitonga	Head of Information Technology
Mr. Fadhili Sanga	Head of Finance and Human Resources

REPORT OF THOSE CHARGED WITH GOVERNANCE (CONTINUED)

STATEMENT OF COMPLIANCE

The Report by those charged with governance has been prepared in compliance with the Tanzania Financial Reporting Standard No. 1 (The Report by those charged with governance).

ACKNOWLEDGEMENTS

The Board expresses its gratitude to the Bank of Tanzania and various departments of Government of Tanzania for the valuable guidance and support provided to the bank.

The Board also acknowledges the support of its customers, other financial institutions and correspondent Banks for their support & cooperation. The Board also wishes to place on record its appreciation for all the staff members of the Bank for their dedicated services and contributions for the performance of the Bank. Lastly, we thank the management and staff of Canara Bank, India, (Parent Bank), for their continued support and guidance.

The directors are required in terms of the Tanzanian Companies Act 2002 to maintain adequate accounting records and are responsible for the content, integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements present fairly the state of affairs of the Bank as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

For and On Behalf of Board of Directors:

RAJSHEKHAR SOMASHETTY

Managing Director

CANARA TANZANIA LIMITED
TANZANIA
DAR-ES-SALAAM

Place: Dar Es Salaam
Date: 26th **February 2026**

STATEMENT OF RESPONSIBILITIES OF THOSE CHARGED WITH GOVERNANCE

The directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards, requirements of the Companies Act, 2002 & the Banking and Financial Institution Act, 2006, the guidelines of Bank of Tanzania and National Board of Accountants and Auditors (NBAA).

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Bank and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the Board of Directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Bank and all employees are required to maintain the highest ethical standards in ensuring the Bank's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the Bank is on identifying, assessing, managing and monitoring all known forms of risk across the Bank. While operating risk cannot be fully eliminated, the Bank endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The Directors acknowledge that they are responsible for establishing appropriate policies and procedures to prevent non-compliance with laws and regulations (NOCLAR), including whistleblowing procedures as a necessary part of good internal governance.

The directors are of the opinion, based on the information and explanations given by management, which the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors are aware and have discussed the matter of divestment of the bank. The transaction of sale of assets and liabilities has been done on 20th December 2024 with all customer liabilities and business assets being transferred to Exim bank(Tanzania)Limited after obtaining all relevant approvals from regulators. Further employees have been retrenched as on 31st December 2025 after settling all their terminal benefits in compliance with laws and regulation of Tanzania.

The external auditors are responsible for independently auditing and reporting on the bank's financial statements. The financial statements have been examined by the bank's external auditors and their report is presented on pages 12 to 13.

Approval of Financial Statements

The financial statements set out on pages 14 to 35, which have been prepared on breakup basis were approved by the board of directors on **26.02.2026** and were signed on their behalf by:

RAJSHEKHAR SOMASHETTY
Managing Director

Place: Dar Es Salaam
Date: 26th February 2026

DECLARATION OF FINANCE CONSULTANT:

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors/Governing Body/ Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements.

Full legal responsibility for the preparation of financial statements rests with the Board of Directors/Governing Body as under Directors Responsibility statement on an earlier page.

I, ACPA FADHILI PETRO SANGA, being the Finance consultant of Canara Tanzania Limited hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2025 have been prepared in compliance with applicable International Financial Reporting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Canara Bank (Tanzania) Limited as on 31 December 2025 and that they have been prepared based on properly maintained financial records.

Signed by

Restricted

FADHILI PETRO SANGA

Position: FINANCE CONSULTANT

NBAA Membership No. **ACPA 4573**

Date: **2nd February 2026**

Restricted

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CANARA (TANZANIA) LIMITED

Opinion

We have audited the financial statements of **CANARA (TANZANIA) LIMITED** which comprise the Statement of Financial Position as at 31st December 2025, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st December 2025 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the Companies Act, 2002.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with The National Board of Accountants and Auditors (Code of Ethics) By - Laws, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1(b) of the Notes to the financial statements and the Report of Those Charged with Governance, which indicates that the Board of Directors of the parent bank, Canara Bank India, resolved on February 15, 2022, to divest from Canara Tanzania Limited as part of a strategic initiative to rationalize international operations. Following the sale of business assets and liabilities to Exim Bank (Tanzania) Limited, the bank officially ceased its principal banking activities on December 20, 2024. Subsequently, on December 23, 2024, the entity surrendered its banking and payment licenses to the Bank of Tanzania. The entity is currently in the process of liquidation, which has involved the retrenchment of employees, the sale of fixed assets and ICT equipment, the vacation of office premises, and the repatriation of surplus capital to the parent bank. These events and conditions indicate that the entity is no longer a going concern. Accordingly, as described in the Statement of Responsibilities, the financial statements for the year ended December 31, 2025, have not been prepared on a going concern basis, but have been prepared on a breakup basis. The final dissolution of the entity is pending the resolution of a "Deemed Dividend" case and a corporate tax refund with the Tanzania Revenue Authority (TRA), both of which are expected to be concluded by January 2026.
Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the Director's Report as required by the Companies Act, 2002, which we obtained prior to the date of this report. Other information does not include the Financial Statements and our auditor's report thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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, 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.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2002 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 authorized representatives are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern bakertilly

and using the going concern basis of accounting unless the authorized representative either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional 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 Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by the directors.

Conclude on the appropriateness of the director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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.

Report on other legal and regulatory requirements
As required by the Companies Act, 2002, we report to you, based on our audit, 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 Company, so far as appears from our examination of those books;
- iii) the director's report is consistent with the financial statements;
- iv) information specified by the law regarding director's remuneration and transactions with the Company is disclosed; and
- v) the Company's Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income are in agreement with the books of accounts.

For Baker Tilly DGP & Co.
Certified Public Accountants,

....
Vishwanshu H. Trivedi
Partner
Place : Dar es Salaam
Date : 06/03/2026

Baker Tilly DGP & Co. P.O. BOX 1314 DAR-ES-SALAAM Certified Public Accountants

Statement of profit or loss and other comprehensive income
For the year ended 31st December 2025

	Note	31.12.2025 TZS '000	31.12.2024 TZS '000
Interest income	5	615,421	8,077,899
Interest expenses	6	-	(2,368,281)
Net Interest Income		**615,421**	**5,709,618**
Fees & commission income	7(i)	-	388,247
Foreign exchange income	7(ii)	813,284	44,989
Other income	7(iii)	299,812	9,242
Total Income		**1,728,517**	**6,152,096**
Net Impairment charge	24(iii)	-	(783,840)
Net Operating Income		**1,728,517**	**5,368,256**
Employment expenses	8(i)	(704,164)	(3,418,981)
Depreciation and amortization expenses	8(ii)	-	(593,742)
Loss on sale of assets and liabilities	15.(iii)	-	(10,284,888)
Other operating expenses	8(iii)	(1,383,435)	(3,637,265)
Operating expenses		**(2,087,598)**	**(17,934,876)**
(Loss)/ Profit before taxation		**(359,081)**	**(12,566,620)**
Income tax charge	16(i)	-	(160,122)
(Loss)/ Profit for the year		**(359,081)**	**(12,726,742)**
Other comprehensive income			
Total comprehensive (Loss)/ income for the year		**(359,081)**	**(12,726,742)**

Statement of financial position
As at 31st December 2025

	Note	31.12.2025 TZS '000	31.12.2024 TZS '000
ASSETS			
Cash	9(i)	748	1,509
Restricted cash (escrow account)	15.(iv)	1,242,500	21,584,746
Balances due from Banking institutions	10	1,232,232	1,996,667
Other assets	14	42,083	2,619
Consideration receivable from Exim Bank	15.(iv)	-	4,301,041
Income tax recoverable	16(ii)	573,040	526,096
Property and equipment	17 (i)	-	920,457
Total assets		**3,090,605**	**29,333,136**
LIABILITIES			
Other liabilities	19.(ii)	249,191	732,640
Total liabilities		**249,191**	**732,640**
SHAREHOLDERS' EQUITY			
Share capital	20(i)	7,430,000	32,830,000
Retained earnings		(4,588,586)	(4,249,148)
Revaluation Reserve	17 (i)(a)	-	19,643
Total shareholders' equity		**2,841,414**	**28,600,495**
Total equity and liabilities		**3,090,605**	**29,333,136**

Statement of changes in equity
For the year ended 31st December 2025

	Attributable to equity holders of the Bank				
	Share Capital TZS '000	**Statutory Reserve TZS '000**	**Retained earnings TZS '000**	**Revaluation Reserve TZS '000**	**Total equity TZS '000**
Balance at 1st January 2024	**32,830,000**	**261,301**	**8,216,293**	**-**	**41,307,594**
Transfer to retained earnings	-	-	-	19,643	**-**
Transfer to general reserve	-	(261,301)	261,301	-	**-**
Total comprehensive income for the year	-	-	(12,726,742)	-	**(12,726,742)**
Balance at 31st December 2024	**32,830,000**	**- -**	**(4,249,148)**	**19,643**	**28,580,852**
Balance at 1st January 2025	**32,830,000**	**-**	**(4,249,148)**	**19,643**	**28,600,495**
Revaluation gain/(losses) on Fixed assets	-	-	19,643	(19,643)	**-**
Prior year adjustment					**-**
Capital reduction(Transfer to sharehold	(25,400,000)	-		-	**(25,400,000)**
Total comprehensive income for the year	-	-	(359,081)	-	**(359,081)**
Balance at 31st December 2025	**7,430,000**	**-**	**(4,588,586)**	**-**	**2,841,414**

Statement of Cash Flows
For the year ended 31st December 2025

	31.12.2025 TZS '000	31.12.2024 TZS '000
Cash flows from operating activities		
Loss before taxation	**(359,081)**	**(12,566,619)**
Adjustments for:		
Depreciation	-	593,742
Prior year adjustment	-	
Provision for Impairment of assets	-	783,840
Loss on disposal of fixed assets	611,337	411,531
Loss on Revaluation of fixed asset	-	10,184
Loss on derecognition of lease	-	87,650
NBV of Fixed Asset Transferred to EBTL	-	6,350
Net foreign exchange gain	(813,284)	(44,989)
Net cash flow before changes in working capital	**(561,028)**	**(10,718,311)**
Change in statutory minimum reserve	-	3,271,166
Change in investment in Treasury Bills & Bonds	-	37,908,442
Change in loans and advances to customers	-	45,902,396
Change in Other Assets	(39,464)	1,005,445
Change in Restricted cash (Escrow account)	20,342,246	(21,584,746)
Change in Receivable from EBTL	4,301,041	(4,301,041)
Change in loans to other financial institutions	-	1,008,854
Change in deposits	-	(58,078,313)
Change in other Liabilities	(483,450)	(1,577,752)
Cash generated from operations before tax	**23,559,345**	**(7,163,859)**
Income tax paid	(46,944)	(590,696)
Net cash flow from operating activities	**23,512,401**	**(7,754,555)**
Cash flows from investing activities		
Purchase of property, plant & equipment	-	(959,588)
Proceeds from disposal of fixed assets	309,118	-
Net cash used in investing activities	**309,118**	**(959,588)**
Cash flows from financing activities		
Payment of lease liabilities	-	(290,368)
Dividend paid	-	
Repatriation of share capital to India	(25,400,000)	
Net cash generated from financing activities	**(25,400,000)**	**(290,368)**
Net cash flow for the Year	**(1,578,481)**	**(9,004,512)**
Effect of exchange rate changes on cash and cash equivalents	813,284	44,989
Cash and cash equivalents as at 1st January	1,998,178	10,957,700
Cash and cash equivalents as at 31st December	**1,232,981**	**1,998,178**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

A) GENERAL INFORMATION

Canara (Tanzania) Limited is incorporated in Tanzania under the Companies Act 2002 as a limited liability company and it is domiciled in Tanzania. The principal activities of the company are disclosed in the Directors Report.

The address of its registered office is:

P. O. Box 35970,
TDFL Building 2nd Floor,
Plot number 1008,
Block number 1 Ohio Road,
Ohio street, Ward Ilala, Dar Es Salaam.

1.B) GOING CONCERN

As part of a strategic initiative by the parent bank, Canara Bank India, to rationalize its international operations, the Board of Directors resolved on February 15, 2022, to divest from Canara Tanzania Limited. Following a formal valuation and bidding process, Exim Bank (Tanzania) Limited was selected as the successful bidder, and an Asset Purchase Agreement (APA) was signed on September 3, 2024

The sale of the business, including the transfer of all deposits and advances to Exim Bank, concluded on December 20, 2024, marking the official cessation of the bank’s principal banking activities. Subsequent to the business transfer, the entity surrendered its banking and payment licenses to the Bank of Tanzania on December 23, 2024.

In view of the cessation of operations and the ongoing divestment process, the entity is currently in liquidation. Consequently, the financial statements for the year ended December 31, 2025, have not been prepared on a going concern basis. Instead, these financial statements have been prepared on a "breakup basis"

The entity remains active solely for the completion of the liquidation process. At present, two primary issues remain pending with the Tanzania Revenue Authority (TRA): the settlement of a "Deemed Dividend" case (pertaining to 2017 and 2018) and the processing of a corporate tax refund amounting to TZS 509.10 million. Management expects these final matters to be resolved by January 2026, after which the legal existence of the entity will be formally terminated

2. BASIS OF PREPARATION AND SUMMARY OF ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are prepared under the historical cost convention and are set out below.

2.1 BASIS OF PREPARATION

The company has not adopted the International Financial Reporting Standards for the preparation and presentation of its financial statement; in the circumstances these financial statements have been prepared under the generally accepted accounting principles. The financial statements are presented in the functional currency, Tanzania Shillings (Tzs). The policies set out below have been consistently applied to all the years presented except for those relating to the classification and measurement of financial instruments.

2.2 SIGNIFICANT ACCOUNTING POLICIES

A. REVENUE RECOGNITION

Revenue is recognised upon delivery and customer acceptance (If required) of products, net of value added tax (VAT) and discounts. Other revenues earned by the company are recognized as sundry incomes or by product income

FOREIGN CURRENCY TRANSLATION

(I) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency for the company is the Tanzania Shillings.

(ii) Transactions and balances

Foreign currency transactions are translated into Tanzania Shillings using the exchange rate prevailing at the dates of the transactions. Monetary assets and liabilities at the balance sheet date, which are expressed in foreign currencies, are translated into Tanzania Shillings at rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rate of monetary assets and liabilities denominated in foreign currencies are recognized in the profit and loss account.

B. PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment are shown initially at cost, less subsequent depreciation and impairment. Cost includes expenditure directly attributable to the acquisition of the items. Subsequent costs are included in asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company for more than one year and the cost of the item can be reliably measured. All repairs and maintenance expenses are charged to the statement of profit or loss.

The cost of land is amortised over the period on a straight-line basis. Depreciation on other assets is calculated using the reducing balance method to written down cost of property, plant and equipment's to their residual values over their estimated useful lives.

The rates of depreciation are as follows:

Assets	**Rate (%)**
Motor Vehicles Class I	37.50
Motor Vehicles Class II	25.00
Computer	25.00
Furniture and Fittings	12.50
Plant and Machinery	25.00
Buildings	05.00

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gain or losses on disposals are determined by comparing the disposal proceeds with the carrying amount and are included in the Income Statement.

C. IMPAIRMENT OF ASSETS

At each balance sheet date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists; the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

If the recoverable amount of an asset is estimated to be less than it's carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

D. INVENTORIES

The inventories are valued by Management at the lower of cost and net realizable value. Cost is determined using the First in First Out (FIFO) method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realizable value is the estimated selling price in the open market less applicable selling expenses. Stores and consumables are stated at cost less any provision for obsolescence.

E. ACCOUNTS RECEIVABLE

Receivables are initially recognised at fair value and subsequently measured at their amortised costs using effective interest method. A provision for impairment trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the expected cash flows discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

F. CASH AND CASH EQUIVALENTS

Cash & Cash equivalents comprise of cash held by the company and current accounts operated with banks for company's normal trade transactions. The carrying amount of these assets approximates their fair value.

G. BORROWINGS

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowing costs are expensed in the period they accrue unless they can be related, with certainty, to fixed assets construction projects in which case they are capitalised as part of the asset's cost.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

H. TAXATION

Income tax expense is the aggregate of the charge to the profit and loss account 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 Tanzania Income Tax Act, 2004.

I. EMPLOYEES BENEFITS

The Company has defined benefits contributions plans. Under defined contribution plan, the Company contributions to publicly administered pension plans (NSSF or PPF) on a mandatory basis. The Company has no further payment obligations once the contributions have been paid.

J. PROVISIONS

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

K. CONTINGENT LIABILITY

There was no contingent liability present during the year end.

L. FINANCIAL RISK MANAGEMENT

The Companies activities expose it to a variety of financial risks: foreign currency risk, credit risk, commodity price fluctuation risk and cash flow interest-rate risk. The Company's overall risk management programme seeks to minimize potential adverse effects on the financial performance. Risks management is carried out by the management on behalf of the Board of Directors.

Credit risk

The Company has no significant concentrations of credit risk. It has policies in place to ensure that the sales of products are made to customers with an appropriate credit history. Sales to retail customers are made in cash or via strictly credit terms.

Foreign currency risk

As and when the need arises, the Company enters into transactions denominated in foreign currencies (primarily United States Dollars ("US$"). In addition, the Company has assets and liabilities denominated in United States Dollars ("US$"). As a result, it is subject to transaction and translation exposure from fluctuations in foreign currency exchange rates. The company is generally dealing in local currency and thus, it is not much exposed to foreign currency risk.

Interest rates and liquidity risk

Fluctuation in interest rates has impact on the operating activities. In the ordinary course of business, the Company receives cash from its operations and is required to fund working capital and capital expenditure requirements. The company has availed long term and short-term funding from the banks. The interest rates are dependent upon the market conditions and are subject to change. However, the management keeps a close watch on the developments in the market and accordingly takes steps to minimize the risk.

28. SUBSEQUENT EVENTS

The matter with TRA with regard to Deemed Dividend Case is under final stage of settlement. They offered some relief in the interest portion which was accepted by CTL. Final deed of settlement is being executed shortly by both the parties. On execution, it will be lodged with Court of Appeal to mark closure of issue.

The shareholders are expected to meet shortly to appoint official liquidator to commence liquidation process of CTL which is expected to complete within a period of three months from the date of appointment.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

a) Critical accounting estimates and assumptions

Property, plant and equipment

Critical estimates are made by the directors in determining depreciation rates for property, plant and equipment and their residual values. The rates used are set out in Note 2(C) above.

b) Critical judgments in applying the entity's accounting policies.

In the process of applying the Company's accounting policies, management has made judgments in determining whether assets are impaired or not.

c) Going Concern

The financial statements have been prepared on break up basis, on the assumption that the company will be liquidated shortly.

*****

		31.12.2025 TZS '000	31.12.2024 TZS '000
5	**INTEREST INCOME**		
	Interest on loans and advances	-	4,494,153
	Interest on Government securities	-	3,093,389
	Interest on Deposits with other bank	615,421	490,357
		615,421	**8,077,899**
6	**INTEREST EXPENSE**		
	Interest on customer deposits	-	2,316,732
	Interest on deposits from other banks	-	30,383
	Interest expense on lease liability	-	21,166
		-	**2,368,281**
7(i)	**FEES & COMMISSION INCOME**		
	Commissions		
	Commission on fund transfers	-	113,617
	Commission on Trade Finance	-	38,973
	Bancassurance Commission	-	11,356
		-	**163,947**
	Service fees		
	Processing fees	-	193,275
	Cash withdrawal and deposit fees	-	23,123
	Cheque book fees	-	1,645
	Other service fees	-	6,257
		-	**224,300**
	Fees and Commission Income	**-**	**388,247**

		31.12.2025 TZS '000	31.12.2024 TZS '000
7(ii)	**FOREIGN EXCHANGE INCOME**		
	Income from foreign exchange dealings	363,284	44,989
	Unrealized Gain on foreign exchange	450,000	
		813,284	**44,989**

		31.12.2025 TZS '000	31.12.2024 TZS '000
7(iii)	**OTHER OPERATING INCOME**		
	Locker rent income	-	9,242
	Other incomes	299,812	-
			-
		299,812	**9,242**

8 OPERATING EXPENSES

		31.12.2025 TZS '000	31.12.2024 TZS '000
8(i)	**Employment expenses**		
	Salaries	447,730	1,211,361
	Entertainment allowance	-	43,220
	Conveyance allowance	-	10,142
	Other allowances	149,104	416,106
	Education fee reimbursement	18,778	42,508
	Skills and development levy	-	62,941
	Workers' compensation fund	8,184	8,942
	Pension fund contribution	69,680	167,001
	Medical assistance	7,754	8,005
	Staff welfare	2,934	17,004
	Staff Retrenchment Package	-	1,431,751
		704,164	**3,418,981**
8(ii)	**Depreciation and Amortization Expenses**		
	Depreciation of Property and equipment (Note 17 i)	-	257,993
	Amortization of Intangible assets (Note 17 ii)	-	141,273
	Amortization of Right of use assets IFRS 16 (Note 17 iii)	-	194,476
		-	**593,742**

		31.12.2025 TZS '000	31.12.2024 TZS '000
8(iii)	**Other Operating Expenses**		
	Director fees (Note 22(c))	9,450	26,773
	Training expenses	-	28,484
	Transportation expenses	496	9,862
	Travelling and hotel expenses	6,788	115,925
	Advertisement & publicity	245	37,494
	Audit fees	-	31,843
	Excise duty	-	41,257
	City service levy	-	11,530
	License fees	13,243	84,921
	Postage & courier charges	633	2,024
	Telephone & internet charges	7,212	123,864
	Insurance	7,571	262,801
	Legal & professional fees	168,484	324,403
	Membership & subscription	1,050	30,436
	Miscellaneous expenses	13,800	25,514
	Swift & reuters service charges	-	159,004
	Printing & stationery	9,084	21,209
	Annual maintenance charges	1,266	926,176
	Repairs and maintenance	15,411	36,165
	Security charges	35,600	65,576
	Utility expenses	36,066	48,167
	Unrecoverable VAT	19,255	466,626
	Bank charges	1,430	56,656
	Rent Expense	225,826	-
	Loss on disposal of fixed assets-Note 17(ii)(a)	611,337	411,531
	Loss on revaluation of fixed asset-Note 17(i)(a)		10,184
	Prior years taxes-Note 16(iv)	199,186	191,189
	Loss on derecognition of lease-Note 17(iii)(a)		87,650
		1,383,435	**3,637,265**
	Total Operating Expenses	**2,087,598**	**7,649,988**

9. CASH AND BALANCES WITH BANK OF TANZANIA

		31.12.2025 TZS '000	31.12.2024 TZS '000
9(i)	Cash balance	**748**	**1,509**

10 DEPOSITS AND BALANCES DUE FROM BANKING INSTITUTIONS

	31.12.2025 TZS '000	31.12.2024 TZS '000 31.12.2024 TZS '000
Due from Banks in Tanzania	1,232,232	1,996,667
Due from Banks in abroad	-	-
	1,232,232	**1,996,667**
Less:ECL Allowance on dues from other banks (Note 24 i)	**-**	**-**
	1,232,232	**1,996,667**
Related party (Note 22)	-	-
Other banks	1,232,232	1,996,667
	1,232,232	**1,996,667**
Maturing within 3 months	1,232,232	1,996,667
Maturing after 3 months	-	-
	1,232,232	**1,996,667**

12 CASH AND CASH EQUIVALENTS

	31.12.2025	31.12.2024
Cash balance - see note 9(i)	748	1,509
Deposits and balances due from other banks and financial institution maturing within 3 months - see note 10	1,232,232	1,996,667
	1,232,981	**1,998,176**

14 OTHER ASSETS

	31.12.2025	31.12.2024
Other assets	42,085	2,619
	42,085	**2,619**

15 ASSETS AND LIABILITIES SALE TO EXIM BANK (TANZANIA) LIMITED

		31.12.2025 TZS '000	31.12.2024 TZS '000
15.(ii)	**GROSS CONSIDERATION**		
	Cash and Balance with banks transferred-Note 15(i)		20,078,123
	Government securities transferred-Note 15(i)		22,712,522
	Customer Loans transferred--Note 15(i)		33,614,007
	Locker safe Taken-Note 15(i)		6,350
	Customer Deposits Transferred-Note 15(i)		(40,240,327)
	Gross consideration	**-**	**36,170,675**

15.(iii) LOSS ON SALE OF ASSETS AND LIABILITIES

Loan loss provision		(527,132)
Pricing discount (10%)		(3,564,211)
Shared Legal cost		(90,392)
Foreign Exchange loss		(6,103,152)
Loss on Sale of Assets and Liabilities	**-**	**(10,284,888)**
Exchange Loss		
Gross Consideration	-	36,170,675
Less: Loan loss, price discount and shared costs	-	(4,181,735)
Consideration in TZS before conversion(A)	**-**	**31,988,939**
Consideration in USD using rate as per APA (B) =A/3040	-	10,523
Consideration in TZS using book rate (C)=B*2460	**-**	**25,885,787**
Exchange Loss(D)=A-C	**-**	**6,103,152**

15.(iv) NET CONSIDERATION RECEIVABLE

Gross consideration-Note 15(ii)	0	36,170,675
Loss on Sale of Assets and Liabilities-Note 15(iii)	0	(10,284,888)
Net Consideration Receivable in TZS	**0**	**25,885,787**
Consideration from Exim		
Restricted cash (escrow account)	1,242,500	21,584,746
Receivable from Exim Bank		4,301,041
Net Consideration Receivable in TZS	**1,242,500**	**25,885,787**

16 TAXATION

16(i) Income tax expense/(credit)

	31.12.2025 TZS '000	31.12.2024 TZS '000
Deferred tax written off- note 16 (iii)	-	160,122
	-	**160,122**

16(ii) Income tax receivable/(payable)

	31.12.2025 TZS '000	31.12.2024 TZS '000
Opening balance	526,096	(64,600)
Reversed tax credit of 2023 & 2024 assessment	(16,996)	
Tax paid for current year	-	450,000
Withholding Tax on receipts	63,940	613
Tax paid for previous year		140,083
	573,040	**526,096**
Net Income tax recoverable/(payable)	**573,040**	**526,096**
Less: Recoverable Corporate tax	573,040	526,096
	573,040	**526,096**

16(iii) DEFERRED TAX LIABILITY/(ASSET)

Balance at the beginning of the year	-	(160,122)
Deferred tax written off- note 16 (i)	-	160,122
Charge/(credit) for the year - See Note 16	-	(1,405,816)
Deferred tax not recognized	-	1,405,816
Balance at the end of the year	**-**	**-**

	31.12.2025 TZS '000	31.12.2024 TZS '000
16(iv) PRIOR YEARS TAXES		
Tax Paid from Tax audit 2018-2022		
Interest not waived-Paid	-	24,637
Tax paid	**-**	**24,637**
Withholding Tax on Deemed Dividend for year 2017-2018		
Tax paid in year 2020 that was receivable now expensed	-	25,400
Provision for tax liability relating to unpaid amount	-	141,151
Tax expense-relating to deemed dividend	**-**	**166,551**
Total tax expense	**-**	**191,189**
Tax Liability		
Opening tax liability	141,151	
Tax liability addition for the year		
Taxes already Paid	-	50,037
Prior year's Tax Liability to be Paid	**141,151**	**141,151**

	31.12.2025 TZS '000	31.12.2024 TZS '000
19.(i) LEASE LIABILITY		
Opening lease liability	-	367,828
Payment of lease Liability for the year	-	(290,368)
Derecognition	-	(77,460)
Closing lease liability	**-**	**-**

19.(ii) OTHER LIABILITES

Accrued expenses payable	40,000	258,566
Duties and taxes payable	68,039	330,303
Prior years taxes payable (Note 16(iv))	141,151	141,151
Other payable	-	2,619
	249,191	**732,640**

		31.12.2025 TZS '000	31.12.2024 TZS '000
20(i)	**SHARE CAPITAL**		
	Authorized:		
	24,600,000 ordinary shares of Tzs 1,000 each (2024 - 50,000,000 ordinary shares of Tzs 1,000 each)	24,600,000	50,000,000
	Issued and fully paid up:		
	74,300,000 ordinary shares of Tzs 1,000 each (2024 - 32,830,000 ordinary shares of Tzs 1,000 each)	**7,430,000**	**32,830,000**
20(ii)	**STATUTORY RESERVE**		
	Opening balance as at 1st January	-	261,301
	Transfer to Retained Earnings	-	(261,301)
	Closing balance as at 31st December	**-**	**-**

		31.12.2025 TZS '000	31.12.2024 TZS '000
21	**CORE CAPITAL**		
	Issued and fully paid up capital	7,430,000	32,830,000
	Retained earnings	(6,317,103)	(4,249,148)
		1,112,897	**28,580,852**

		31.12.2025 TZS '000	31.12.2024 TZS '000
22.	**RELATED PARTY TRANSACTIONS AND BALANCES**		
	(c) Directors Remuneration		
	Director's Annual fees (Note 10 iii)	9,450	26,773
		9,450	**26,773**
	(d) Key Management Compensation		
	Salaries and benefits to senior management	674,698	1,475,465
		674,698	**1,475,465**

24(iii)	**Breakdown of impairment loss to profit and loss for the year 2024.**	**Impairment charge for credit losses** TZS '000	**Loan Write off** TZS '000	**Charge to profit and Loss for year 2024** TZS '000
	Loans and advances	(131,562)	938,221	806,659
	Deposits and balances due from other	(10,412)	0	(10,412)
	Balance with Bank of Tanzania	(11,209)	0	(11,209)
	Government securities	(279)	0	(279)
	Other Assets	(244)	0	(244)
	Off balance sheet items	(675)	0	(675)
	Total for the year	**(154,380)**	**938,221**	**783,840**

26 INCORPORATION

The company is incorporated as a limited company under the Tanzanian Companies Act, 2002.

27 CURRENCY

These financial statements are presented in Tanzanian Shillings (Tzs. '000) unless otherwise

28 COMPARATIVES

Where necessary, comparative figures have been reclassified to conform with changes in presentation in the current year.

17 (i) PROPERTY AND EQUIPMENT

	Computer & hardware	Motor vehicle	Office furniture & equipment	Total
	TZS '000	TZS '000	TZS '000	TZS '000
Cost				
At 1 January 2024	1,572,195	62,819	658,551	**2,293,565**
Additions	710,733	-	-	**710,733**
Revaluation (Note 17(i)(a))	10,311	9,332	(10,184)	**9,459**
Disposals	-	-	(15,436)	**(15,436)**
At 31 December 2024	**2,293,239**	**72,151**	**632,931**	**2,998,321**
At 1 January 2025	2,293,239	72,151	632,931	**2,998,321**
Additions	-	-	-	**-**
Revaluation	-	-	-	**-**
Disposals	(2,293,239)	(72,151)	(632,931)	**(2,998,321)**
At 31 December 2025	**-**	**-**	**-**	**-**
Depreciation				
At 1 January 2024	1,365,993	61,039	401,924	**1,828,957**
Charge for the year	227,901	612	29,480	**257,993**
Disposals	-		(9,086)	**(9,086)**
At 31 December 2024	**1,593,894**	**61,651**	**422,319**	**2,077,864**
At 1 January 2025	1,593,894	61,651	422,319	**2,077,864**
Charge for the year	-	-	-	**-**
Disposals	(1,593,894)	(61,651)	(422,319)	**(2,077,864)**
At 31 December 2025	**-**	**-**	**(0)**	**-**
Net Book Value				
At 31 December 2024	**699,345**	**10,500**	**210,612**	**920,457**
At 31 December 2025	**-**	**-**	**0**	**-**

17 (i)(a) REVALUATION OF FIXED ASSETS

	Computer & hardware	Motor vehicle	Office furniture & equipment	Total
	TZS '000	TZS'000	TZS '000	TZS '000
Cost of asset before revaluation	2,282,928	62,819	643,115	**2,988,863**
Accumulated depreciation before revaluation	(1,593,894)	(61,651)	(422,319)	**(2,077,864)**

Net Book Value before revaluation	**689,034**	**1,168**	**220,796**	**910,998**
Revaluation amount	699,345	10,500	210,612	920,457
Net Change in Asset	**10,311**	**9,332**	**(10,184)**	**9,459**
LOSS AND RESERVE ON REVALUATION				
Increase/Revaluation reserve	**10,311**	**9,332**	**-**	**19,643**
Decrease/Loss on revaluation	**-**	**-**	**(10,184)**	**(10,184)**

		2025	**2024**
		TZS '000	**TZS '000**
17 (ii)	**INTANGIBLE ASSETS-COMPUTER SOFTWARE**		
	Cost		
	At 1 January	-	3,262,822
	Additions	-	248,855
	Reclassification	-	31,509
	Write off	-	(3,543,187)
	At 31 December	**-**	**-**
	Amortization		
	At 1 January	-	2,990,383
	Charge for the year(Note 8(ii))	-	141,273
	Write off	-	(3,131,656)
	At 31 December	**-**	**-**
	Net Book Value		
	At 31st December	**-**	**-**
17(ii)(a)	**LOSS ON DISPOSAL OF FIXED ASSETS**		
	Cost of computer software disposed-off	-	3,543,187
	Less: Accumulated Depreciation of Computer software disposed off	-	(3,131,656)
	Loss on disposal of computer software	-	411,531
17 (iii)	**RIGHT OF USE ASSET**		
	Opening right to use assets	-	359,586
	Addition of new Right of Use Asset	-	-
	Adjustment of Opening balance	-	-
	Less; Depreciation Charge on Right to Use Assets (Note 8-ii)	-	(194,476)
	Derecognition (Note 17 iii(a)	-	(165,110)
	Closing Right to use Assets	**-**	**-**

17(iii)(a)	**LOSS ON DE-RECOGNITION OF LEASE**		
	Right of Use Asset de-recognized-Note 17(iii)	-	(165,110)
	Less: Lease Liability de-recognized-Note 19(i)	-	77,460
	Loss on derecognition of lease	**-**	**(87,650)**

Income tax computation

	2025 Amount (Tzs.)	2024 Amount (Tzs.)
Profit for the year	(359,081,071)	(12,566,620,197)
Add back:		
Disallowable items-permanent	25,691,501	1,254,666,294
Increase in general provisions	-	(154,380,343)
Loss on disposal of business assets	-	6,630,284,502
Depreciation and amortization	-	399,265,626
Interest and Amortization (Application of IFRS 16)	-	215,641,601
Loss on disposal of fixed assets	611,336,879	411,530,529
Prior year taxes paid	199,185,734	0
	477,133,043	**(3,809,611,988)**
Less:		
Depreciation Allowance	443,581,528	577,613,742
Rent Payment	-	23,751,632
Foreign currency translation gain	-	290,368,376
		-
Taxable profit/(loss) for the year	**33,551,515**	**(4,701,345,738)**
Tax charge for the year @ 30%	**10,065,455**	**-**
Tax Debit/credits from previous year	(526,096,331)	64,600,020.41
Tax credit revised on 2023 & 2024 assessment	16,995,628	
Withholding tax	(63,939,696)	(613,439)
Provisional tax paid during the year	-	(450,000,000)
Tax payable/(receivable)		(140,082,912)
Less: Tax charge for the year	(10,065,455)	-
Net tax payable/(repayable)	**(583,105,853)**	**(526,096,331)**
Income tax liability	-	-
Deferred tax liability/(Asset)	-	**(1,405,815,942)**
Prior year	-	-
Total tax charge	-	**(1,405,815,942)**

Note 1 - Wear & tear allowance (Class I & III)

	Class I 37.50% Tzs.	Class III 12.50% Tzs.	Total Tzs.
WDV as at 1st January 2025	490,520,194	229,435,947	**719,956,141**
Additions during the year *(Refer Note 3)*			**-**
Disposal proceeds	(2,293,239)	(705,081.84)	**(2,998,321)**
	488,226,955	228,730,865	**716,957,820**
Less: Wear and tear allowance	(183,085,108)	(28,591,358)	**(211,676,466)**
WDV As at 31st December 2025	**305,141,847**	**200,139,507**	**505,281,354**

Note 2 - Wear & tear allowance (Class VII)

Useful life (33.3%)

Year of addition	Cost	Residue brought fwd/Additions	Wear & tear allowance	WDV as at 31.12.2025
Year 2023	415,424,934	138,574,978	138,474,978	100,000
Year 2024	280,290,250	186,860,167	93,430,083	93,430,084
Year 2025	0		0	0
	695,715,184	**325,435,145**	**231,905,061**	**93,530,084**

INSTALLMENT

	2025	2024
First		
Second	0	150,000,000.00
Third	0	150,000,000.00
Fourth	0	150,000,000.00
Total	0	0.00
	0.00	**450,000,000.00**