



ANNUAL REPORT 2025







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Corporate Directory: Board & Service Providers

BOARD OF DIRECTORS



Heril Bangera



Frank Ileri



George Theobald



Bishwarnath Bachun



Ms. Joanna Choo Fon

ADMINISTRATOR AND COMPANY SECRETARY

St Lawrence Management Ltd
 United Docks Business Park
 6th Floor, The Docks 4
 Caudan, Port Louis, Republic of Mauritius



AUDITORS

Crowe ATA

2nd Floor Ebene Esplanade 24,
 Bank Street, Cybercity,
 Ebene 72201,
 Republic of Mauritius



CORPORATE GOVERNANCE AUDITOR

KNM Law Associates LLP
 P.O. Box 64858 - 00620
 Nairobi, Kenya



REGISTERED OFFICE

United Docks Business Park
 6th Floor, The Docks 4
 Caudan, Port Louis
 Republic of Mauritius
 Tel: (230) 213 7000 | Fax: (230) 212 4175
www.stlawrencemanagement.com



PRINCIPAL BANKERS

SBM Bank Mauritius
 SBM Bank Kenya
 Diamond Trust Bank Kenya
 Equity Bank Kenya



TAX ADVISORS

Rodl & Partner
 P. O Box 2087 - 00606,
 Nairobi Kenya



LEGAL GOVERNANCE AUDITOR

Munyaka Advocates LLP
 P.O.Box 2087 - 00606,
 Nairobi, Kenya.



COMPANY REGISTRARS

EFS Registrars Limited
 MJ1 Business Park 11th floor
 Westlands Road
 P.O. Box 6341-00100, Nairobi



ESG CONSULTANT

Christine Gatakaa



Introduction

The region's macroeconomic environment in 2026 is expected to remain resilient, albeit within a complex global landscape. Economic growth is projected to be supported by continued recovery in agriculture, infrastructure development, manufacturing, and a dynamic services sector. However, global geopolitical tensions, including ongoing conflicts affecting energy and raw material markets, are likely to sustain inflationary pressures and supply chain volatility. Despite these headwinds, Kenya's economy is expected to maintain a steady growth trajectory, underpinned by ongoing reforms, investment in industrialization, and regional trade integration.

The manufacturing sector remains a key pillar of this growth, with increasing focus on local production, value addition, and import substitution. Demand for products in food processing, plastics, and consumer goods is expected to remain strong, supported by population growth and urbanization. These trends reinforce Flame Tree Group's strategic focus on operational efficiency, supply chain resilience, and continuous innovation across its manufacturing portfolio.

At Flame Tree Group, our mission to build world-class African brands continues to guide our strategy as we adapt to a rapidly evolving environment. We remain committed to strengthening partnerships, deepening market presence, and driving operational excellence across all business units. At the same time, we uphold the highest standards of corporate governance, integrity, and compliance, ensuring sustainable and responsible growth.

Looking ahead, our 2026 outlook reflects both opportunity and responsibility. We will continue to invest in our people, brands, and capabilities while advancing our sustainability agenda and embracing circular economy principles. Through disciplined execution, innovation, and a customer-centric approach, we are well positioned to navigate uncertainties, capture emerging opportunities, and deliver long-term value to our stakeholders.



Chairman's Letter – FY2025

Dear Fellow Shareholders and Partners,

In times of uncertainty, the true strength of a business lies not only in its performance, but in its ability to adapt, endure, and continue creating value for the long term.

The 2025 financial year unfolded against a complex global backdrop, marked by geopolitical tensions, shifting trade dynamics, and continued volatility in commodity and energy markets. While inflation moderated and macroeconomic conditions stabilized across our key markets, growth remained constrained by high interest rates and limited access to credit, particularly within the manufacturing sector.



Against this environment, Sub-Saharan Africa continued to demonstrate resilience, with growth expected to strengthen toward ~4%. In Kenya, GDP growth reached 4.6%, supported by easing inflation and improved currency stability. However, structural challenges persist. As highlighted by the Kenya Association of Manufacturers, high production costs and constrained financing continue to weigh on industrial competitiveness.

Strategic positioning

Within this context, FTG has continued to strengthen its position as a regionally diversified manufacturer, with operations across Kenya, Rwanda, Ethiopia, and Mozambique. This diversification remains a key source of resilience, enabling the Group to balance risks while capturing growth opportunities across markets.

Performance in context

The Group delivered a resilient performance and continued strengthening of its fundamentals:

- Revenue of KES 4.23 billion, reflecting steady demand across core segments
- Gross margins improved to 38%, driven by pricing discipline and operational efficiency
- EBITDA increased by 18% (excluding prior year one-off income)
- Finance costs reduced by 23%, reflecting proactive capital management
- Net assets expanded by 25%, supported by continued investment in production capacity
- Working capital efficiency improved, with days reducing to 41

While reported profitability was impacted by the absence of non-recurring income recorded in the prior year, the Group's underlying performance has strengthened meaningfully, demonstrating improved efficiency and financial discipline.

Sustainability and long-term value

Sustainability remains embedded in the Group's operating model and long-term strategy. During 2025, FTG continued to advance its ESG agenda through improved energy efficiency, expanded recycling practices, responsible resource management, and continued investment in community impact initiatives, particularly in water access and education.

Over the past two years, the Group has reduced its total greenhouse gas emissions by approximately 17%. In addition, solar energy initiatives implemented during FY2025 reduced grid electricity consumption by over 131,000 kWh, supporting a gradual transition towards more sustainable energy use.

These initiatives reflect a broader commitment to building a business that is both economically resilient and socially responsible.

Outlook

Looking ahead, the operating environment is expected to remain challenging. The escalation of the Iran conflict is already impacting global energy markets and supply chains, with implications for costs, inflation, and liquidity across the region.

However, these pressures also reinforce the importance of resilient, locally anchored manufacturing platforms. FTG enters this period with stronger fundamentals, a more efficient cost structure, an expanded asset base, and a clear strategic focus positioning the Group to navigate uncertainty and capture long-term opportunities.

Conclusion

Africa remains one of the most compelling growth frontiers globally. With a growing population, increasing urbanization, and rising demand for essential products, the long-term opportunity is clear.



As an African manufacturer, rooted in our markets and committed to their progress, we remain dedicated to building sustainable solutions that strengthen communities, support industry, and contribute meaningfully to the continent's growth story.

On behalf of the Board, I thank our shareholders, employees, customers, and partners for their continued trust and support.

Yours sincerely,
George Theobald
Chairman of the Board
FTG Holdings



ALANA

Vitamin C
Body & Face Lotion

PURE
BRIGHTENS SKIN & EVENS SKIN TONE
REPAIRS SUN DAMAGE
INTENSIVE ANTIOXIDANT

200ml



**DAILY CARE FOR EVEN,
BRIGHT SKIN!**

Letter from the CEO – FY2025

Fellow Shareholders,

2025 was a year of focus, discipline, and steady progress. After a period marked by volatility and disruption, we operated in a more stable macroeconomic environment across our key markets. Inflation eased, currencies stabilized, and business confidence gradually improved. This provided us with the opportunity to do what we do best, strengthen our operations, sharpen our execution, and build for the future. Against this backdrop, Flame Tree Group delivered a solid and encouraging performance.

We recorded revenue of KES 4.23 billion, with growth driven by our core businesses particularly Water, Sanitation & Packaging and FMCG where demand for essential products remained strong and consistent across our markets. These are sectors that are deeply connected to everyday life, and their resilience reflects the fundamental role our products play in the communities we serve. At the same time, we achieved a meaningful improvement in

margins, increasing from 35% to 38%. This is a result we are particularly proud of. It reflects not only pricing discipline, but also better product mix, stronger operational control, and a continued focus on efficiency across the Group.



Building strength from within

Our progress in 2025 was not driven by external factors it came from within. We continued to optimize our operations, reducing factory and logistics costs while investing selectively in areas that will drive long-term growth, particularly within our FMCG division. These investments are strengthening our brands, expanding our reach, and positioning us for the next phase of growth.

As a result, we delivered EBITDA of KES 384.5 million, representing an 18% increase on a comparable basis, and significantly improved our underlying profitability.

While the Group reported a net loss of KES 15.9 million, it is important to recognize that the prior year included a non-recurring insurance income. On a like-for-like basis, our performance has improved meaningfully, reflecting stronger fundamentals and better cost control.

Just as importantly, we continued to strengthen our balance sheet. Net assets increased by 25%, driven by sustained investment in production capacity, particularly in our packaging division. These are long-term investments that are already enhancing our capabilities and will support future growth.

A business rooted in resilience

One of the defining strengths of FTG is its diversification across products, markets, and customer segments. In 2025, this diversification once again proved critical. While some parts of the business faced headwinds, others delivered strong growth, allowing the Group to maintain stability and continue progressing.

Our presence across multiple African markets, each with its own dynamics, gives us both resilience and opportunity. It allows us to adapt quickly, allocate resources efficiently, and remain close to the evolving needs of our customers. Above all, it reflects our belief in Africa, in its people, its potential, and its future.

Our people and our purpose

Behind every number is a team. I am proud of the resilience, adaptability, and commitment shown by our people across all our operations. In a year that required focus and discipline, they delivered with energy and determination.

At the same time, we continued to deepen our impact beyond the business. Our initiatives in water access, education, and community development are not just part of our ESG strategy they are a reflection of who we are as a company.

We remain committed to building a business that creates value not only for shareholders, but for the communities we serve.

Looking ahead to 2026

As we move into 2026, the environment is once again evolving. Recent geopolitical developments, including the escalation of the Iran conflict, are introducing new uncertainties particularly through their impact on global energy markets, supply chains, and inflation. These dynamics will inevitably influence the cost environment and operating conditions across our markets.

However, we enter this phase from a position of greater strength. We have:

- A stronger balance sheet
- Improved margins and cost structure
- Better operational discipline
- A clear strategic focus

Our priorities remain unchanged:

- Protect and grow our core businesses
- Continue improving efficiency and cost control
- Invest selectively in high-potential segments
- Strengthen our financial position

We will remain agile, responsive, and disciplined adapting as the environment evolves.

Africa continues to offer one of the most compelling growth stories globally. With a young and growing population, increasing urbanization, and rising demand for essential products, the long-term opportunity remains clear.

We enter 2026 stronger with a better cost structure, stronger balance sheet, and clear strategic focus. At FTG, we are proud to be part of that journey.

To our shareholders, customers, employees, suppliers, and partners thank you for your continued trust and support.

Together, we are building a business that is resilient, relevant, and deeply rooted in African potential.

Warm regards,
Heril Banger
Chief Executive Officer
FTG Holdings



COMPANY OVERVIEW

Flame Tree Group draws inspiration from the iconic Flame Tree, a symbol of strength, beauty, and resilience across Africa. This emblem guides our vision and values as we deliver high-quality products that connect with communities and enrich everyday life.

- **Symbolism:** The “Flame of Africa” embodies strength, beauty, and enduring stability
- **Community Connection:** Like the tree spanning diverse landscapes, we connect with communities across Africa.
- **Proudly Local:** Our brands are made in Africa for Africa, ensuring quality and trust
- **Impact:** Enriching lives, creating value, and celebrating African innovation and resilience.



OUR CORE VALUES



Pan-African Footprint

1

ETHIOPIA

Over 20 years of successful operations
 Industry leader in the water tanks market
 Established and trusted household brand

2

UAE

Flame Tree Group procurement office



6

RWANDA

Commands a dominant 80% share of the glycerine market
 Recognized by the government as an accredited supplier of high-quality HDPE water pipes

3

KENYA

Market leader in the water tanks industry

Home to a portfolio of highly reputable and trusted FMCG brands

5

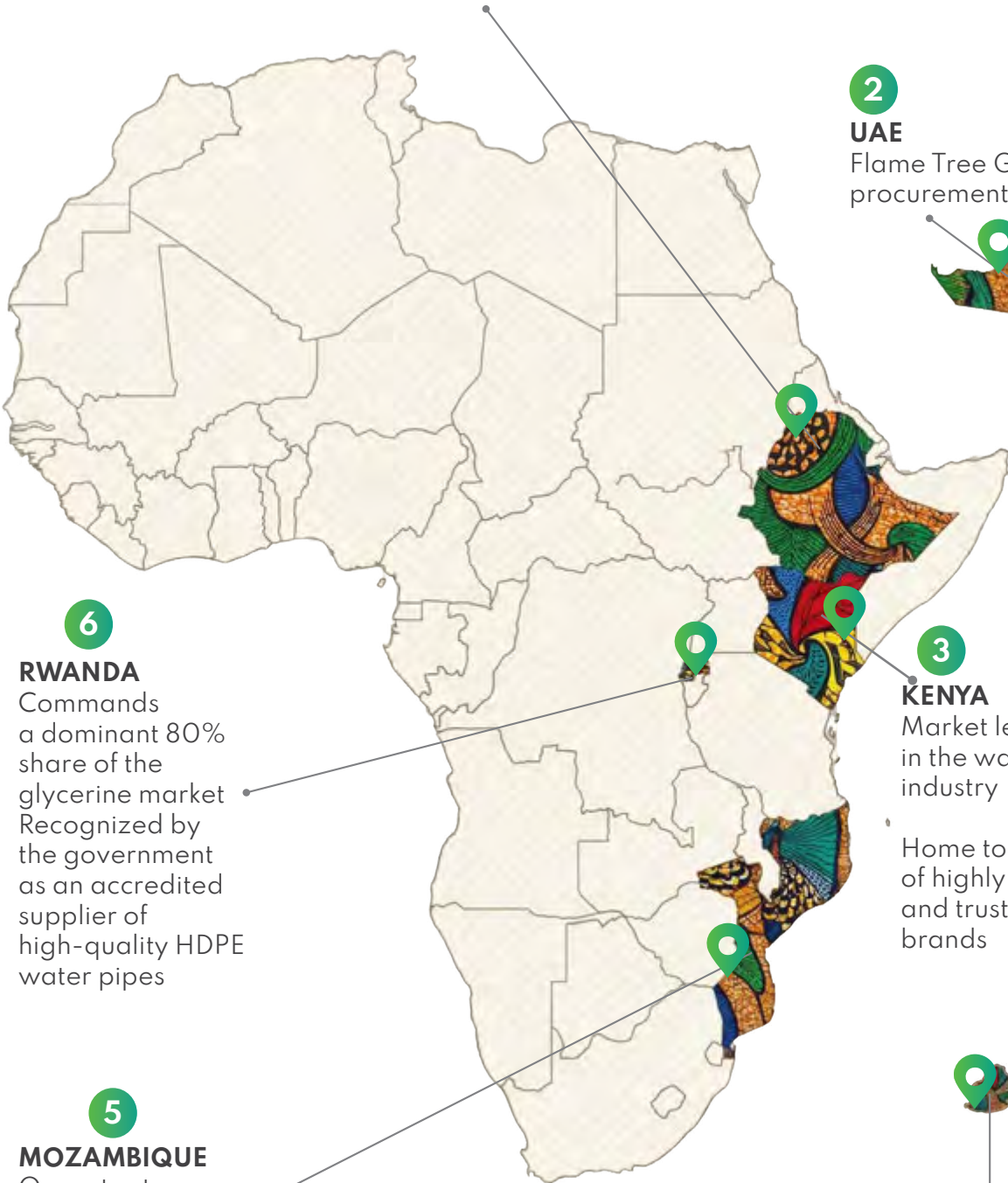
MOZAMBIQUE

Operates two fully functional manufacturing facilities

4

MAURITIUS

Location of Effective Management and Strategic Oversight



Our Strategy

<p>DELIVER BRAND PROMISE</p> 	<p>LONG TERM FINANCIAL SUSTAINABILITY</p> 	<p>QUALITY, PROFESSIONALISM AND RISK MANAGEMENT</p> 	<p>RETAIN KEY STAFF, TRAIN SUCCESSORS TO UPHOLD VALUES</p> 
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<p>AFFORDABLE INNOVATION</p>  <p>LAUNCHING NEW PRODUCTS</p>	<p>SUSTAIN GROWTH & DEVELOPMENT</p> 	<p>MAXIMUM EFFICIENCY AND PRODUCTIVITY</p> 
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Strategic Goals

 <p>GROW BUSINESS LINES</p>	 <p>DIVERSIFY PRODUCT PORTFOLIO</p>	 <p>MAINTAIN HIGHER LEVELS OF EFFICIENCY</p>	 <p>STRENGTHEN FINANCIAL POSITION</p>
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Our Company Structure



Roto Moulders Limited, Kenya
 Roto Limited, Rwanda
 Roto PLC, Ethiopia
 Rino Tanques Lda, Mozambique
 Polyplay Limited, Kenya
 Jojo Plastics Limited, Kenya
 REX Industries Limited, Kenya



Flame Tree Africa Ltd, Kenya
 Flame Tree Brands Ltd, Rwanda
 Flame Tree Mozambique Lda, Mozambique



Chirag Africa Ltd, Kenya
 Happys Golden Foods Ltd, Kenya



Cirrus International FZC, Dubai
 Buildmart Limited, Rwanda



FTG Holdings Ltd, Mauritius
 FTG Holdings Ltd, Kenya

Enriching Lives through our Brands



1



2



3



4



5



6



7



8



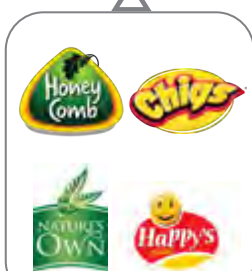
9

CHILD PLAY



6

FOOD & NUTRITION



3, 4 & 5

HEALTH & BEAUTY



1&2

TRADE

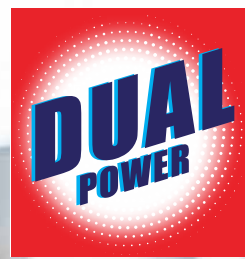


9

WATER, SANITATION & PACKAGING



7 & 8



The background of the entire page is a dense, repeating pattern of stylized green leaves in various shades of green, from light to dark. The leaves are arranged in a way that creates a sense of depth and movement.

OUR ENVIRONMENTAL SOCIAL GOVERNANCE OVERVIEW 2025

Commitment. Transparency. Impact.

The Flame Tree Group 2025 ESG Report provides a comprehensive look at how we are operationalizing our values. From securing water access to fostering local entrepreneurship, this report details our dedication to building a resilient, responsible, and sustainable future for all our stakeholders

Meet the Board



GEORGE THEOBALD
- CHAIRMAN

About George Theobald (Bimb)

Bimb Theobald is a veteran Tanzanian entrepreneur with over 25 years of experience driving growth across finance, agriculture, tourism, and international business.

Highlights:

- Chairman, Tatepa PLC – led the company to a successful listing on the Dar es Salaam Stock Exchange
- Chairman, Nomad Tanzania Ltd. & Flame Tree Group
- Board Member – Wakulima Tea Co. Ltd, Equity Bank Tanzania, Pamoja Holdings (Switzerland), Marginpar (Netherlands)
- **Sector Expertise:** Finance, Agriculture, Tourism, International Business
- **Leadership Focus:** Strategic growth, innovation, and cross-sector impact



HERIL BANGERA
- FOUNDER AND GROUP CEO

About Heril Bangera

Heril Bangera founded Roto Moulders Limited in 1989, establishing the foundation for what is now the Flame Tree Group. With over 30 years of business experience and a background in Mechanical Engineering, he directs the Group's overall management and strategic vision. He is also an alumnus of the Owners Management Program, Strathmore University.

Highlights:

- Founder, Roto Moulders Limited – laid the groundwork for the Flame Tree Group
- Group Leadership – oversees overall management and strategic direction
- **Educational Background:** Mechanical Engineering; Owners Management Program, Strathmore University
- **Experience:** 30+ years in business, driving growth and innovation



FRANK IRERI
- NON-EXECUTIVE DIRECTOR

About Frank Ileri

Frank Ileri brought over 30 years of international experience across auditing, consulting, and banking. He held senior leadership roles at Deloitte, Citibank N.A., Commercial Bank of Africa, Barclays Africa, and HF Group. In recognition of his contribution to the financial sector, he was awarded the Elder of the Burning Spear (EBS) in 2011. Frank served on the Board until his passing in 2025.

Highlights:

- **Industry Leadership:** Former Chair, Kenya Bankers' Association; Former Chair, Kenya Institute of Bankers
- **Board Roles:** Chair, Habitat for Humanity Kenya; Board Member at Amref Health Africa, Centum Real Estate, Kenya Pipeline Company, Kentegra LLC
- **Professional Experience:** 30+ years across auditing, consulting, and banking with senior roles in major international and regional institutions
- **Recognition:** Awarded the Elder of the Burning Spear (EBS) for service to the financial sector



BACHUN BISHWARNATH
- EXECUTIVE DIRECTOR

About Mr. Bishwarnath (Bob)

Mr. Bishwarnath, FCCA, brings 38 years of experience in banking, auditing, fund administration, and corporate governance. His career spans Deutsche Bank (Mauritius & Jersey), PricewaterhouseCoopers, and executive leadership at MITCO, a CIEL Group subsidiary. He has led projects for the World Bank and IMF in Africa and currently serves as Managing Director of St Lawrence Management Limited.

Highlights:

- Board Expertise: Governance, strategic oversight, corporate leadership
- **Professional Memberships:** Fellow, Chartered Association of Certified Accountants (FCCA); Member, Society of Trust and Estate Practitioners (STEP)
- **Global Experience:** Led assignments across Africa and serves on multiple boards in Mauritius and internationally



DEVEN AURACOOTE
- EXECUTIVE DIRECTOR

MR. DEVEN AURACOOTE - EXECUTIVE DIRECTOR

Mr. Deven Auracootee has over 15 years of experience in financial services, corporate administration, compliance, and trust management, with senior roles at TK OLAM Ltd, JurisTax Ltd, and St Lawrence Management Limited, where he served as Assistant Manager in 2023. He holds an MBA in Financial Services from the Open University of Mauritius and has expertise in AML/CFT compliance, fiduciary services, corporate governance, and operational leadership.

Highlights:

- **Expertise:** Financial services, compliance, trust management, corporate administration
- **Leadership:** Team management and operational oversight
- **Qualification:** MBA in Financial Services
- **Appointment Date:** 30th August 2024
- **Resignation Date:** 06th June 2025



JOANNA CHOO FON
- EXECUTIVE DIRECTOR

About Ms. Joanna Choo Fon

Ms. Joanna Choo Fon, FCCA, is Manager at St Lawrence Management Limited ("STLM") and has over 15 years of experience in the global business and financial services sector. Prior to joining STLM over five years ago, she spent a decade building expertise in fund and company administration, regulatory compliance, corporate structuring, and financial operations across multiple areas of the industry.

Highlights:

- **Professional Qualifications:** Fellow of the Association of Chartered Certified Accountants (FCCA), UK; Member of the Mauritius Institute of Professional Accountants
- **Academic Background:** BCom in Banking & Finance, Econometrics and Business Statistics, Monash University
- **Core Expertise:** Legal and tax structuring, accounting, corporate secretarial services, and AML/CFT compliance
- **Industry Exposure:** Broad experience across fund administration, company formation, and global business operations
- **Appointment Date:** 06th June 2025

In Memoriam - Frank Ileri

The Board of Directors, Management, and Staff of Flame Tree Group were deeply saddened by the passing of Mr. Frank Ileri, Non-Executive Director, on Sunday, 26th October 2025.

Frank served on the Board from September 2014 until his passing, offering invaluable guidance defined by wisdom, integrity, and a steadfast commitment to excellence. His contribution played a meaningful role in shaping the Group's growth and strategic direction, and he left a lasting impact on all who worked with him.

We remain profoundly grateful for his service and the legacy he leaves behind. His leadership and values will continue to guide and inspire us.

Our thoughts remain with his family, friends, and colleagues.



Meet the Leadership Team



HERIL BANGERA
Chief Executive
Officer,
Flame Tree Group

About Heril Bangera

Heril founded Roto Moulders Ltd in 1989, laying the foundation for the Flame Tree Group. He oversees overall management and strategic direction with over 30 years of business experience.

Highlights:

- **Education:** Owners Management Program, Strathmore University; Bachelor's Degree in Mechanical Engineering, BMSCE, Bangalore University
- **Expertise:** Business strategy, operational leadership, group management
- **Achievement:** Steered Flame Tree Group to its current market position



BEATRIZ MEIJIDE
Group Chief
Financial Officer,
Flame Tree Group

About Beatriz Meijide

Beatriz joined FTG in 2019, bringing 20+ years of experience in finance and business transformation across Africa and Europe.

Highlights:

- **Education:** MBA, IESE Business School; Master's in Business Law, University of Navarra; Bachelor's Degree in Economics & Business Administration, University of San Pablo CEU
- **Experience:** Former CFO for Africa at CAMUSAT International; Finance Director at IBERDROLA Engineering (Kenya); Group CFO at ADVEO Group International (Spain)
- **Expertise:** Financial strategy, cross-border operations, business transformation
- **Board Roles:** Saint Mary's Hospital; Kenya Association of Manufacturers (KAM) committee member



DEE-VONA QUADROS
Group Human
Resources Manager,
Flame Tree Group

Dee-Vona joined FTG in 2015, leading HR strategy with a focus on performance culture, workforce optimization, and strategic alignment.

Highlights:

- **Education & Certification:** Strategic HR Professional; Transformative Agile Leader; Master of Strategic and Project Management; Bachelor's Degree in Commerce (Banking & Finance);
- **Experience:** HR leadership at Aggreko International Projects Ltd and Johnnic Communications
- **Expertise:** Human capital strategy, workforce development, organizational transformation



RAHUL SHAH
Commercial
Manager,
Flame Tree Group

About Rahul Rashik Shah

Rahul has 15+ years of experience in the plastics industry, leading commercial, financial, and operational initiatives.

- **Education & Certification:** Member, Chartered Institute of Management Accountants (CIMA); Bachelor's Degree in Accounting & Finance (UK)
- **Expertise:** Commercial strategy, financial oversight, operations, supply chain management
- **Achievement:** Improved profitability and operational efficiency through strategic initiatives



SONIA BANGERA
Marketing Director,
Flame Tree Group

About Sonia Bangera

Sonia brings 25+ years of marketing experience, driving digital, social media, and brand initiatives across multiple countries.

Highlights:

- **Education:** MBA in Marketing, Mt. Carmel Institute; Bachelor's in Computer Science, Bangalore University
- **Expertise:** Digital marketing, brand strategy, business development, FMCG insights
- **Achievement:** Led innovative campaigns that significantly boosted brand visibility and engagement

BUILDING QUALITY WITH ROTO:
NAIROBI PREMIER HOMES PROJECT



Corporate Governance

Governance is the means by which the affairs of an institution are directed and managed thereby promoting corporate accountability and business aptness to achieve an optimal shareholder value, whilst simultaneously taking into consideration the interests of other stakeholders. It is premised on the principles of integrity, accountability, prudence and openness. The Board of directors of FTG Holdings Limited is at the core of the Group's system of corporate governance and is ultimately accountable and responsible for the performance and affairs of the Group.

We conducted our Corporate Governance Audit as mandated by the CMA, where we successfully scored 81.60/100. Good corporate governance is regarded as critical to the success of the business of the Group and the board is unreservedly committed to applying the fundamental principles of good governance - transparency, integrity, accountability and responsibility - in all dealings by, in respect of and on behalf of the Group. The Board accordingly embraces the principles of good governance as set out in a number of governance frameworks including the Principles for Corporate Governance in Kenya.

A Legal Compliance Register and Compliments & Complaints Register are maintained to support regulatory adherence, stakeholder engagement, and timely issue resolution. Together with the existing Seal Register, these controls reinforce the Group's commitment to transparency, ethical conduct, and sound corporate governance practices.

The Legal Compliance Audit Report for the year ended 31 December 2024 and Anti-Fraud & whistleblowing policy is available on the company's website, reinforcing the Group's commitment to regulatory compliance, transparency, and sound corporate governance practices.

The board develops and maintains reporting and meeting procedures for itself and its committees. Regular board meetings are held once per quarter. Board meetings take place at the Group's offices unless otherwise decided by the board. The Board may form committees of its members and may delegate any of its powers to any such committee. The frequency of the committee meetings are determined by the individual committee, as stated in the terms of reference for each committee. The quorum necessary for the transaction of the business of the board is at least three executive directors present either personally or by alternate. The Annual General Meeting of members elects directors on the basis of their professional competencies, personal qualities and the contribution they can make to the governance of the organization.

Details of meetings held during the year 2025

Name of the meeting and details	Members present with their designations	Is Agenda, Notices and Minutes of the prior meeting shared and approved in the meeting held	Was the meeting quorate & chaired by
Finance and Audit Committee Meeting held on 28/04/2025 - 10:00 A.M (EAT)	Mr. Frank Marangu Ileri (Director)	Yes	Yes
	Mr. Heril Colbert Bangera (CEO)		Mr. Frank Marangu Ileri
	Ms. Beatriz Mejjide (CFO)		
	Ms. Janet (NomAd)		
	Ms. Sonia Bangera (Group Marketing Director)		
Board Meeting held on 28/04/2025 - 11:00 A.M (EAT)	Mr. Frank Marangu Ileri (Director)	Yes	Yes
	Mr. Heril Colbert Bangera (CEO)		Mr. Bachun Bishwarnath
	Mr. Deven (Director)		
	Mr. Bachun Bishwarnath (Director)		
Finance and Audit Committee Meeting held on 27/08/2025 - 12:00 Noon (EAT)	Mr. Frank Marangu Ileri (Director)	Yes	Yes
	Mr. Heril Colbert Bangera (CEO)		Mr. Frank Marangu Ileri
	Ms. Beatriz Mejjide (CFO)		
	Ms. Shilpa (Consultant)		
	Mr. George Theobald (Chairman)		
Board Meeting held on 27/08/2025 - 12:30 P.M (EAT)	Mr. Deven (Director)	Yes	Yes
	Mr. Heril Colbert Bangera (CEO)		Mr. George Theobald
	Ms. Marie Joanna (Director)		
	Mr. George Theobald (Chairman)		
	Mr. Frank Marangu Ileri (Director)		
Finance and Audit Committee Meeting held on 11/12/2025 - 11:45 A.M (EAT)	Mr. Bachun Bishwarnath (Director)	Yes	Yes
	Mr. Heril Colbert Bangera (CEO)		Mr. Bachun Bishwarnath
	Ms. Beatriz Mejjide (CFO)		
	Ms. Joanna Choo Fon (Director)		
	Mr. George Theobald (Chairman)		
Board Meeting held on 11/12/2025 - 11:45 A.M (EAT) continuous	Ms. Sonia Bangera (Group Marketing Director)		
	Mr. Bachun Bishwarnath (Director)	Yes	Yes
	Mr. Heril Colbert Bangera (CEO)		Mr. Bachun Bishwarnath
	Ms. Joanna Choo Fon (Director)		
	Mr. George Theobald (Chairman)		

Data Protection

The Company recognizes that data privacy and cybersecurity risks are critical to its operations and stakeholder trust. We have established governance structures and risk management processes designed to identify, assess, and mitigate potential threats to information systems and personal data. While no system can be entirely immune to cyber incidents, we remain committed to safeguarding sensitive information, maintaining business continuity, and investing in ongoing improvements to our cybersecurity posture.

In accordance with the principles of good corporate governance, each director undertakes:

- To act first, foremost and always in the best interest of the Company;
- To exercise his/her power in the executive duties in good faith; and
- To act with the care a prudent person would take when acting on their own behalf.

Each director undertakes that, in arriving at a decision on any issue, he or she shall strive to ensure that the decision is in the best interest of the Company and is not driven by any other interests. Each director is fully aware of the importance of regular attendance and effective participation at meetings.

Each director undertakes to do everything with their power to attend all meetings. Board deliberations give rise to consensus or formal votes covering matters of importance to the organization. Each director shall be attentive to and respectful of the delineation and exercise of powers and responsibilities attributed to the Company's respective decision-making organs.

Directors shall however ensure that no single person can exercise uncontrolled discretionary powers. They shall support the proper functioning of Board Committees and pay particular attention to ensure that the Company's internal controls are effective and that its auditors perform their mission in a satisfactory manner. All the directors of FTG Holdings Limited have completed the Directors Induction Programme as at the date of the Listing.

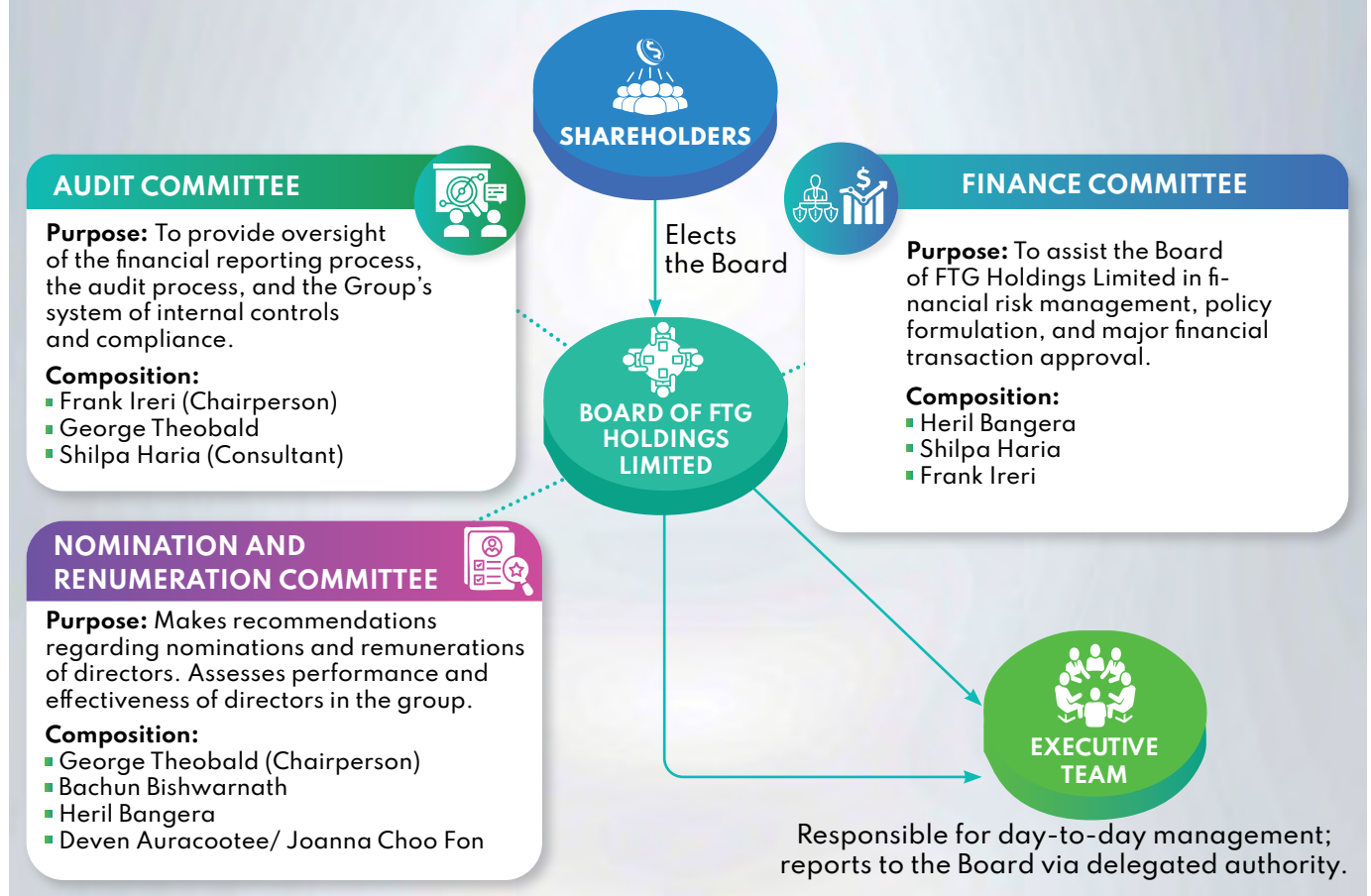
Composition of the Board of Directors

The Board includes a fair balance between Executive and Non-Executive Directors so that no individual or company of individuals' interests will dominate the Board's decision making process.

The following issues are considered in determining the Board's composition:

- Attaining a desirable ratio of and balance between the number of executive and non-executive directors.
- Ensuring that the board collectively contains the skills, experience and mix of personalities appropriate to the strategic direction of the Group and necessary to secure its sound performance.
- Experience, knowledge, skills and personal attributes of current and prospective Directors in relation to the needs of the Board as a whole.
- Irrespective of a Director's special expertise or knowledge and regardless of whether a Director is an Executive or Non-Executive Director, all members of the Board recognize that they are collectively responsible to Shareholders for the performance of the Group.

Corporate Governance Framework



Board Effectiveness and Evaluation

Each director further undertakes to prepare sufficiently for meetings by carefully considering board papers and attachments thereto, and where necessary seeking clarifications. Where a director is unable to attend a meeting, each director undertakes to communicate through the Chairman or the Chief Executive Officer any concerns or issues they would wish considered. At regular intervals, not exceeding twelve months, the Board of Directors shall undertake an evaluation of its functioning as a collective agency and as individual directors.

Where necessary, the Board may obtain the services of an external facilitator to guide the evaluation. There are also no arrangements or understandings with the majority shareholder, customers, suppliers or others, pursuant to which any person was selected as a Director or member of senior management.

Remuneration of the Directors

The Nomination and Human Resource Committee is responsible for reviewing Non-Executive Directors' remuneration and recommending the necessary changes from time to time. In making these recommendations, due consideration must be given to the Board's expectations from Directors in terms of time commitments, degree of responsibility and financial condition of the Group.

The Committee may request management or external consultants to provide necessary information upon which the Board may make its determination. Directors' remuneration is presented for approval at the Annual General Meeting.

In determining the compensation for Non-Executive Directors, the Nomination and Human Resource Committee shall consider the following:

- The level of fees currently earned by Directors in their professional capacity.
- The number of hours spent by Directors in preparing for and attending meetings, as well as travel to meeting venues.
- Current market rates applicable to organizations of similar size and in the same industry.
- The complexity of the Group's operations and the extent to which directors have to incur additional cost in research on industry developments and other Group related matters.
- The number of meetings in a year.

The remuneration recommended by the Nomination and Human Resource Committee shall apply to all Directors and no Director should be involved in fixing their own individual remuneration.

Responsibilities of the Board

The Board should specifically exercise leadership, enterprise, integrity and judgment in directing the affairs of the Group in order to achieve continuing prosperity for the Group and its Shareholders, and shall at all times act in the best interests of the Group in a manner based on transparency, integrity, accountability and responsibility.

The Board must specifically:

- Define and chart out the Group's vision, mission and values and has ultimate responsibility for the attainment of the Group's values.
- Determine the business strategies and plans that underpin the corporate strategy.
- Discuss and approve strategic plans and annual budgets.
- Retain full and effective control over the Group, and monitor Management's implementation of the strategic plans and financial objectives as defined by the Board.
- Define levels of materiality, reserving specific powers to itself and delegating other matters with the necessary written authority to management.
- Continually monitor the exercise of delegated power by Management.
- Ensure that a comprehensive system of policies and procedures is in place, and that appropriate governance structures exist to ensure the smooth, efficient and prudent stewardship of the Group.
- Ensure that the business of the Group is managed with a view to ensuring that the Group is ethical in all its dealings and exercises corporate social responsibility.
- Ensure compliance by the Group with all relevant laws and regulations, audit and accounting principles and such other principles as may be established by the Board from time to time.
- Identify key risks, opportunities and strengths relating to the Group.
- Ensure that the Group's organizational structure and capability are appropriate for implementing the chosen strategies.
- Determine monitoring criteria to be used by the Board. Set policies on internal control and obtain regular assurance that the system is functioning effectively and is effective in managing risks.
- Nominate board members who will add value to the board processes and arrange for their induction. Appoint the Managing Director, senior staff, external auditors and other consultants.
- Discuss, agree and approve annual accounts and reports. Communicate key policies and strategy issues to senior management.
- Identify all stakeholders and ensure effective communication with Shareholders and stakeholders.

FTG Holdings Ltd's Board of Directors has formally confirmed that there are no known insider dealings within the company. This declaration further solidifies the company's commitment to transparency, regulatory compliance, and ethical business practices while fostering market confidence and investor trust.

Board Committee

The Board has established the following three (3) committees, whose mandates and terms of reference are spelt out as follows:

■ Audit Committee

The Audit Committee is a standing Committee of the Board and its purpose is to assist the Board in assessing the integrity of financial statements and the effectiveness of financial reporting, and to conduct risk management assessment. The primary purpose of the committee is to provide oversight of the financial reporting process, the audit process, the Group's system of internal controls and compliance with laws and regulations. It is composed of Frank Ileri as Chairperson, George Theobald and Shilpa Haria our consultant financial officer and authorized representative of nominated adviser. Shilpa also advises us on corporate matters.

FTG Holdings held three audit committee meetings during the financial year 2025 attended by all the committee members, These meetings focused on key financial discussions;

- Review of consolidated financial statements for the year ended 31st December 2025
- Review of consolidated financial statements for the half year ended 30th June 2025
- Discussion on budget 2026 and the landing of budget 2025

These meetings align with the audit committee's oversight responsibilities ensuring financial integrity and strategic planning

■ Finance Committee

The Finance and Audit Committee is a standing Committee of the Board and its purpose is to assist the Board of FTG Holdings Limited in financial risk management, policy formulation, reviewing and approving major financial transactions. It is comprised of Heril Bangera, shilpa Haria and Frank Ileri.

■ Nomination and Remuneration Committee

The Nomination and Remuneration Committee is a standing Committee of the Board. Its purpose is to assist the Board of FTG Holdings Limited to propose new nominees for the board when required and to assess the performance and effectiveness of Directors in the Group. The Nomination and Remuneration Committee is responsible for reviewing Non-Executive Directors' remuneration and recommending the necessary changes from time to time. It is composed of George Theobald as Chairperson, Bachun Bishwarnath, Heril Bangera and Deven Auracootee/ Joanna Choo Fon.

In accordance with the principles of good corporate governance, each director undertakes:

- To act first, foremost and always in the best interest of the Company;
- To exercise his/her power in the executive duties in good faith; and
- To act with the care a prudent person would take when acting on their own behalf.

Embedding Ethics into Strategy and Operations

At Flame Tree Group, our Code of Ethics is a foundational pillar that guides every aspect of our operations and strategic decisions. It outlines the values and standards expected of all employees, management, and partners, promoting a culture of integrity, accountability, and respect. In 2025, we continued to integrate the Code of Ethics into our day-to-day operations by ensuring it is reflected in employee onboarding, training programs, performance evaluations, and supplier engagement processes.

Our leadership team champions ethical behavior through regular communication and by setting a clear example, ensuring alignment between our business practices and ethical standards.

We have established internal mechanisms including confidential reporting channels and a zero-tolerance policy for misconduct to ensure adherence and to respond effectively to any breaches. These efforts have strengthened trust among stakeholders and reinforced our commitment to operating responsibly and sustainably across all regions where we do business.

Internal Audit Function

Flame Tree Group recognizes the critical role of the internal audit function in promoting transparency, risk management, and operational efficiency. Our internal audit department operates independently and reports directly to the Audit and Risk Committee of the Board. This ensures objectivity and reinforces the integrity of our governance framework. In 2025, the internal audit function continued to assess the effectiveness of internal controls, compliance with policies, and risk mitigation strategies across all subsidiaries and operational units.

Regular audits were conducted based on a risk-based audit plan approved by the Audit and Risk Committee, with key findings and recommendations discussed with management and tracked through to resolution. The internal audit team also supported process improvements by identifying opportunities for operational efficiency and cost savings while ensuring alignment with the Group's ethical standards and strategic goals. Through this function, we continue to strengthen our accountability, support informed decision-making, and enhance value for our stakeholders.

Ms. Edna Adala, a member of the Institute of Certified Secretaries (ICS) in Kenya, is recognized for her good standing with the institute. She performs secretarial duties at Annual General Meetings (AGMs) in Kenya, ensuring compliance with governance standards and corporate regulations.

The Group continues to strengthen its governance framework through effective compliance and accountability measures.

Shareholding Profiles

The Company through its registrar files returns in line with the Capital Markets Authority and the Nairobi Securities Exchange under the listings regulations on transactions related to stakeholders.

Top 20 Shareholders

No		Shares	% Holding
1	BANGERA, HERIL COLBERT	149,577,242	84.01
2	MUKUMBU, JAPHETH MULINGE	2,908,800	1.63
3	KESTREL CAPITAL NOMINEE SERVICES LIMITED A/C 8	1,551,060	0.87
4	SHAH, RAMESH CHANDRA G.	1,448,933	0.81
5	MWANIKI, NJUKI	1,173,800	0.66
6	DAWID, DOMINIKUS JOHANNES	1,000,000	0.56
7	SBM BANK NOMINEES LTD A/C 0042	958,210	0.54
8	NYANGAU, INNOCENT NYAKWARA	864,640	0.49
9	STANBIC NOMINEES LIMITED A/C R88601	422,734	0.24
10	BURBIDGE, EDWARD LYNDON LOVELL	414,130	0.23
11	GACHERU, CHARLES KIAI	332,523	0.19
12	AOYI, OCHIENG	290,000	0.16
13	ORESI, EVERLINE ADHIAMBO	285,550	0.16
14	JUMA, AL-NOOR AKBARALI	275,200	0.15
15	ARAKA, NEWTON MOGAKA	242,980	0.14
16	TOLE, MWAKIO PETER	233,000	0.13
17	STANDARD CHARTERED NOMINEES A/C 9675C	231,904	0.13
18	GADANI, RAKESH PRAKASH	231,100	0.13
19	STANDARD CHARTERED KENYA NOMINEES LTD A/C KE004504	225,893	0.13
20	KIOKO, BENJAMIN MUMO	220,800	0.12

Distribution of Shares as at 31-Dec-2025

No	Range	Shares	Shares %	Shareholders	Shareholders %
1	1 - 500	341,315	0.19	2,188	61.76
2	501 - 5000	1,525,373	0.86	904	25.52
3	5001 - 10000	1,131,468	0.64	153	4.32
4	10001 - 100000	7,506,209	4.22	244	6.89
5	100001 - 1000000	10,889,286	6.12	49	1.38
6	>1000000	156,659,835	87.98	5	0.14
TOTAL		178,053,486	100.00	3,543	100.00

FTG Holdings Limited Summary of Shareholder as at 31 Dec 2025

Industry	Shares	Shares %	Shareholders	Shareholders %
East African Community Partner States Individuals	171,422,048	96.28	3,451	97.40
East African Community Partner States Institutions	4,871,118	2.74	70	1.98
Foreign Individual	1,760,320	0.99	22	0.62
TOTALS	178,053,486	100.00	3,543	100.00

The Director's Remuneration Report

FTGH is pleased to present the Director's remuneration report for the year ended 31 December 2025. The Board is committed to full compliance of all the relevant laws including, The code of Corporate Governance Practices for issuers of securities to the public in Kenya issued by the Capital Markets Authority in December 2015 under Cap. 485A of the Capital Markets Authority Act, and reflects the disclosure requirements under IFRS. The group's remuneration principles is aligned to shareholders' long-term sustainable interests. The remuneration structure is designed to recognize the skills and experience of the directors in a competitive market.

Director's Remuneration as Key Management for the Year Ended 31 December 2025

The following table shows a summary of remuneration for the Non-Executive and Executive Directors. This is in respect of qualifying services for the year ended 31 December 2025, together with comparative figures:

Director's Remuneration 2025

Executive Directors	2025			2024			2023					
Heril Colbert Bangera	31,485			25,666			27,875					
Imalambaal Kichenin	0			72			72					
Giles Kichenin	0			72			72					
Bishwarnath Bachun	156			39			0					
Deven Auracotee	65			39			0					
Marie Joanna Martine Choo Fon	91			0			0					
Non -Executive Directors	Fixed Retainer						Sitting Allowance					
	2025		2024		2023		2025		2024		2023	
George Theobald	1,300		1,311		1465		0		0		0	
Frank Ileri	385		769		769		100		308		308	

Zoe Body Lotion

Skin Care That Fits Your Budget!



Advancing Sustainable Impact through our Brands

At Flame Tree Group, our brands are developed with a clear focus on delivering practical solutions that respond to the everyday needs of communities across Africa. Beyond offering quality products, each brand within our portfolio is designed to contribute to broader social and environmental outcomes while supporting sustainable economic growth.

A key priority for many communities across the region is access to reliable water storage. Through our water solutions businesses, including Roto Tanks, Beta Tanks, Rino Tanques, Sol Tanques and JoJo Plastics, we manufacture durable storage systems that help households, schools, and businesses secure safe water for daily use. These products support improved sanitation, water security, and resilience in areas where consistent access to clean water remains a challenge.



Within the beauty and personal care segment, our brands Zoe, Alana Skin, and SuzieBeauty provide locally manufactured products tailored to the diverse needs of African consumers. These brands emphasize quality, responsible sourcing, and local production, helping to strengthen domestic value chains while creating employment and supporting entrepreneurship within the communities where we operate.



Wills Antiseptic, Loosafe & Captain supports the Group’s ESG agenda through its strong social impact on health and hygiene. As an essential household product, it promotes cleanliness, wound care, and infection prevention, contributing to improved public health outcomes across communities. Its affordability and wide accessibility ensure that even low-income households can maintain basic hygiene standards. Through continued distribution and consumer awareness efforts, they play a vital role in advancing community well-being and supporting healthier living environments.

Polyplay contributes to the Group’s ESG goals through both environmental and social impact. Environmentally, its use of durable plastic and metal materials provides a sustainable alternative to wood, helping reduce deforestation while ensuring long product life and minimal waste.

Socially, Polyplay enhances learning and recreational environments through safe playground equipment and ergonomic school furniture, improving classroom comfort, supporting better learning outcomes, and reducing long-term replacement costs for institutions across communities.

Across all our product lines, we remain focused on delivering solutions that combine innovation, quality, and responsibility. By integrating sustainability considerations into product development and manufacturing, Flame Tree Group continues to build brands that contribute positively to society while supporting long-term business growth.



Our ESG Strategy Commitments

At Flame Tree Group, sustainability is embedded within the way we conduct business. Our Environmental, Social, and Governance strategy reflects our commitment to responsible growth, long-term value creation, and building trust with our stakeholders. By integrating sustainability considerations into our operations and decision-making processes, we aim to strengthen our resilience while contributing positively to the environments and communities in which we operate.

Environmental responsibility

Environmental stewardship remains a central pillar of our sustainability approach. We focus on managing natural resources responsibly while reducing the environmental footprint of our operations. Our efforts include improving energy efficiency across our facilities and progressively increasing the use of renewable energy solutions such as solar installations. In addition, we continue to strengthen circular economy practices by expanding recycling initiatives, incorporating recycled materials into production processes, and minimizing waste throughout our value chain.

Water stewardship is also a priority for our manufacturing operations. Through investments in improved monitoring systems, rainwater harvesting, and water recycling initiatives, we are working to enhance efficiency and promote responsible water use. Alongside these efforts, we seek to promote sustainable procurement by prioritizing environmentally responsible materials and working closely with suppliers to encourage responsible sourcing practices.

Social responsibility and inclusion

Our people and communities are central to the success of Flame Tree Group. We remain committed to fostering an inclusive workplace where employees are respected, supported, and given opportunities to grow. Promoting diversity and gender inclusion remains an important focus, alongside efforts to provide equal opportunities across our workforce.

We also invest in continuous learning and professional development to ensure that employees are equipped with the skills needed to succeed in an evolving business environment. Training programs cover a wide range of areas, including technical competencies, safety practices, leadership development, and digital capabilities.

Protecting the health, safety, and wellbeing of our employees remains a priority. Our occupational health and safety frameworks are designed to ensure safe working environments through regular training, monitoring, and continuous improvement.

Beyond our internal operations, we aim to create positive social impact through targeted community initiatives. Our programs focus on areas such as education support, environmental conservation, community welfare, and improving access to clean water.

Governance for sustainable growth

Strong governance practices are essential to maintaining accountability, transparency, and sustainable business performance. Flame Tree Group is committed to maintaining high ethical standards across all its operations. Our Code of Conduct and anti-bribery policies reinforce our zero-tolerance approach to corruption and unethical behaviour, while established whistleblowing mechanisms provide channels for reporting concerns.

ESG considerations are increasingly integrated into leadership oversight and strategic planning, ensuring that sustainability priorities inform key business decisions. At the same time, we maintain robust risk management and compliance systems to ensure adherence to regulatory requirements and corporate governance standards. Through these governance practices, we aim to strengthen stakeholder confidence while supporting the long-term sustainability of our business.

Stakeholder Engagement

Stakeholder engagement is central to our sustainability strategy and long-term success. Through ongoing engagement with key stakeholders, we strengthen relationships, support informed decision-making, and drive sustainable value creation.

Aligned with ESG principles and international best practices, stakeholder insights continue to shape our sustainability priorities, risk management, and long-term strategic direction.

Stakeholder group	Key interests	Value creation	Engagement platforms
Employees	<ul style="list-style-type: none"> - Inclusive work environment - Career growth and development - Culture of innovation 	<ul style="list-style-type: none"> - High-performance workplace culture - Competitive compensation and performance bonuses - Flexible work arrangements - Ongoing skills development and gender equity advancement 	<ul style="list-style-type: none"> - Annual training programmes - Senior management facility visits - Performance reviews and KPI assessments - Quarterly leadership forums
Customers	<ul style="list-style-type: none"> - High-quality, innovative products - Value for money - Brand trust and responsive service 	<ul style="list-style-type: none"> - Customer-centric product development - Ethical pricing and transparent communication - Sustainable solutions aligned with UN SDGs 	<ul style="list-style-type: none"> - Marketing campaigns (TV, digital, in-store) - Customer satisfaction surveys - Loyalty programmes - E-commerce platforms
Shareholders and investors	<ul style="list-style-type: none"> - ROI and ROE - Business growth and resilience - Transparent financial reporting 	<ul style="list-style-type: none"> - Prudent capital allocation - Robust ESG disclosures - Long-term business viability and shareholder trust 	<ul style="list-style-type: none"> - AGM - Investor briefings and roadshows - Financial reporting
Regulators and government	<ul style="list-style-type: none"> - Regulatory compliance - Tax contributions - Ethical governance 	<ul style="list-style-type: none"> - Full compliance with all applicable laws - Employment creation and corporate tax contribution - Transparent governance frameworks 	<ul style="list-style-type: none"> - Annual audits - Regulatory compliance reports - Timely tax and regulatory submissions
Communities	<ul style="list-style-type: none"> - Positive social and environmental impact - Community investment - Sustainable operations 	<ul style="list-style-type: none"> - Impact-driven CSI programmes - SDG-aligned business practices - Local employment and supply chain inclusion 	<ul style="list-style-type: none"> - CSI programmes - Employee volunteering - Partnerships with NGOs and local governments

Our ESG risk areas and opportunities

We recognise that sustainability is not only good for business, but it is integral to how we manufacture and distribute our products. This understanding informs our engineering, operational, health and safety management processes, and our approach to ESG risk management and opportunity identification.

ESG dimension	Key risks	Opportunities and strategic actions
Environmental	<ul style="list-style-type: none"> - Transition to green energy and increasing regulatory pressure on emissions - Stricter laws on waste, pollution, and resource use - Carbon emissions contributing to climate change - Biodiversity loss and land degradation 	<ul style="list-style-type: none"> - Renewable energy investments: expanding solar power capacity - Energy efficiency: installing power factor correction equipment - Circular economy: expanding recycling machinery and capability - Sustainable procurement: using recycled materials in production
Social	<ul style="list-style-type: none"> - Shifting consumer preference toward ethical products - Data security and privacy risks - Employee well-being, fair wages, and diversity concerns - Occupational health and safety hazards 	<ul style="list-style-type: none"> - Strategic community investments in education, water, and conservation - Customer-centric sustainable product innovation - Comprehensive employee upskilling programmes - Strengthened zero-accident workplace safety policies - Enhanced cybersecurity and data governance frameworks
Governance	<ul style="list-style-type: none"> - Regulatory non-compliance risks across multiple jurisdictions - Shareholder transparency and risk oversight challenges - Exposure to corruption and bribery risks 	<ul style="list-style-type: none"> - ESG integration in board and management decisions - Enhanced risk management frameworks and governance audits - Strict anti-corruption policies, whistleblowing mechanisms, and antibribery training - Transparent investor relations and improved corporate disclosures

In FY 2025, we continued building on the 36,482.887 cubic metres of water recycled, with targets to increase recycling volumes and expand rainwater harvesting coverage to additional operational sites.

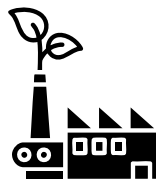


Innovation and sustainable industrial growth – SDG 9

We are committed to sustainable industrialisation that fosters innovation and resource efficiency while supporting job creation and economic development.

Our efforts in FY2025 included continued investment in:

- Advanced recycling technologies
- Eco-friendly product design
- Local supply chain strengthening to reduce transportation-related emissions



By embedding environmental education across our workforce and investing in process optimisation, we are positioning FTG as a leader in sustainable industrialisation driving long-term economic and environmental resilience across the African markets we serve.



Commitment to decent work and economic growth – SDG 8

FTG is committed to promoting sustainable economic growth, productive employment, and decent work for all.

We focus on:

- Inclusive growth
- Skills development
- Innovation and productivity
- Equal opportunity and economic resilience



Training and development

- Health & safety training (first aid, fire marshal certification)
- Technical training (3D modelling, equipment maintenance, production optimisation)
- Financial literacy & digital skills
- Leadership coaching and Kaizen methodologies
- Communication and personality development



Employee wellbeing, health and safety

- Fair compensation and performance bonuses
- Employee pension and shareholding programmes
- Incentive and retention programmes
- Strong occupational health & safety systems
- Continuous audits and risk assessments
- Rigorous product health and safety standards



Diversity, inclusion and opportunity

- Equal opportunity employer
- Gender inclusivity
- Respectful, inclusive workplace culture

Community investment and social impact

FTG remains committed to supporting communities in which it operates through targeted social initiatives that address local needs and contribute to broader global development priorities.



Partnering for lasting impact



Addressing real community needs



Building stronger, healthier communities



Advancing the SDGs together

6 CLEAN WATER AND SANITATION



Access to clean water and sanitation – SDG 6

FTG donated water tanks, across Kenya to:

- Gacereni Primary School, Tharaka Nithi
- Bondeni Primary School, Kayole, Nairobi
- Missionaries of Charity, Kasarani Ngumba Estate

Tank capacities ranged from 4,000L to 16,000L, helping improve safe water access and sanitation conditions.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Responsible waste management and environmental awareness – SDG 12

Koibarak Primary School in Eldoret received waste bins to support:

- Proper waste segregation
- Environmental awareness
- Responsible disposal habits among students and staff

4 QUALITY EDUCATION



Supporting education and early childhood development – SDG 4

Polyplay donated:

- Eight kindergarten stackable beds
- One Queen Boma Blocks educational play set

to the Kenya Police Ruaraka Station to support early childhood learning and wellbeing.

3 GOOD HEALTH AND WELL-BEING



Supporting education and early childhood development – SDG 4

PFTG supported:

- Renovation of a community temple in Embu
- A charitable hike with the Kenya Society for the Blind

The hike helped raise awareness and funds to support visually impaired children.



Employee Development

At Flame Tree Group, we believe our growth is only as strong as the people driving it. In 2025, we continued to invest intentionally in building a skilled, disciplined, and empowered workforce across all levels of the organization.

Through targeted trainings in First Aid, workplace safety and accident handling procedures, warehouse and logistics excellence within the FMCG food industry, and discipline management, our teams were equipped with practical knowledge to operate safely, efficiently, and responsibly.

We also strengthened leadership and personal development through initiatives such as CEO Leadership in Action and an interactive session inspired by The Pursuit of Happiness, reinforcing resilience, accountability, and a growth mindset.

These moments reflect our commitment to continuous learning ensuring our people are not only prepared for today's demands, but are also growing into the leaders of tomorrow

Fire Safety & First Aid Training



Importance of Warehouse & Logistics in FMCG Food Industry



Discipline Management at the Workplace



Procedures for Handling Workplace Accidents



CEO Leadership Training



The Pursuit of Happiness



Culture & Moments that Matter

Beyond the workplace, we continue to nurture a vibrant and connected team culture. From our 2025 Christmas celebrations to the 2026 staff photo sessions, these moments capture the spirit, unity, and pride that define Flame Tree Group.



Community Engagements

2025 CSR Highlights – Flame Tree Group

At Flame Tree Group, community is about people their needs, their environments, and their everyday realities. Our CSR approach is rooted in showing up in ways that make a tangible difference. In 2025, we focused on access to water, community safety, and youth development. Through the Kenya FIFA Match CSR activation, we tapped into the unifying power of sport to create moments of connection and inspiration.

Across our markets, we delivered practical support where it matters most from water storage solutions and sports gear by Roto Moulders and Roto Tanks Rwanda, to Polyplay's contributions to early learning through Boma blocks, kindergarten beds, and mattresses. We also supported local security with durable, customisable plastic huts and introduced Roto Ball Rollers to make water access easier and more dignified. These efforts reflect our belief that real impact lies in thoughtful, practical solutions that help communities move forward.







The background of the entire page is a repeating pattern of stylized green leaves. The leaves are in various shades of green, from light to dark, and are arranged in a dense, overlapping manner. A solid green horizontal band is positioned in the middle of the page, containing the text.

BUSINESS OVERVIEW

Management Commentary

Flame Tree Group delivered a resilient performance in 2025 despite a challenging economic environment marked by inflationary pressures, evolving consumer spending patterns, and global supply chain disruptions. Growth was primarily driven by strong performances within the Water, Sanitation & Packaging division and the FMCG segment, reflecting continued demand for the Group's core infrastructure and consumer products across the region. These results demonstrate the strength of the Group's diversified portfolio, market presence, and ability to adapt to changing market dynamics.

Operational efficiency and disciplined cost management contributed to improved profitability during the year. Gross margins strengthened as the Group benefited from operational improvements, better product mix, and enhanced efficiencies across its manufacturing operations. While overheads increased during the year, this was largely due to strategic investments in marketing, brand activation, and market expansion initiatives aimed at strengthening long-term brand visibility and consumer engagement within the FMCG division. The Group also continued to strengthen its financial position through improved working capital management, driven by stronger collections, tighter inventory control, and optimized supplier management.

Sustainability and people development remained central to the Group's long-term strategy. During the year, the Group continued to invest in water recycling, plastic recycling, and circular economy initiatives, reinforcing its commitment to responsible manufacturing and environmental stewardship. At the same time, ongoing investment in employee training and skills development strengthened operational capabilities and supported a culture of continuous improvement. Through these initiatives, Flame Tree Group remains committed to building resilient businesses, creating long-term stakeholder value, and delivering sustainable growth across its operations.




2025 Performance Highlights

The Group delivered resilient performance in 2025, supported by steady revenue growth, improved profitability, and continued investment in core brands, infrastructure, and sustainability initiatives. As illustrated below, positive momentum across key financial indicators was driven by disciplined cost management, portfolio diversification, and sustained consumer demand.




TOTAL INCOME
recorded overall growth of
2%
in 2025 compared to 2024 on trade sales.

Strong performance was achieved in.




WATER, SANITATION & PACKAGING

+8%




FMCG SEGMENT

+5.1%




Reflecting continued demand for the Group's core consumer and infrastructure products.




EBITDA
increased to
KES384.5 MILLION


representing **18%** growth compared to the previous year, excluding the one-off insurance income recognized in 2024.




GROSS MARGINS
increased
3 p.p.
up to
38%




TOTAL OVERHEADS
increased by
5.5%
mainly driven by
12.6% increase in marketing expenses linked to strategic promotional campaigns and brand activation within the FMCG division.




INTEREST PAID
decreased by
-23%
to **KES 295.4 MILLION**




WORKING CAPITAL DAYS
reducing to
41 DAYS
driven by strong collections, improved inventory management, and extended supplier payment terms.




NET ASSETS
increased by
25%
up to
KES 1,523,913,493



WATER RECYCLED AND REUSED
48,578,887 LITRES

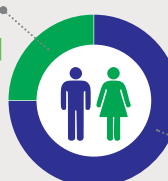


RECYCLED PLASTIC MATERIAL
1,353 TONNES




TOTAL NUMBER OF EMPLOYEES
1,126

25%
WOMEN



75%
MEN



AVERAGE HOURS OF TRAINING PER YEAR FOR EMPLOYEES
119 HOURS

Products Introduced in Y2025

Children Play & Development



New tunnel



Hanging bridge



Zigzag climber



Round swing



Kidney table

Oral Hygiene



Pureva mouthwash

Nutrition



Grill Buddy rubs

Packaging Solutions



60ml IBM bottle



100ml calamine bottle



100ml IBM bottle

Industrial Products



Silver can - multipurposed



Rubble chute



Aqua culture box

**Where you Drop
it is Where it Ends.....**



Water, Sanitation & Plastics – Outlook for 2026 and Beyond

As we look toward 2026 and beyond, water security and sanitation will remain central to Africa's development agenda. Rapid population growth, urban expansion, and increasing climate variability continue to place significant pressure on water infrastructure across East and Southern Africa. At the same time, ongoing geopolitical tensions, including the Iran conflict, are contributing to volatility in global energy and raw material markets. This has direct implications for the plastics industry, driving fluctuations in resin prices, increasing transportation costs, and creating supply chain uncertainties.

Despite these headwinds, governments, development agencies, and private sector players continue to accelerate investments in water storage, distribution systems, sanitation facilities, and climate-resilient infrastructure. These structural drivers are expected to sustain long-term demand for durable and cost-effective plastic-based solutions. Products such as rotationally moulded water tanks, HDPE piping systems, and sanitation units remain essential in bridging infrastructure gaps, given their durability, corrosion resistance, and adaptability across domestic, agricultural, commercial, and humanitarian applications.

Looking ahead, the industry is entering a phase where sustainability, recycling, and circular economy integration are no longer optional but fundamental expectations. For the Group, 2026 presents a clear opportunity to strengthen resilience, deepen regional presence, expand sustainable product offerings, and reinforce our role as a trusted provider of water and sanitation solutions that enhance lives while supporting environmental stewardship.



Ethiopia

Water and sanitation remain critical priorities in Ethiopia, particularly in regions affected by population growth, urbanization, and climate variability. Challenges in rural and conflict-affected areas, such as Oromia and Tigray, continue to strain access to safe water. Government initiatives and NGO partnerships are scaling up investments in water supply, sanitation infrastructure, and climate-resilient solutions. Roto Ethiopia is strategically positioned to meet these needs with durable water tanks, piping systems, and sanitation units, helping communities improve water management, hygiene, and resilience against environmental challenges.



Kenya

Roto Moulders

In Kenya, water demand is rising alongside urbanization and industrial growth, while climate variability creates unpredictable rainfall patterns. Roto plastic water storage solutions, sanitation units, and rainwater harvesting systems remain essential in households, schools, hospitals, and agricultural settings. By delivering innovative and reliable products, the Group is supporting Kenya's efforts to enhance access to safe water and improved sanitation, while promoting efficient use of water resources.



Jojo Plastics

At its core, Jojo Plastics' packaging division delivers a wide range of solutions for the food, cosmetics, pharmaceutical, and agrochemical sectors. Leveraging advanced molding and extrusion technologies, the company produces high-quality, reliable, and increasingly sustainable packaging that meets evolving industry standards.

In 2025, this segment recorded its fourth consecutive year of growth, supported by strategic investments in capacity, including the addition of seven PET machines and four injection machines, increasing its production capability annually.

Complementing this is the tanks business, which provides durable, food-grade polyethylene water storage solutions for domestic, commercial, and agricultural use. Together, these segments position Jojo Plastics as a market leader, delivering essential products while continuing to invest in innovation, efficiency, and long-term growth.

Capacity Expansion - 2025





Rwanda

Rwanda continues to prioritize access to clean water and improved sanitation through nationwide programs targeting urban and rural districts. The country's proactive investments in water infrastructure, supported by development partners, create steady demand for quality storage and sanitation solutions. The products ranging from water tanks to sanitation units enable communities to manage water sustainably, strengthen resilience against climate shocks, and improve public health outcomes.



Mozambique

Mozambique faces seasonal variations in rainfall and challenges in water distribution, particularly in rural and agricultural regions. Reliable water storage solutions are crucial for households, farms, and industries to ensure consistent access to water for domestic use, irrigation, and livestock. By providing durable, corrosion-resistant plastic tanks and sanitation units, Rino and Sol tanks contribute to both practical water management and environmental sustainability, helping communities adapt to climate variability.



2026: Our Strategic Horizon

■ Scalability & Resilience

Expanding production capacity and fortifying regional supply chains to meet the growing demands of the African market with operational excellence.



■ Sustainable Innovation

Leading the transition to a circular economy through recycled materials, eco-friendly manufacturing, and advanced rainwater harvesting technologies.



■ Social Responsibility

Strengthening community resilience by delivering essential water and sanitation solutions that improve hygiene and long-term health outcomes.



■ Purpose-Led Growth

Commitment to a future where innovation and social impact drive sustainable development, enhancing lives across every market we serve.



Polyplay – Playgrounds & School Furniture

The school furniture segment presents particularly strong growth potential. Increasing enrollment rates, infrastructure expansion in private and public schools, and a shift toward durable, low-maintenance materials have created rising demand for plastic and metal desks and chairs.

Polyplay's products offer a sustainable alternative to traditional wooden furniture, supporting environmental conservation while delivering longevity and cost efficiency. Market reception has been positive, with more schools transitioning to our modern, durable solutions.

In 2025, Polyplay delivered stable performance across its playground equipment and school furniture segments, maintaining



consistent demand despite a dynamic operating environment. The playground division continued to serve schools, residential developments, and institutions seeking safe, durable, and child-friendly recreational solutions.

Looking ahead to 2026, Polyplay will focus on expanding its institutional partnerships, strengthening distribution channels, and enhancing product innovation to meet evolving educational infrastructure needs. With stable performance and clear market opportunity, the division is well positioned for sustained growth in the coming years.



Beauty

As we move into 2026, the skincare market across East Africa continues to show resilience and steady growth, driven by rising consumer awareness, a youthful population, and increasing demand for affordable, high-quality personal care products. Consumers are becoming more informed about ingredients, product benefits, and value, creating opportunities for trusted regional brands to strengthen loyalty and expand market share.

Zoe

For Zoe, 2026 presents a clear opportunity to deepen brand penetration and build on the positive momentum generated through recent product improvements and rebranding initiatives. The focus will be on enhancing product formulations, strengthening distribution in both modern and general trade, and improving visibility at point of sale.

Increased emphasis will also be placed on digital engagement and targeted promotional campaigns to connect more effectively with younger consumers. At the same time, operational efficiency and reliable supply will remain key priorities to ensure consistent availability across markets. By maintaining competitive pricing, investing in brand building, and responding quickly to evolving consumer preferences, our brands are well positioned to consolidate their presence and drive sustainable growth in 2026 and beyond.

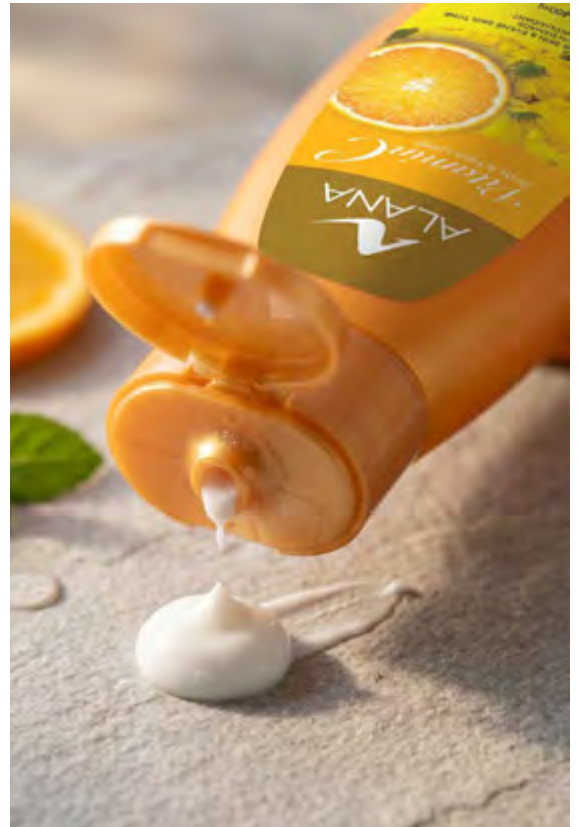


Alana

Alana Vitamin C Skincare represents our strategic expansion into the growing segment of antioxidant-rich skincare products. With increasing consumer awareness around skin health, protection against environmental stressors, and the benefits of natural active ingredients, the demand for Vitamin C-based formulations is rising across East Africa.

Since its launch, Alana has been well received, with consumers responding positively to its promise of brightened, hydrated, and healthy-looking skin. Its formulation, combining the antioxidant benefits of Vitamin C with nourishing natural extracts, positions the brand as both effective and gentle for daily use.

Looking ahead to 2026, our focus will be on broadening availability across modern trade, general trade, and e-commerce channels, expanding the product line to include complementary skincare items, and reinforcing consumer education about the benefits of Vitamin C in skincare routines. Alana is poised to establish itself as a trusted, high-quality skincare brand, catering to the growing demand for health-conscious, results-driven beauty solutions in the region.



Wills Antiseptic & Loosafe

The Wills Antiseptic brand was successfully relaunched in 2025, delivering a strong turnaround in performance, with sales growing significantly by end 2025. This growth was driven by focused execution, including enhanced shelf management through detailed merchandising, in-store display competitions, reactivation of previously blocked SKUs, and expanded listings across new retail outlets.

Following market research, the brand was further strengthened through the introduction of the Wills scented range, aimed at broadening consumer appeal and driving usage. New variants include Wills Lavender Burst and Wills Lime Zest, available in multiple pack sizes (50ml, 100ml, 250ml, 500ml, and 1L), supporting increased market penetration and brand growth.

Similarly, the Loosafe brand has been actively rolled out across both modern trade outlets such as Carrefour and Quickmart, and general trade channels including Powerstar, Maguna's, and Muindi Mweusi. The activation strategy has delivered strong traction, achieving consistent month-on-month growth. The campaign will be sustained to further build brand awareness and scale penetration, with plans underway to expand listings into additional modern trade outlets to accelerate growth momentum.

Wills Antiseptic

- Strong 2025 turnaround driven by retail execution
- New scented variants expanding appeal and usage



Loosafe Toilet Cleaner

- Rapid expansion across modern and general trade
- Consistent growth with ongoing scale-up plans





I don't just store water...
I safeguard life in the
toughest conditions.

"Now that's
real reliability."



Nutrition

In 2025, the snacks and spices segments in Kenya operated within a challenging economic and political environment marked by high living costs, constrained consumer spending, currency pressures, and periodic political unrest that disrupted trade and consumer activity in certain parts of the country. Despite these headwinds, the sector demonstrated resilience, supported by strong demand for affordable, convenient, and locally relevant food products.

The snacks category remained stable, with potato crisps and ethnic snacks continuing to perform well across supermarkets, convenience outlets, petrol stations, and informal retail channels. Consumers increasingly shifted toward value-driven purchases, favoring affordable snack options and familiar local flavors such as potato sticks and chevda. Raw material shortages, particularly in potatoes, together with higher logistics and packaging costs, created supply pressures during parts of the year. However, continued investment in distribution, merchandising, and product availability helped sustain market presence and consumer loyalty.

The spices segment continued to record positive momentum as more consumers embraced home cooking and sought convenient seasoning solutions amid tighter household budgets. Demand remained strong for blended seasonings, traditional spice mixes, and wellness-oriented products containing ingredients such as garlic, ginger, turmeric, and chili. New globally inspired flavors such as Peri-Peri, Italian, and Mexican seasonings gained encouraging market acceptance, reflecting changing consumer tastes and increasing culinary experimentation among urban households.

Looking ahead, the long-term outlook for the nutrition segment remains positive. Population growth, urbanization, expanding retail networks, and increasing preference for convenient and affordable meal solutions are expected to continue driving demand. Businesses that remain agile, maintain strong distribution, and continue innovating around affordability, flavor, and quality will be best positioned to capitalize on future growth opportunities in the region.





FLAVOUR THAT BRINGS US TOGETHER



**BOLD
FLAVOUR**



**PERFECT ON
MEAT**



**MADE WITH
QUALITY INGREDIENTS**



NATURE'S
OWN

**Grill
Buddy**

Nyama Choma Rub



FY2025 Financial Performance Report



Group Information

COUNTRY OF INCORPORATION AND DOMICILE	MAURITIUS
DIRECTORS	<p>Heril Bangera Late Frank Ileri (Deceased on 26 October 2025) George Theobald Bishwarnath Bachun Deven Auracootee(resigned on 06th June 2025) Joanna Choo Fon (appointed on 06th June 2025)</p>
REGISTERED OFFICE	<p>From 7 October 2025 United Docks Business Park 6th Floor, The Docks 4 Caudan, Port Louis Republic of Mauritius</p>
PRINCIPAL BANKERS	<p>SBM Bank Mauritius Limited Port Louis</p> <p>SBM Bank Kenya Limited Nairobi</p> <p>Diamond Trust Bank Kenya Limited Nairobi</p> <p>Equity Bank Kenya Limited Nairobi</p>
INDEPENDENT AUDITORS	<p>Crowe ATA 2nd Floor, Ebene Esplanade 24 Bank Street, Cybercity, Ebene 72201, Republic of Mauritius.</p>
COMPANY SECRETARY	<p>St Lawrence Management Limited United Docks Business Park 6th Floor, The Docks 4 Caudan, Port Louis Republic of Mauritius</p>

FTG Holdings Ltd Consolidated and Separate Financial Statements For the Year Ended 31 December 2025

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Directors' Report

The Directors are pleased to present their report on the business of FTG Holdings Ltd (the "Company") along with the consolidated and separate financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2025.

Principal activities and operations

The Company is an investment holding entity, with operations conducted through its subsidiaries across East and Southern Africa and the Middle East.

The Group's activities are organized into four core business segments:

Water, Sanitation & Packaging

This is the Group's core manufacturing division, focused on the production and distribution of water storage, sanitation and plastic infrastructure products. The portfolio includes water tanks, HDPE pipes, septic tanks, mobile sanitation units, dustbins, buckets and other industrial and household plastic products, as well as packaging solutions.

The division serves a broad range of residential, commercial and institutional customers, supporting water security, sanitation and infrastructure development across the region.

FMCG (Fast-Moving Consumer Goods)

The Group operates a diversified FMCG portfolio comprising:

Cosmetics, beauty and personal care products, including skin care, hair care and colour cosmetics

Household cleaning products and Food products

Food products, including snacks and spices

These products are distributed through extensive retail networks across urban and rural markets, supported by strong brand recognition and targeted marketing initiatives.

School Furniture and Play Solutions

The Group manufactures and supplies plastic school furniture and playground equipment, serving educational institutions, hospitality venues and residential developments.

This division supports the growing demand for durable, safe and cost-effective solutions for schools, day-care centres and recreational facilities across the region.

Trading Division

The Group also operates a trading division focused on the import and export of raw materials and commodities, particularly polymers and petroleum-based products. This division plays a strategic role in securing raw material supply for manufacturing operations, while also generating additional revenue through third-party trading activities.

Key Performance Indicators without insurance revenue in 2024

	2025	2024	Change
1 EBITDA	384,500,000	324,500,000*	18%
2 Net Profit/(Loss)	(15,900,000)	(91,700,000)*	Improved
3 Sales Growth	2%	-6%*	Positive
4 Gross Margin	38%	35%	+3pp
5 Net Assets	1,530,000,000	1,220,000,000	25%
6 Interest Expense	295,400,000	382,400,000	-23%
7 Net Debt/EBITDA	4.6x	2.8x	Normalized

(*Excluding one off insurance income in 2025)

Directors' report

Principal risks and uncertainties

Macroeconomic Environment

Kenya

Kenya's macroeconomic environment in 2025 showed gradual stabilization, supported by continued fiscal and monetary discipline, although growth remained moderate. Inflation remained within the Central Bank of Kenya target range, averaging approximately 4.5%–5.5% during the year, supported by improved food supply and relative currency stability. The Kenyan Shilling remained stable following its recovery in 2024, benefiting from improved foreign exchange inflows, including diaspora remittances and tourism.

International reserves remained above the statutory 4-month import cover, providing confidence in the country's external position. However, monetary policy remained relatively tight for most of the year, with only a gradual easing towards the end of 2025 as inflationary pressures moderated.

Despite these improvements, economic growth remained constrained by high interest rates, reduced public spending under fiscal consolidation, and subdued private sector credit growth, reflecting cautious lending by financial institutions and continued crowding out by government borrowing.

Rwanda

Rwanda's economy remained resilient in 2025, supported by continued policy discipline and investment in infrastructure and services. Inflation moderated, although it remained relatively elevated, while the currency experienced gradual depreciation. Monetary policy remained tight, and private sector credit growth was moderate due to cautious lending conditions.

Ethiopia

Ethiopia's macroeconomic environment continued to reflect ongoing reforms and adjustment measures. Inflation remained elevated but showed signs of moderation, while foreign exchange constraints persisted, impacting business operations. Economic activity recovered gradually, supported by agriculture and services, although investment remained constrained.

Mozambique

Mozambique's economy showed gradual improvement in 2025, supported by extractive sector activity and relative macroeconomic stability. Inflation remained contained and the currency broadly stable. However, growth in non-extractive sectors remained subdued due to limited credit availability and weaker domestic demand.

Financial Performance and Operating Review

Total income recorded overall growth of 2% in 2025 compared to 2024 on trade sales. Strong performance was achieved in the Water, Sanitation & Packaging division (+8%) and the FMCG segment (+5.1%), reflecting continued demand for the Group's core consumer and infrastructure products. However, this growth was partially offset by a significant decline in the Trading division (-39%), mainly driven by lower international prices of raw materials and the loss of exports, which negatively impacted trading volumes.

Gross margins increased 3 p.p. up to 38%, demonstrating the Group's ability to maintain pricing discipline and operational efficiency despite ongoing cost pressures.

Operating Expenses

Total overheads increased by 5.5% during the year, reflecting targeted investments to support revenue growth, particularly in the FMCG segment. The Group achieved notable efficiencies in operational costs, with factory expenses reducing by 7.3% and logistics costs decreasing by 2.3%, following the consolidation and optimization of transport resources across Group companies. These initiatives reflect ongoing efforts to enhance cost efficiency and operational coordination. However, these savings were partially offset by a 12.6% increase in marketing expenses, driven primarily by strategic promotional campaigns and brand activation initiatives within the FMCG division, aimed at supporting sales growth and strengthening market presence. Overall, the increase in overheads reflects a balanced approach between cost discipline and targeted commercial investment to drive sustainable growth.

Interest paid decreased by 23% to KES 295.4 million, despite the continued high interest rate environment, with borrowing costs averaging approximately 19.6% during the year. This reduction reflects the Group's ongoing efforts to optimize its debt structure and reduce overall borrowings.

Directors' report

Principal risks and uncertainties

Macroeconomic Environment

EBITDA increased to KES 384.5 million, representing 18% growth compared to the previous year, excluding the one-off insurance income recognized in 2024.

The Group recorded a net loss of KES 15.9 million, a significant improvement from the KES 91.7 million loss recorded in 2024 (excluding insurance income), reflecting stronger operational performance and improved cost control.

Leverage indicators showed mixed movement during the year. Net Debt to EBITDA increased to 4.6x in 2025, compared to 2.8x in 2024, primarily due to the normalization of earnings following the prior year's insurance impact and continued reliance on debt to support working capital. Nevertheless, the ratio remains significantly improved compared to 2022 levels (15.9x), demonstrating progress in strengthening the Group's financial position.

Working capital management improved significantly, with working capital days reducing to 51 days, driven by stronger collections, improved inventory management, and extended supplier payment terms. This reflects enhanced operational discipline and tighter liquidity management across the Group.

Outlook for 2026

The outlook for 2026 is cautiously optimistic, supported by improving domestic macroeconomic stability, but tempered by significant global uncertainty arising from the ongoing Iran conflict.

The conflict has introduced heightened volatility in global energy and commodity markets, resulting in rising oil prices, supply chain disruptions, and increased input and freight costs. As an oil-importing economy, Kenya remains particularly exposed to these external shocks, which may translate into renewed inflationary pressures and constrained monetary easing.

For the Group, the impact is particularly relevant given its reliance on petrochemical-based raw materials, where pricing and availability have become increasingly volatile.

In response, the Group has taken proactive and decisive measures to safeguard its operations and financial position, including:

- Restructuring its debt profile to improve cash flow and align repayments with operational capacity
- Increasing working capital facilities to secure raw material supply and support operations
- Implementing selective price increases, in line with market conditions and industry practices
- Executing cost-saving initiatives to preserve margins and protect liquidity

While these measures position the Group to navigate the current environment, there remains uncertainty regarding the duration and full economic impact of the conflict, particularly in relation to energy prices, global inflation, and supply chain stability.

Looking ahead, the expected gradual easing of interest rates, combined with continued improvements in working capital management, is anticipated to support recovery and growth.

The Group will continue to focus on:

- Reducing debt and finance costs
- Strengthening liquidity and cash flow resilience
- Expanding core business segments, particularly Water, Sanitation & Packaging and FMCG
- Driving innovation and product development

Despite the external challenges, management remains confident that the strategic actions undertaken will enable the Group to mitigate risks, stabilize performance, and progressively return to sustainable profitability and positive cash generation, delivering long-term value to shareholders.

Directors' report

Dividend

The Directors do not recommend the declaration of a dividend for the year (2024: Nil).

Legal status of the Kenyan Branch

The Kenyan branch is not an incorporated company so it does not have its own share capital or directors, as the activity is consolidated within FTG Holdings Ltd. Only for tax purposes, the branch is registered in Kenya.

Its activity is to support the Group in terms of management, technical and financial assistance. This is reflected as well in the Transfer Price Policy of the Group. It is considered to be a cost centre and does not generate any revenue or sales on its own.

Subsidiaries

The Company's investment in its subsidiaries as at 31 December 2025 is summarized in the table below:

	Incorporation	Holding	No. of shares	Value
Roto Moulders Limited	Kenya	100%	955,814	95,580,900
Flame Tree Africa Limited	Kenya	100%	138,749	158,502,683
Happy Golden Foods Limited	Kenya	100%	10,999,999	10,999,999
Rex Industries Limited	Kenya	100%	32,999	-
Jojo Plastics Limited	Kenya	100%	40,000	20,000,000
Chirag Africa Limited	Kenya	100%	97,299	48,650,000
Polyplay Limited	Kenya	100%	60,199	80,000,000
Roto Ltd	Rwanda	100%	99	612,612
Flame Tree Brands Ltd	Rwanda	100%	2,458	14,457,228
Build Mart Limited	Rwanda	100%	4,999	3,191,552
Rino Tanques LDA	Mozambique	100%	1	10,296,555
Flame Tree Mozambique LDA	Mozambique	100%	1	71,734
Roto Private Limited Company	Ethiopia	100%	493,198	130,019,804
Cirrus International FZC	UAE	100%	199	4,710,887
Total				577,093,954

Directors' report

Roto Moulders Limited (Kenya), Roto Limited and Roto Private Company Limited

Roto Moulders Limited (Kenya) was the first business established within the Group and remains a core pillar of its operations. The Roto brand has expanded regionally, operating in Rwanda through Roto Limited and in Ethiopia through Roto Private Company Limited.

The division offers a comprehensive range of high-quality water storage and sanitation solutions, including water tanks, HDPE pipes and related infrastructure products. In addition, it manufactures a wide variety of plastic products such as buckets, dustbins, traffic cones and pit latrines slabs, supporting both household and institutional needs across the region.

Flame Tree Africa Limited

Headquartered in Kenya, Flame Tree Africa Limited is a leading manufacturer of cosmetics and personal care products in East Africa.

The company produces a diverse portfolio across skin care, hair care, nail care and colour cosmetics, with well-established brands including Zoe, Cerro and Alana. These products are distributed widely across both urban and rural retail channels, ensuring strong market penetration.

Zoe, in particular, is a flagship brand with strong consumer recognition, supported by active marketing campaigns across television and digital platforms, and consistently ranks among the best-selling brands in several categories. The Group has further strengthened its beauty portfolio through the addition of Suzie Beauty, enhancing its presence in the premium segment.

Rex Industries Limited

Rex Industries Limited underwent a strategic transformation in 2021, resuming operations under its new name and expanding into plastic recycling. This initiative plays a key role in advancing the Group's ESG agenda by promoting circular economy principles, reducing environmental impact, and enhancing resource efficiency. It also strengthens the Group's integrated plastics and packaging strategy, creating operational synergies while supporting sustainable growth.

Jojo Plastics Limited

Jojo Plastics Limited, based in Nairobi and incorporated in 2009, is a key player in the Group's plastics and packaging division.

The company specializes in the production of water tanks, blow-moulded bottles, caps and closures, as well as packaging nets, with a strong positioning in the value segment of the water tank market. Jojo Plastics complements the Group's broader offering by providing cost-effective and scalable solutions to both consumer and industrial markets.

Chirag Africa Limited

Chirag Africa Limited, acquired by the Group in 2015, operates in the food and FMCG segment, manufacturing a range of spices, snacks and savoury products.

Its portfolio includes well-known brands such as Nature's Own, Chigs, Honeycomb and Gonuts, which have established a strong presence in the market. The business continues to contribute to the Group's diversification into fast-moving consumer goods with strong regional demand.

Polyplay Limited

Polyplay Limited, acquired in 2017, is a leading provider of plastic school furniture and playground equipment in East Africa. The company offers one of the most extensive ranges of indoor and outdoor play systems, as well as durable and ergonomic school furniture solutions. Polyplay serves a wide range of sectors including schools, day-care centres, hospitality venues, residential developments and recreational facilities, supporting both educational and commercial infrastructure across the region.

Directors' report

Build Mart Limited

Build Mart Limited is an industrial trading company based in Kigali, Rwanda, specializing in the supply of hardware and construction materials to the local market.

Its product range includes pipes, water tanks, gate valves, and a variety of plumbing and construction solutions, serving both commercial and infrastructure projects. The company benefits from a highly experienced management team with over 20 years of industry expertise, supporting its strong positioning in the Rwandan market.

In addition, Build Mart has recently expanded into the manufacturing of household plastic products, representing a fast-growing business line that supports the Group's broader plastics strategy and offers strong potential for future growth.

Rino Tanques Limitada

Rino Tanques Limitada was established in 2016 to support the Group's expansion into Mozambique and to meet growing regional demand for water storage and sanitation solutions.

The company currently operates two production facilities located in Tete and Maputo, enabling efficient service across key regions of the country. Following the closure of the Nampula plant, the business has optimized its operations while maintaining the ability to serve customers nationwide.

Rino continues to strengthen its market presence by offering high-quality, reliable products, supported by an efficient distribution network and improved cost structure.

Flame Tree Brands Limited

Based in Rwanda, Flame Tree Brands Limited is responsible for the importation and distribution of cosmetic products manufactured by Flame Tree Africa Limited in Kenya.

The company plays a key role in expanding the Group's regional footprint, ensuring the availability of its beauty and personal care brands in the Rwandan market.

Cirrus International FZC

Cirrus International FZC, based in the UAE, is the Group's trading arm for commodities and raw materials, with a focus on polymers and petroleum-based products.

The company operates as an importer, distributor and exporter, leveraging over 20 years of Group experience to support sourcing efficiencies and supply chain optimization. Cirrus plays a strategic role in securing competitive raw material supply for the Group's manufacturing operations while also participating in international trading activities.

The Company and its subsidiaries have same accounting year end i.e. 31 December.

Mr. Heril Bangera the Group CEO and major shareholder of the Company confirms that he does not have any beneficial indirect interests in the subsidiaries.

Overall Performance

Below tables show the Group overall performance for the year ended 31 December 2025:

	% Turnover total	%Gross profit total	% Operating Profit total
Activity			
Manufacturing	98%	98.8%	111%
Trade	2%	1.2%	3%
Holding	0%	0%	-14%

Directors' report

Overall Performance

Activity	% Turnover total	%Gross profit total	% Operating profit total
Region			
Africa	100%	100%	100%
Middle East	0%	0%	0%

Director fees

There was no payment due to any director as at 31 December 2025.

Contracts with subsidiaries

The Company did not have any contract of significance with its subsidiaries and shareholders at 31 December 2025.

Other matters

Mr. Heril Bangera, the Group's CEO and also the majority shareholder, directly and indirectly holds 84.01% of the shares of the Company as at the year end.

None of the senior officers of the Company holds any rights to subscribe in the equity instruments of the Company.

The operating results shown by the accounts for the year under review are not materially different from those of the published forecast made by the Company.

There have not been any amounts of interest capitalised by the Company and its subsidiaries during the year.

There are no unexpired service contracts during the year.

There have been no contracts of significance subsisting during or at the end of the accounting year in which a director of the Company is or was materially interested, either directly or indirectly.

There has been no contracts of significance between the Company or one of its subsidiary companies and a substantial shareholder.

There has been no contracts of significance for the provision of services to the Company and its subsidiaries by a substantial shareholder or any of its subsidiaries.

Directors' report

Stated capital and debts of subsidiaries, the parent and its branch

The below table shows the Company's and its subsidiaries debts as at 31 December 2025:

	Bank debt / loans Shs	< 1 year Shs	> 1 year < 2 years Shs	> 2 years < 3 years Shs	> 3 years Shs	Interco debts Shs
Subsidiary companies						
Roto Moulders Limited	1,217,658,470	697,420,415	156,071,416	42,500,682	321,665,956	1,274,236,532
Polyplay Limited	724,117	-	724,117	-	-	(25,587,368)
Jojo Plastics Limited	45,103,122	35,051,611	10,051,510	-	-	(502,628,766)
Happy Golden Foods Limited	35,923	-	35,923	-	-	3,328,907
Flame Tree Africa Limited	5,495,193	3,734,546	1,760,648	-	-	(277,277,856)
Chirag Africa Limited	8,019,916	8,019,916	-	-	-	(276,326,652)
Rex Industries Limited	-	-	-	-	-	11,123,226
Rino Tanques LDA	-	-	-	-	-	(175,015,827)
Flame Tree Mozambique LDA	-	-	-	-	-	(59,743,019)
Roto Private Limited Company	43,916,851	-	10,979,213	10,979,213	21,958,426	(41,661,914)
Build Mart Limited	-	-	-	-	-	(53,597,242)
Flame Tree Brands Limited	-	-	-	-	-	(173,562,884)
Roto Limited	2,922,843	2,922,843	-	-	-	(228,226,863)
Cirrus International FZC	-	-	-	-	-	1,306,966,352
The parent company and its branches						
Parent company:						
FTG Holdings Ltd - Mauritius	-	-	-	-	-	(465,165,669)
Branch:						
FTG Holdings Ltd - Kenya	22,159	-	-	-	-	-

Statement of Directors' responsibilities in respect of the consolidated and separate financial statements

The Companies Act 2001 requires the directors to prepare consolidated and separate financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Group and the Company. In preparing those consolidated and separate financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether IFRS Accounting Standards have been followed, subject to any material departures disclosed and explained in the consolidated and separate financial statements; and
- prepare the consolidated and separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the consolidated and separate financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the consolidated and separate financial statements have properly been prepared in accordance with IFRS Accounting Standards and comply with Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor

The auditors, Crowe ATA, have indicated their willingness to continue in office until the next Annual meeting.

By order of the Board



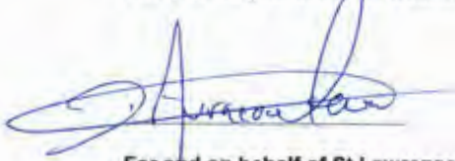
Director

8 May 2026

Secretary's Certificate

SECRETARY'S CERTIFICATE ISSUED UNDER SECTION 166 (d) OF THE COMPANIES ACT 2001

We, St Lawrence Management Limited, being the Company Secretary of FTG Holdings Ltd ("the Company"), hereby certify that the Company has filed with the Registrar all such returns as are required by the Company under the Companies Act 2001, for the year ended 31 December 2025.



**For and on behalf of St Lawrence Management Limited
Secretary**

8 May 2026

Independent Auditor's Report



Crowe ATA
2nd Floor, Ebene Esplanade
24, Bank Street, Cybercity
Ebene 72201, Mauritius
Main +230 467 8684
+230 466 2992
Fax +230 467 7478
www.crowe.com/mt

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF FTG Holdings Ltd

Report on the audit of the consolidated and separate financial statements

Qualified Opinion

We have audited the consolidated and separate financial statements of **FTG Holdings Ltd** (the "Company") which includes the financial statements of its subsidiaries together referred as the "Group" and as set out on pages 19 to 53, which comprise the consolidated and separate statements of financial position as at 31 December 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate financial statements.

In our opinion, except of the effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and of the Company as at 31 December 2025, and their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards and in compliance with the Mauritius Companies Act 2001.

Basis for Qualified Opinion

We draw attention to Note 1.3 "Critical Judgement" of the consolidated and separate financial statements. Provisions have been made for insurance claims amounting to Shs 292.7 million. Under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", a business interruption insurance claim should be accounted for as a potential reimbursement, not a provision, if it is virtually certain that the reimbursement will be received for the insured loss. With the matters still under negotiation and given that the nature, timing and the amount of both the provision and the expected reimbursement cannot be determined with certainty at the date of our report, we are unable to determine whether any adjustments to the provisions made for the insurance claims were necessary.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated and separate financial statements* section of our report. We are independent of the Group and Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Mauritius and we have fulfilled other ethical responsibilities in accordance with the code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

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Independent Auditor's Report



INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF FTG Holdings Ltd

Report on the audit of the consolidated and separate financial statements (Continued)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements. Key audit matters are selected from the matters communicated with the Board, but are not intended to represent all matters that were discussed with them. Our audit procedures relating to these matters were designed in the context of our audit of the consolidated and separate financial statements as a whole. Our opinion on the consolidated and separate financial statements is not modified with respect to any of the key audit matters described below, and we do not express an opinion on these individual matters.

(a) Valuation of property, plant and equipment - Group

The Group has property, plant and equipment with aggregate carrying values of Shs 1,755,937,501, representing 39% of the total assets of the Group as at 31 December 2025.

Management has used latest independent valuation reports in their assessment and believe no impairment provision is required as the fair valuation provides a better reflection of the carrying amounts in the current market.

How our audit addressed the Key Audit Matter

Our procedures in relation to management's impairment assessment of the property, plant and equipment included:

- Assessing the methodologies used management to estimate values in use;
- Checking on a sample basis the accuracy and relevance of the input data used by management to estimate values in use; and
- Assessing management's key assumptions including physical deterioration and functional obsolescence which used to estimate values in use of the plant and equipment and also the physical conditions of the properties and comparing the market value in the neighbourhood and comparing with the insurance value of the property.

Independent Auditor's Report



INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF FTG Holdings Ltd

Report on the audit of the consolidated and separate financial statements (Continued)

Key audit matters (Continued)

(b) Trade debtors' recoverability - Group

The Group has trade and other receivables amounting to Shs 1,365,085,886, representing 30% of the total assets of the Group as at 31 December 2025.

The recoverability of these trade and other receivables, and the level of provisions for expected credit losses (ECL) of these trade and other receivables, are considered to be a significant risk due to the pervasive nature of these balances to the consolidated and separate financial statements, and the importance of cash collection with reference to the working capital management of the Group.

Management regularly monitors the debt collection with the target average credit period for collection maintained at less than two months.

How our audit addressed the Key Audit Matter

Our procedures in relation to management's assessment of trade debtors' recoverability:

- Assessed the design and implementation of key controls around the monitoring of recoverability;
- Challenged management regarding the level and ageing of trade receivables, along with the consistency and appropriateness of receivables provisioning by assessing recoverability with reference to cash received in respect of debtors; and
- Considered the consistency of judgments regarding the recoverability of trade receivables made year on year to consider whether there is evidence of management bias through discussion with management on their rationale and obtaining evidence to support judgement areas.

Other information

The directors are responsible for the other information. The other information comprises the directors' report, statement of directors' responsibilities, the secretary's certificate which we obtained prior to the date of this auditors' report. Other information does not include the consolidated and separate financial statements and our auditors' report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Independent Auditor's Report



INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF FTG Holdings Ltd

Report on the audit of the consolidated and separate financial statements (Continued)

Other information (Continued)

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' 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.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated and separate financial statements.

Independent Auditor's Report



INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF FTG Holdings Ltd

Report on the audit of the consolidated and separate financial statements (Continued)

Auditors' responsibilities for the audit of the consolidated and separate financial statements (Continued)

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 consolidated and separate 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 and Company'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 and 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 auditors' report to the related disclosures in the consolidated and separate 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 auditors' report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Independent Auditor's Report



INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF FTG Holdings Ltd

Report on the audit of the consolidated and separate financial statements (Continued)

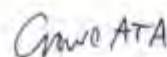
Report on other legal and regulatory requirements

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

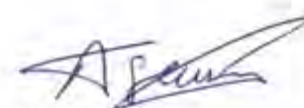
- We have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- We have obtained all the information and explanations that we required; and
- In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Use of this report

This report is made solely for the Company's shareholders, as a body in accordance with Section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to the shareholders in our auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinion we have formed.


Crowe ATA
Public Accountants

Date: 8 May 2026
Ebene, Mauritius


Aavinash Sewraz, ACA, CFA, ADIT.
Signing Partner
Licensed by FRC

Consolidated and separate statements of profit or loss and other comprehensive income

	Notes	Group		Company	
		2025 Shs	2024 Shs	2025 Shs	2024 Shs
Revenue	16	4,229,969,673	4,166,881,020	-	-
Cost of sales	17	(2,632,411,154)	(2,711,350,287)	-	-
Gross profit		1,597,558,519	1,455,530,733	-	-
Other operating income	18	1,051,607	293,595,719	-	11,303,232
Selling and distribution expenses	32	(505,336,817)	(463,118,358)	(230,950)	(142,423)
Administrative expenses	32	(627,902,744)	(584,504,668)	(37,372,403)	(43,518,430)
Other operating expenses	32	(231,982,751)	(231,413,709)	(160,586)	(338,535)
Operating profit/(loss)	19	233,387,814	470,089,717	(37,763,939)	(32,696,156)
Finance costs	21	(306,987,270)	(338,612,609)	(6,402,103)	(5,690,822)
(Loss) / Profit before taxation		(73,599,456)	131,477,108	(44,166,042)	(38,386,978)
Current tax	22	(10,069)	(3,670,981)	-	-
Deferred tax	22	57,695,641	74,066,942	-	-
(Loss) / Profit for the year		(15,913,884)	201,873,069	(44,166,042)	(38,386,978)
Other comprehensive income:					
Other comprehensive income that may be reclassified to profit or loss in subsequent periods: Exchange differences on translation of foreign operations		(18,858,420)	(303,606,645)	-	-
Transfer to legal reserve		-	659,183	-	-
Gain/(loss) on property revaluation		344,780,958	(13,808,135)	-	-
Other comprehensive income / (loss) for the year, net of tax		325,922,538	(316,755,597)	-	-
Total comprehensive income/loss for the year		310,008,654	(114,882,528)	(44,166,042)	(38,386,978)
Basic earnings per share:					
Earning per share – on (loss) / gain for the year	33	(0.09)	1.13	(0.25)	(0.22)
Earnings per share – on total comprehensive income / (loss) for the year	33	1.74	(0.65)	(0.25)	(0.22)


The accounting policies and notes on pages P24 to P53 form an integral part of the consolidated and separate financial statements.
 Report of the independent auditors' - pages P13 to P18.

Consolidated and separate statements of financial position

Assets	Notes	Group		Company	
		2025 Shs	2024 Shs	2025 Shs	2024 Shs
Non-current assets					
Property, plant and equipment	3	1,755,937,501	1,366,780,774	27,327	30,051
Right-of-use assets	4	150,038,169	80,844,175	-	-
Goodwill	5	71,851,809	71,851,809	-	-
Intangible assets	6	198,332,060	204,779,862	41,699,058	41,699,058
Investments in subsidiaries	10	-	-	577,093,954	577,093,954
Deferred tax	7	135,048,672	54,961,487	-	-
		2,311,208,211	1,779,218,107	618,820,339	618,823,063
Current assets					
Inventories	8	734,601,220	698,529,879	-	-
Trade and other receivables	9	1,365,085,886	1,185,673,163	273,560,164	323,946,125
Current tax recoverable		26,709,500	10,657,118	148,551	-
Cash and cash equivalents	11	57,908,712	54,106,442	594,449	46,747
		2,184,305,318	1,948,966,602	274,303,164	323,992,872
Total Assets		4,495,513,529	3,728,184,709	893,123,503	942,815,935
Equity and Liabilities					
Equity					
Share capital	12	146,894,092	146,894,092	146,894,092	146,894,092
Share premium	12	152,450,453	152,450,453	152,450,453	152,450,453
Legal reserve		4,962,351	4,962,351	-	-
Translation reserve		(423,721,957)	(404,863,536)	-	-
Revaluation reserves		1,164,336,037	819,555,079	-	-
Retained earnings/ (accumulated losses)		487,992,517	505,531,713	(224,567,859)	(180,401,817)
		1,532,913,493	1,224,530,152	74,776,686	118,942,728
Liabilities					
Non-current liabilities					
Borrowings	13	576,749,263	784,076,770	735,347,903	771,244,980
Lease liabilities	14	158,966,834	84,899,812	-	-
Trade and other payables	15	-	-	-	138,074
Deferred tax	7	-	-	-	-
		735,716,097	868,976,582	735,347,903	771,383,054
Current liabilities					
Trade and other payables	15	956,856,546	645,610,845	34,141,264	22,648,988
Borrowings	13	747,149,331	493,135,107	55,180	-
Commercial Papers	13	48,785,407	29,824,102	48,785,407	29,824,102
Lease liabilities	14	4,053,773	4,053,773	-	-
Bank overdrafts	11	470,038,882	462,054,148	17,063	17,063
		2,226,883,939	1,634,677,975	82,998,914	52,490,153
Total Liabilities		2,962,600,036	2,503,654,557	818,346,817	823,873,207
Total Equity and Liabilities		4,495,513,529	3,728,184,709	893,123,503	942,815,935

The consolidated and separate financial statements and the notes on pages P24 to P53, were approved by the Board of directors on 8th May 2026 and were signed on it behalf by:

Director 

Director 

The accounting policies and notes on pages P24 to P53 form an integral part of the consolidated and separate financial statements.
Report of the independent auditors' - pages P13 to P8.

Consolidated and separate statements of changes in equity

Group	Share capital Shs	Share premium Shs	Legal reserve Shs	Translation reserve Shs	Revaluation reserves Shs	Retained earnings Shs	Total equity Shs
As at 01 January 2024	146,894,092	152,450,453	4,303,168	(101,256,891)	805,746,945	302,286,855	1,310,424,622
Other comprehensive income	-	-	659,183	(303,606,645)	15,179,923	-	(287,767,539)
Transfer of realised revaluation reserve (Note 34)	-	-	-	-	(1,371,789)	1,371,789	-
Profit for the year	-	-	-	-	-	201,873,069	201,873,069
As at 31 December 2024	146,894,092	152,450,453	4,962,351	(404,863,536)	819,555,079	505,531,713	1,224,530,152
As at 01 January 2025	146,894,092	152,450,453	4,962,351	(404,863,536)	819,555,079	505,531,713	1,224,530,152
Other comprehensive income	-	-	-	(18,858,421)	345,515,779	-	326,657,358
Prior year adjustment	-	-	-	-	-	(2,360,133)	(2,360,133)
Transfer of realised revaluation reserve (Note 34)	-	-	-	-	(734,821)	734,821	-
Loss for the year	-	-	-	-	-	(15,913,884)	(15,913,884)
As at 31 December 2025	146,894,092	152,450,453	4,962,351	(423,721,957)	1,164,336,037	487,992,517	1,532,913,493

The accounting policies and notes on pages P24 to P53 form an integral part of the consolidated and separate financial statements.

Report of the independent auditors' - pages P13 to P18.

Statement of changes in equity

Company	Share capital Shs	Share premium Shs	Accumulated losses Shs	Total Shs
As at 01 January 2024	146,894,092	152,450,453	(142,014,839)	157,329,706
Loss for the year	-	-	(38,386,978)	(38,386,978)
As at 31 December 2024	146,894,092	152,450,453	(180,401,817)	118,942,728
As at 01 January 2025	146,894,092	152,450,453	(180,401,817)	118,942,728
Loss for the year	-	-	(44,166,042)	(44,166,042)
As at 31 December 2025	146,894,092	152,450,453	(224,567,859)	74,776,686

The accounting policies and notes on pages P24 to P53 form an integral part of the consolidated and Report of the independent auditors' - pages P13 to P18.

Consolidated and separate statements of cash flows

	Notes	Group		Company	
		2025 Shs	2024 Shs	2025 Shs	2024 Shs
Operating activities					
Cash generated from/(used in) operations	23	480,211,452	122,201,342	23,830,624	(6,618,840)
Finance costs		(306,987,270)	(338,612,609)	(6,402,103)	(5,690,822)
Tax paid	24	(16,062,451)	(3,448,091)	-	-
Net cash from/ (used in) operating activities		157,161,731	(219,859,358)	17,428,521	(12,309,662)
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(125,461,010)	(80,160,974)	(227)	-
Proceeds from sale of property, plant and equipment	3	-	23,511,036	-	-
Purchase of intangible assets	6	6,447,802	(17,014,492)	-	(5,345,999)
Net cash used in investing activities		(119,013,208)	(73,664,430)	(227)	(5,345,999)
Cash flows from financing activities					
Proceeds from/(repayment of) borrowings	13	46,686,717	75,645,553	(16,880,592)	8,492,204
Payments of principal portion of the lease liability	14	(114,943,810)	(57,720,186)	-	-
Net cash (used in)/from financing activities		(68,257,093)	17,925,367	(16,880,592)	8,492,204
Net movements in cash and cash equivalents		(30,108,570)	(275,598,421)	547,702	(9,163,457)
Cash and cash equivalents at the beginning of the year		(407,947,706)	(353,182,549)	29,684	9,193,141
Effects of foreign currency translations		25,926,106	220,833,264	-	-
Cash and cash equivalents at the end of the year	11	(412,130,170)	(407,947,706)	577,386	29,684

The accounting policies and notes on pages P24 to P53 form an integral part of the consolidated and Report of the independent auditors' - pages P13 to P18.

General information

FTG Holdings Ltd was incorporated on 18 January 2012 as a Global Business Company under the Companies Act 2001 and is governed by the Financial Services Act 2007.

The principal activity of the Company is that of an investment holding company. The principal activities of the Group are those of manufacturing of plastics and allied products, plastic water tanks, mobile toilets, septic tanks, PVC pipes, paints, fibre glasses, iron products, cosmetic products, synthetic hair, snacks, spice products, general trading and construction related activities.

1.0 Material accounting policy information

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

1.1 Basis of preparation

The consolidated and separate financial statements have been prepared under the historical cost convention as modified by revaluation of leasehold land and buildings, plant and equipment and inventories and are in accordance with IFRS Accounting Standards.

The consolidated and separate financial statements comprise the results of the following entities:

No.	Country	Name of company	% shares	Principal activities
1	Kenya	Roto Moulders Limited	100	Manufacture and trade of plastic products
2	Kenya	Flame Tree Africa Limited	100	Manufacture and trade of cosmetic products
3	Kenya	Happy Golden Foods Limited	100	Manufacture and trade of snacks
4	Kenya	Chirag Africa Limited	100	Manufacture and trade and snacks
5	Kenya	Rex Industries Limited	100	Trading in Jojo water tanks and other plastics
6	Kenya	Jojo Plastics Limited	100	Manufacture and trade of plastic products
7	Kenya	Polyplay Limited	100	Manufacturing plastics and allied products
8	Rwanda	Roto Limited	100	Manufacture and trade of plastic products
9	Rwanda	Flame Tree Brands Limited	100	Trading in cosmetics
10	Rwanda	Build Mart Limited	100	Trading in construction materials
11	Mozambique	Rino Tanques Limitada	100	Manufacture and trade of plastic products
12	Mozambique	Flame Tree Mozambique Lda	100	Manufacture and trade of cosmetic products
13	Ethiopia	Roto Private Limited Company	100	Manufacture and trade of plastic products
14	U.A.E.	Cirrus International FZC	100	Trading in commodities

All shares held by the promoter of the Group are on behalf of the Company.

1.2 Segmental reporting

Operating segments are reported based on the operating activity of the Group companies and in a manner consistent with the internal reporting expected to be provided to the Board of directors of the Group, who will be responsible for allocating resources, assessing performance of the operating segments and making strategic decisions.

1.3 Critical judgements in applying accounting policies

The preparation of the consolidated and separate financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

1.0 Material accounting policy information

1.3 Critical judgements in applying accounting policies

In the application of the accounting policies, the directors are required to make the judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The directors have made the following assumptions and judgements that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Insurance compensation income

During the year ended 31 December 2024, the Group recognized income amounting to Shs 292.7 million relating to pending material damage and business interruption (BI) insurance claims as detailed below:

	Total claim submitted Shs	Amount accrued	
		Shs	%
Subsidiary			
Flame Tree Africa Limited (i)	181,906,196	104,078,019	57%
Jojo Plastics Limited (i)	292,281,132	108,601,016	37%
Roto Moulders Limited (ii)	393,666,783	80,000,000	20%
Total	867,854,111	292,679,035	34%

The recognition was based on management’s assessment of:

- The existence of valid insurance policies covering the respective insured events;
- The occurrence of insured events (floods and fire) that triggered the claims;
- Submission of comprehensive claims with supporting financial and legal documentation;
- Partial settlement and acknowledgment of liability by the insurers for material damage portions;
- Professional evaluations and historical financial records supporting the estimated amounts; and
- Ongoing communications and formal engagements with the insurers and their appointed assessors.

While recognizing the uncertainties inherent in claim settlements, management believes that the amounts recognized are reasonable, prudently estimated, and that eventual recovery is highly probable.

While the Group acknowledges the auditors’ qualification regarding the timing and certainty of settlement, management remains confident that the amounts recognized are prudent and that the final recovery will not materially affect the Group’s financial position.

Management will continue to monitor the progress of the claims actively and will update stakeholders on any material developments in future reporting periods.

1.0 Material accounting policy information

1.3 Critical judgements in applying accounting policies

Measurement of expected credit losses (ECL)

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVTOCI is an area that requires the use of complex models and significant assumption about future economic conditions and credit behaviour. A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product or market and associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL

ECLs are measured as the probability-weighted present value of expected cash shortfalls over the remaining expected life of the financial instrument. The measurement of ECLs are based primarily on the product of the instrument's Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD). The ECL model applied for financial assets other than trade receivables and contains a three-stage approach that is based on the change in the credit quality of assets since initial recognition.

- **Stage 1** - If, at the reporting date, the credit risk of non-impaired financial instruments has not increased significantly since initial recognition, these financial instruments are classified in Stage 1, and a loss allowance that is measured, at each reporting date, at an amount equal to 12-month expected credit losses is recorded.
- **Stage 2** - When there is a significant increase in credit risk since initial recognition, these non-impaired financial instruments are migrated to Stage 2, and a loss allowance that is measured, at each reporting date, at an amount equal to lifetime expected credit losses is recorded. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the ECL model requires reverting to recognition of 12-month expected credit losses.
- **Stage 3** - When one or more events that have a detrimental impact on the estimated future cash flows of a financial asset have occurred, the financial asset is considered credit-impaired and is migrated to Stage 3, and an allowance equal to lifetime expected losses continues to be recorded or the financial asset is written off.

Assessment of significant increase in credit risk

The determination of a significant increase in credit risk takes into account many different factors including a comparison of a financial instruments credit risk or PD at the reporting date and the credit or PD at the date of initial recognition. IFRS 9 however includes rebuttable presumptions that contractual payments are overdue by more than 30 days will represent a significant increase in credit risks (Stage 2) and contractual payments that are more than 90 days overdue will represent credit impairments (Stage 3). The Group uses these guidelines in determining the staging of its assets unless there is persuasive evidence available to rebut these presumptions.

Impairment of trade and other receivables

The Group reviews its portfolio of trade and other receivables on an annual basis. In determining whether trade and other receivables are impaired, the management makes judgement as to whether there is any evidence indicating that there is a measurable decrease in the estimated future cash flows expected.

Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives and residual values of the items of property, plant and equipment and intangible assets on a regular basis. During the financial year, the directors determined that there were no significant changes in the useful lives and residual values.

1.0 Material accounting policy information

1.3 Critical judgements in applying accounting policies

Control of consolidated entities

The directors of FTG Holdings Ltd have assessed whether or not the Group had and has control over each of the entities whose financial statements have been consolidated. In making their judgement, the directors considered for each entity, the shareholders of each entity and the level of influence of the directors on the operating and financial policies of each of the entities whose financial statements have been consolidated. The directors have concluded that the Group has control over the entities whose financial statements have been consolidated.

Tax losses

The Group has recognised deferred tax assets on tax losses. In determining whether these tax losses will be utilised, the directors make judgement as to whether these will be utilised before they are forfeited. The forfeiture is dependent on the requirements of the respective laws of the countries where the entities that have incurred tax losses operate in.

Determination of functional and presentation currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. The books of accounts are maintained in Kenyan shillings ('Shs') which is also the currency of the primary economic environment in which the company operates (functional currency).

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate present value. The directors are satisfied that no provision for impairment for goodwill as at 31 December 2025, on the basis that Chirag Africa Limited and Flame Tree Africa Limited have been growing well on sales YoY and the directors are confident the FMCG business will keep growing and reporting profit in the coming years.

Impairment of intangibles

Intangibles assets, such as trademarks, are tested annually for impairment based on past and present performance and future business projections. Based on the projections made in assessing the performance of the subsidiary, the directors believe that the intangible assets will be able to generate future cash flows.

Impairment of investment in subsidiaries

The directors have made an impairment assessment on the various subsidiaries by comparing the net assets against the cost of investments. Although the cost of the investments are higher than the net assets of the subsidiaries, management is satisfied after carrying out an analysis of the current key performance indicators for each of the entities and of the next 5 years projections that no provision for impairment is required to be made.

1.4 Property, plant and equipment

Property, plant and equipment are tangible assets which the Group holds for its own use or for rental to others and which are expected to be used for more than one year. An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably.

1.0 Material accounting policy information

1.4 Property, plant and equipment

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. Day-to-day servicing costs are included in profit or loss in the year in which they are incurred.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

	Rate %
Building	2 - 5% (straight-line)
Plant and machinery	8.33%
Furniture and fixtures	12.50%
Motor vehicles	12.50%
Computer equipment	30%

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset. Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

Intangible assets

- **Computer software** - Computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives which are estimated to be 5 years.
- **Trademark** - Separately acquired trademarks are shown at historical cost and recognised at fair value at the acquisition date. Trademarks with indefinite useful life are subsequently assessed for any impairment losses.

1.0 Material accounting policy information

Intangible assets

- **Goodwill** - Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. This goodwill is included under intangible assets. Impairment tests are carried out on goodwill annually and the carrying amount in the statement of financial position is reduced by any impairment losses. Impairment losses on goodwill are not reversed.
- Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

1.6 Financial instruments

Financial instruments held by the Group are classified in accordance with the provisions of IFRS 9 Financial Instruments. Broadly, the classification possibilities, which are adopted by the group as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income. (This designation is not available to equity instruments which are held for trading or which are contingent consideration in a business combination).

Financial assets which are debt instruments:

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Mandatorily at fair value through profit or loss. (This classification automatically applies to all debt instruments which do not qualify as at amortised cost or at fair value through other comprehensive income); or
- Designated at fair value through profit or loss. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

Derivatives which are not part of a hedging relationship:

- Mandatorily at fair value through profit or loss.

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through profit or loss. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through profit or loss).

Note 29 Financial instruments and risk management presents the financial instruments held by the Group based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

1.0 Material accounting policy information

1.6 Financial instruments

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Group are presented below:

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (Note 9).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Group's business model is to collect the contractual cash flows on trade and other receivables.

Trade and other receivables denominated in foreign currencies

When trade and other receivables are denominated in a foreign currency, the carrying amount of the receivables are determined in the foreign currency. The carrying amount is then translated to the Shillings equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss in other operating profit/(losses) (Note 19).

Details of foreign currency risk exposure and the management thereof are provided in the trade and other receivables (Note 9).

Trade and other payables

Classification

Trade and other payables (Note 15), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand, deposits held at call with banks net of bank overdrafts.

1.7 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

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

A deferred tax asset is recognised for the carry forward of unused tax losses and unused STC credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused STC credits can be utilised.

1.0 Material accounting policy information

1.7 Tax

Deferred tax assets and liabilities

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.8 Right of use asset

The right-of-use asset is a lessee's right to use an asset over the life of a lease. The asset is calculated as the initial amount of the lease liability, plus any lease payments made to the lessor before the lease commencement date, plus any initial direct costs incurred, minus any lease incentives received.

1.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of all inventories comprises raw materials, direct labour, other direct costs and related production overheads attributable to bringing the inventory to its present location and condition (based on normal operating capacity). Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

1.10 Impairment of assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. Irrespective of whether there is any indication of impairment, the Group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss.

Any impairment loss of a revalued asset is treated as a revaluation decrease. An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

1.0 Material accounting policy information

1.10 Impairment of assets

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

1.11 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the group in which they are declared.

1.12 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.13 Revenue from contracts with customers

Revenue comprises the fair value of the consideration received or receivable for the sale of goods or performance of services, in the ordinary course of business and is stated net of direct sales tax (as applicable in the various jurisdictions the group's entities operate in), rebates and discounts.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and when the specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measured until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of each arrangement.

Sales of goods are recognised upon delivery of products and customer acceptance.

1.14 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset until such time as the asset is ready for its intended use. The amount of borrowing costs eligible for capitalisation is determined as follows:

- Actual borrowing costs on funds specifically borrowed for the purpose of obtaining a qualifying asset less any temporary investment of those borrowings.
- Weighted average of the borrowing costs applicable to the entity on funds generally borrowed for the purpose of obtaining a qualifying asset. The borrowing costs capitalised do not exceed the total borrowing costs incurred.

1.0 Material accounting policy information

1.14 Borrowing costs

The capitalisation of borrowing costs commences when:

- expenditures for the asset have occurred;
- borrowing costs have been incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation is suspended during extended periods in which active development is interrupted. Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

1.15 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Shillings, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

In circumstances where the Group receives or pays an amount in foreign currency in advance of a transaction, the transaction date for purposes of determining the exchange rate to use on initial recognition of the related asset, income or expense is the date on which the Group initially recognised the non-monetary item arising on payment or receipt of the advance consideration. If there are multiple payments or receipts in advance, Group determines a date of transaction for each payment or receipt of advance consideration.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Shillings by applying to the foreign currency amount the exchange rate between the Shillings and the foreign currency at the date of the cash flow.

2.0 New standards and interpretations

2.1 Adoption of new and revised IFRS Accounting Standards effective for the current year

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2025.

Their adoption has not had any material impact on the disclosure or on the amount reported on the consolidated and separate financial statements.

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these consolidated financial statements, the Group has not made an early adoption of the following new and revised IFRS Accounting Standards that have been issued but are not yet effective. The impact of adoption in future shall be assessed in years they shall be effective.

2.2 Adoption of new and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these consolidated and separate financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments
IFRS 18	Presentation and Disclosures in Financial Statements
IFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature - Dependent Electricity
Annual Improvements to IFRS Accounting Standards - Volume 11	IFRS 1, IFRS 7, IFRS 9 A IFRS 10 and IAS 7

The directors do not expect that the adoption of the Standards listed above will have a material impact on the consolidated and separate financial statements of the Group in future periods, except if indicated below.

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

These amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date.

Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments.

Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through OCI.

2.0 New standards and interpretations

2.2 Adoption of new and revised IFRS Accounting Standards in issue but not yet effective

Annual Improvements to IFRS Accounting Standards—Volume 11

These improvements address non-urgent (but necessary) minor amendments to five Standards, as described below:

- IFRS 1 – Paragraphs in IFRS 1 been amended to improve consistency with the requirements in IFRS 9 ‘Financial Instruments’, and to add cross-references to improve the understandability of IFRS 1 with regard to hedge accounting by a first-time adopter
- IFRS 7 – Paragraphs in IFRS 7 been amended to replace an obsolete reference of IFRS 7 with a reference to paragraphs of IFRS 13 ‘Fair Value Measurement’, and to replace the phrase ‘inputs that were not based on observable market data’ with ‘unobservable inputs’ to make the wording consistent with the wording in IFRS 13 with regard to gain or loss on derecognition; disclosure of deferred difference between fair value and transaction price; and introduction and credit risk disclosures
- IFRS 9 – Paragraphs in IFRS 9 been amended to add a cross-reference to IFRS 9 to clarify that when a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply and recognise any resulting gain or loss in profit or loss and also amended to replace ‘their transaction price (as defined in IFRS 15 ‘Revenue from Contracts with Customers’)’ with ‘the amount determined by applying IFRS 15’ due to an inconsistency between IFRS 9 and the requirements in IFRS 15.
- IFRS 10 – Paragraphs in IFRS 10 ‘Consolidated Financial Statements’ been amended to use less conclusive language and to clarify that the relationship is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de facto agent.
- IAS 7 – Paragraphs in IAS 7 been amended to replace the term ‘cost method’ with ‘at cost’.

Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity

These contracts are characterised by contractual features exposing an entity to variability in the underlying quantity of electricity, as the electricity is generated from sources dependent on uncontrollable natural conditions. This variability is typically associated with renewable energy sources, such as sun and wind power.

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some paragraphs from IAS 1 have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits an eligible subsidiary (defined as a subsidiary that does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards) to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.

3.0 Property, plant and equipment

	2025			2024		
	Cost or revaluation	Accumulated depreciation	Carrying Value	Cost or revaluation	Accumulated depreciation	Carrying Value
Land and buildings	451,451,254	(18,675,896)	432,775,358	436,904,789	(13,404,769)	423,500,020
Plant and machinery	1,631,652,961	(495,794,923)	1,135,858,038	1,208,975,403	(417,824,152)	791,151,251
Furniture, fixtures and equipment	82,018,389	(34,321,153)	47,697,236	44,214,304	(28,486,738)	15,727,566
Motor vehicles	260,782,780	(146,184,676)	114,598,104	254,248,911	(124,435,188)	129,813,723
Computers	21,558,330	(12,159,910)	9,398,420	14,827,400	(10,095,232)	4,732,168
Leasehold land	18,306,854	(3,063,414)	15,243,440	4,861,608	(3,005,562)	1,856,046
Asset held for sale	366,905		366,905			
Total	2,466,137,473	(710,199,972)	1,755,937,501	1,964,032,415	(597,251,641)	1,366,780,774

Reconciliation of property, plant and equipment - Group - 2025

	Carrying amount at start of the year	Additions	Disposals	Revaluations	Depreciation charge	Translation difference	Carrying amount at end of the year
Land and buildings	410,054,774	497,408	-	59,153,047	(5,271,127)	(31,658,744)	432,775,358
Plant and machinery	791,151,251	107,750,590	(17,198,532)	361,061,128	(77,970,771)	(28,935,628)	1,135,858,038
Furniture, fixtures and equipment	15,727,566	5,478,777	-	-	(5,834,415)	32,325,308	47,697,236
Motor vehicles	129,813,723	9,161,503	-	367,877	(21,749,488)	(2,995,511)	114,598,104
Computers	4,732,168	2,205,827	-	-	(2,064,678)	4,525,103	9,398,420
Leasehold land	15,301,292		-	-	(57,852)	-	15,243,440
Asset held for sale	-	366,905	-	-	-	-	366,905
	1,366,780,774	125,461,010	(17,198,532)	420,582,052	(112,948,331)	(26,739,472)	1,755,937,501

3.0 Property, plant and equipment

Reconciliation of Property, Plant and Equipment - Group - 2024

	Carrying amount at start of the year	Additions	Disposals	Revaluations	Translation on cost	Depreciation charge	Translation on accumulated depreciation	Carrying amount at end of the year
Land and buildings	725,813,402	903,755	-	-	(310,392,663)	(8,539,160)	15,714,686	423,500,020
Plant and machinery	829,382,572	69,661,687	(35,809,912)	-	(32,167,226)	(67,682,750)	27,766,880	791,151,251
Furniture, fixtures and equipment	-							
	17,120,198	1,559,772	(313,954)	15,179,923	(16,657,613)	(5,181,903)	4,021,142	15,727,566
Motor vehicles	151,994,613	6,902,287	(1,330,990)	-	(14,023,886)	(21,766,813)	8,038,512	129,813,723
Computers	4,940,430	1,133,473	-	-	(598,435)	(2,723,433)	1,980,133	4,732,168
Leasehold land	1,913,898	-	-	-	-	(57,852)	-	1,856,046
	1,731,165,113	80,160,974	(37,454,856)	15,179,923	(373,839,822)	(105,951,911)	57,521,353	1,366,780,774

4.0 Property, plant and equipment (Company)

	Carrying amount at start of the year	Additions	Disposals	Adjustment	Impairment	Depreciation	Carrying amount at end of the year
Office equipment	30,051	227	-	-	-	(2,951)	27,327

Right-of-use assets - Group	Land and Buildings Shs	Plant and machinery Shs	Total Shs
Cost			
At start of year	163,961,711	45,978,209	209,939,920
Additions	86,425,492	14,733,526	101,159,018
At end of year	265,235,548	45,863,390	311,098,938
Depreciation			
At start of year	97,223,968	31,871,777	129,095,745
Charge for the year	28,039,660	3,925,364	31,965,024
At end of year	125,263,628	35,797,141	161,060,769
Carrying amount as at 31 December 2025	125,123,575	24,914,594	150,038,169
Cost			
At start of year	107,144,255	42,052,943	149,197,198
Additions	56,817,456	3,925,266	60,742,722
At end of year	163,961,711	45,978,209	209,939,920
Depreciation			
At start of year	68,021,034	24,021,049	92,042,083
Charge for the year	29,202,934	7,850,728	37,053,662
At end of year	97,223,968	31,871,777	129,095,745
Carrying amount as at 31 December 2024	66,737,743	14,106,432	80,844,175

5.0 Goodwill

Reconciliation of goodwill - Group	2025 Shs	2024 Shs
Goodwill	71,851,809	71,851,809

Polyplay Limited

When testing for impairment, the recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five year period. Cash flows beyond the five year period are extrapolated using 6% as an estimated growth rate. The growth rate does not exceed the long term average past growth of the various subsidiaries in the Group.

A discount rate of 6% was applied in discounting the cash flows mentioned above. The assumptions used in preparing the above cash flows are as follows:

- Management determine budgeted profit based on past performance and its expectations for market development.
- The weighted average growth rates used are consistent with the forecasts included in industry reports (where available). The discount rates used are post-tax and reflect specific risks relating to the relevant segments.

6.0 Intangible assets - Group

	2025					2024		
	Cost / Valuation	Additions	Disposal	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Trademarks	83,350,000	-	-	-	83,350,000	83,350,000	-	83,350,000
Software	108,101,605	15,450,372	(2,000)	(8,567,918)	114,982,060	108,101,605	(1,434,468)	106,667,137
Work in progress	14,762,725	-	(14,762,725)	-	-	14,762,725	-	14,762,725
	206,214,330	15,450,372	(14,764,725)	(8,567,918)	198,332,060	206,214,330	(1,434,468)	204,779,862

Intangible assets - Company

	2025			2024		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Software	42,175,914	(476,856)	41,699,058	42,175,914	(476,856)	41,699,058
	42,175,914	(476,856)	41,699,058	42,175,914	(476,856)	41,699,058

Reconciliation of intangible assets - Group - 2025

	Opening balance Shs	Additions Shs	Reclassification Shs	Amortisation Shs	Total Shs
Trademarks	83,350,000	-	-	-	83,350,000
Software	106,667,137	15,450,372	(2,000)	(7,133,450)	114,982,060
Work in progress	14,762,725	-	(14,762,725)	-	-
	204,779,862	15,450,372	(14,764,725)	(7,133,450)	198,332,060

7.0 Deferred tax assets/(liabilities)

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Deferred tax	135,048,672	54,961,487	-	-

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax	135,048,672	54,961,487	-	-
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8.0 Inventories

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Raw materials, components	729,923,203	625,422,604	-	-
Goods in transit	4,678,017	73,107,275	-	-
	734,601,220	698,529,879	-	-

9.0 Trade and other receivables

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Non-current:				
Trade receivables - related parties	-	-	-	89,375,277
Loan receivables - related parties	-	-	-	231,240,981
Loan receivables - shareholders	15,280,900	10,092,692	-	139,116
Loan receivables - directors	5,079,464	5,129,654	-	-
	20,360,364	15,222,346	-	320,755,374

Current

Trade receivables	951,858,774	586,926,242	-	-
Related party receivables	-	-	270,030,325	-
ECL impairment provision	(128,392,935)	(129,018,500)	-	-
Net trade receivables	823,465,839	457,907,742	270,030,325	-
Deposits and other receivables	10,943,480	154,854,643	139,116	141,483
Prepayments	147,348,774	232,406,565	55,180	-
Insurance claims receivables	342,608,372	293,595,719	-	-
TDS receivables	-	-	-	-
Advances	9,613,950	-	-	-
Value Added Tax (VAT) recoverable	10,745,107	24,325,100	3,335,543	2,660,663
Employee costs in advance	-	7,361,048	-	388,605
	1,344,725,522	1,170,450,817	273,560,164	3,190,751
Total trade and other receivables	1,365,085,886	1,185,673,163	273,560,164	323,946,125

9.0 Trade and other receivables

	2025 Shs	2024 Shs
The aged analysis of these trade receivables are as follows:		
Less than 1 year	816,883,890	483,942,805
More than 1 year	134,974,884	102,983,437
	951,858,774	586,926,242

It is the Group's policy to provide sales credit of up to three months. Trade receivables that are aged past three months are considered due.

10. Investment in subsidiaries

Investments held by the Group which are measured at cost less impairment, are as follows:

	Group		Company			
	2025 Shs	2024 Shs	2025 Shs	2024 Shs		
Investment in subsidiaries	-	-	577,093,954	577,093,954		
Amount invested and capitalised by subsidiaries:						
Roto Moulders Limited	Kenya	100%	-	-	95,580,900	95,580,900
Flame Tree Africa Limited	Kenya	100%	-	-	158,502,683	158,502,683
Happy Eaters Kenya Limited	Kenya	100%	-	-	10,999,999	10,999,999
Rex Industries Limited	Kenya	100%	-	-	32,219,000	32,219,000
Jojo Plastics Limited	Kenya	100%	-	-	20,000,000	20,000,000
Chirag Africa Limited	Kenya	100%	-	-	48,650,000	48,650,000
Polyplay Limited	Kenya	100%	-	-	80,000,000	80,000,000
Roto Limited	Rwanda	100%	-	-	612,612	612,612
Flame Tree Brands Limited	Rwanda	100%	-	-	14,457,228	14,457,228
Build Mart Limited	Rwanda	100%	-	-	3,191,552	3,191,552
Roto Private Limited Company	Ethiopia	100%	-	-	130,019,804	130,019,804
Rino Tanques LDA	Mozambique	100%	-	-	10,296,555	10,296,555
Flame Tree Mozambique LDA	Mozambique	100%	-	-	71,734	71,734
Cirrus International FZC	U.A.E.	100%	-	-	4,710,887	4,710,887
Impairment			-	-	(32,219,000)	(32,219,000)
			-	-	577,093,954	577,093,954

11. Cash and cash equivalents

For the purposes of the statements of cash flows, the cash and cash equivalents as at the year-end comprise the following:

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Cash in hand and at bank	57,908,712	54,106,442	594,449	46,747
Bank overdraft	(470,038,882)	(462,054,148)	(17,063)	(17,063)
	(412,130,170)	(407,947,706)	577,386	29,684

12. Share capital

Authorised	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
178,053,486 ordinary shares of Shs. 0.8250 each	146,894,092	146,894,092	146,894,092	146,894,092

All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at the general meetings of the Company.

The number of ordinary shares in issue at year end was 178,053,486. Upon the winding up of the Company, the assets, if any, remaining after payment of the debts and liabilities of the Company and the costs of winding up (the surplus assets), shall be distributed among the shareholders in proportion to their shareholding.

Reconciliation of share capital:	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Share capital	146,894,092	146,894,092	146,894,092	146,894,092
Share premium	152,450,453	152,450,453	152,450,453	152,450,453
	299,344,545	299,344,545	299,344,545	299,344,545
Issued				
Ordinary	299,344,545	299,344,545	299,344,545	299,344,545

13. Borrowings

Non-current	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Shareholders loan (Note 28)	-	-	138,009	788,009
Bank loans	576,749,263	784,076,770	22,160	574,197
Loans from related party	-	-	735,187,734	769,882,774
	576,749,263	784,076,770	735,347,903	771,244,980
Current				
Bank loans	747,149,331	493,135,107	55,180	-
Commercial papers	48,785,407	29,824,102	48,785,407	29,824,102
	795,934,738	522,959,209	48,840,587	29,824,102
Total borrowings	1,372,684,001	1,307,035,979	784,188,490	801,069,082

FTG Holdings Ltd works with different banks, SBM being the main banking partner. The cost of capital with SBM is the base lending rate +3.1% for Kenya Shillings loans and + 1.3% for USD loans. That has translated to yearly interests from 20.95% to 17.35% for loans in Kenya Shillings and 12.3% for loans in USD. The debt is secured by a charge on all the assets of the Group, a general debenture on assets and a personal guarantee from the main shareholder.

Commercial paper borrowings are unsecured and repayable at an interest rate between 17% and 19%.

The loans from shareholders and related parties are unsecured, interest free and not repayable within the next twelve months.

14. Lease liabilities

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Current	4,053,773	4,053,773	-	-
Non-current	158,966,834	84,899,812	-	-
	163,020,607	88,953,585	-	-

The total cash outflow for leases in the year was:

Payments of principal portion	114,943,810	57,720,186	-	-
Interest paid on lease liabilities	40,876,788	34,194,232	-	-
	155,820,598	91,914,418	-	-

15. Trade and other payables

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Non-current:				
Trade payables - related parties	-	-	-	-
Other payables - related parties	-	-	-	138,074
	-	-	-	138,074
Current:				
Trade payables	871,145,092	588,677,190	20,680,063	13,706,755
Accruals and other payables	85,711,454	56,933,655	13,461,200	8,942,233
Trade payables - related parties	-	-	-	-
	956,856,546	645,610,845	34,141,263	22,648,988
	956,856,546	645,610,845	34,141,263	22,787,062

16. Revenue

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Revenue from contracts with customers:				
Local sales	3,928,815,706	3,809,278,434	-	-
Export sales	298,899,395	321,842,662	-	-
Other sales	2,254,572	35,759,924	-	-
	4,229,969,673	4,166,881,020	-	-

17. Cost of sales

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Opening inventories	698,529,879	882,382,994	-	-
Purchases	1,752,958,067	1,746,473,092	-	-
Other direct costs (Note 17.1)	915,524,428	781,024,080	-	-
Closing inventories	(734,601,220)	(698,529,879)	-	-
	2,632,411,154	2,711,350,287	-	-

17.1 Other direct costs

Fuel and gas	102,507,222	120,306,246	-	-
Electricity and water	169,247,790	143,730,156	-	-
Factory salaries and wages	283,884,335	248,902,635	-	-
Employer pension contributions	5,198,302	6,234,115	-	-
Other production costs	354,686,779	261,850,928	-	-
	915,524,428	781,024,080	-	-

18. Other operating income

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Administrative cost recharge	-	-	-	10,100,000
Miscellaneous income	1,051,607	-	-	1,203,232
Insurance compensation income	-	293,595,719	-	-
	1,051,607	293,595,719	-	11,303,232

In the year 2024, the Company has recognised insurance compensation income totalling Shs 293.6 million. Kindly refer to Note 1.3 for further details.

19. Operating profit/(loss)

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Operating profit for the year is stated after charging the following, amongst others:				
Audit fees	7,084,107	7,068,491	1,815,914	2,007,800
Remuneration, other than to employees:				
- Administrative and managerial services	44,628,983	28,473,045	1,300,000	931,833
- Consulting and professional services	6,107,380	5,762,871	8,286,743	8,089,622
Employee costs (Note 20)	449,186,060	405,207,722	20,724,771	26,407,789
Depreciation expense:				
- Property, plant and equipment (Note 3)	112,948,331	105,951,911	2,951	-
- Right-of-use assets (Note 4)	31,965,024	37,053,662	-	-
Amortisation of intangible assets	6,429,982	782,602	-	-

20. Employee costs

Salaries and wages	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
- Sales and distribution	198,926,615	193,289,827	20,724,771	-
- Management and administration	168,671,132	133,239,461	-	26,407,789
Staff medical	3,997,133	2,352,123	-	-
Staff rent	10,150,499	8,643,137	-	-
Staff welfare	10,068,448	14,681,227	-	-
Staff training	1,443,906	1,652,075	-	-
Staff uniforms	1,212,795	332,586	-	-
Work permits	12,869,342	7,934,089	-	-
Housing levy - employer contributions	1,318,767	899,213	-	-
Pension contributions:	-	-	-	-
- National Social Security Fund (NSSF)	2,214,945	1,964,574	-	-
- Rwanda Social Security Board (RSSB)	28,443,834	32,313,004	-	-
- National Institute of Social Security (INSS)	4,864,579	5,734,292	-	-
- Social Security Contributions (SDE 11%)	5,004,065	2,172,114	-	-
	449,186,060	405,207,722	20,724,771	26,407,789

The average number of persons employed during the year, by category, were:

	Group		Company	
	2025 Number	2024 Number	2025 Number	2024 Number
Production	741	788	-	-
Sales and distribution	273	290	-	-
Management and administration	112	119	3	3
	1,126	1,197	3	3

21. Finance costs

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Foreign exchange loss	11,499,846	(43,849,157)	(11,552)	1,384,014
Interest on lease liabilities (Note 14)	40,876,788	34,194,232	-	-
Bank overdraft interest	43,952,324	68,808,772	-	-
Interest on bank loans	207,878,754	273,938,543	10,453	-
Interest on commercial papers	2,655,667	2,975,777	6,403,202	4,306,808
Charges on letters of credit	123,891	2,544,442	-	-
	306,987,270	338,612,609	6,402,103	5,690,822

22. Taxation

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Major components of the tax expense				
Current				
Current tax	10,069	3,670,981	-	-
Deferred tax	(57,695,641)	(74,066,942)	-	-
	(57,685,572)	(70,395,961)	-	-
(Loss)/Profit before tax	(73,599,456)	131,477,108	(44,166,042)	(38,386,978)

Tax calculated at a tax rate of 30% (2024:30%)

The deferred tax arose due to the differences between the carrying amount of assets/liability and their tax base. The deferred tax for 2024 has significantly reduced because of investment allowance on the oven which was bought in the previous year was claimed at 100%, thus making the tax base to be much lower than the written down value.

No deferred tax asset has been recognised by the Company as it is not probable that future taxable profit will be available against which unused tax losses can be utilised.

23. Cash generated from/(used in) operations

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Profit/(loss) before tax	(73,599,456)	131,477,108	(44,166,042)	(38,386,978)
Adjustments for:				
Depreciation - property, plant and equipment	112,948,330	(105,951,911)	2,951	2,724
Amortisation of intangible assets	6,148,647	(782,602)	-	-
Depreciation on right-of-use asset	31,965,024	37,053,662	-	-
Finance costs	306,987,270	338,612,609	6,402,103	5,690,822
Changes in working capital:				
Inventories	(36,071,341)	183,853,115	-	-
Trade and other receivables	(179,412,723)	(253,613,760)	50,237,410	21,847,229
Trade and other payables	311,245,701	(208,446,879)	11,354,202	4,227,363
	480,211,452	122,201,342	23,830,624	(6,618,840)

24. Tax paid

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Balance at beginning of the year	(10,657,118)	(17,776,190)	-	-
Current tax for the year recognised in profit or loss	(10,069)	(3,670,981)	-	-
Balance at end of the year	(26,709,500)	(10,657,118)	-	-
Tax paid	16,062,451	(3,448,091)	-	-

25. Retirement benefit obligations

Employee entitlements to long service awards are recognised when they accrue to employees. A provision is made for the estimated liability for such entitlements as a result of services rendered by employees up to the reporting date.

The Group and its employees contribute to the Social Security Funds (defined contribution schemes) as required by local legislation where each of the entities operate. The Group's contributions to the defined contribution schemes are charged to profit or loss in the year to which they relate.

26. Contingent liabilities

The subsidiaries are defendants in various legal actions brought by former employees who have been dismissed. In the opinion of the directors and after taking appropriate legal advice, the outcome of such actions will not give rise to any significant loss.

27. Comparative figures

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

28. Related party transactions

Outstanding balances	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Loans to/(from) shareholders	15,280,900	10,092,692	(138,009)	(788,009)
Trade and other payables - subsidiaries	-	-	-	(138,074)
Loans from subsidiaries	-	-	735,187,734	769,882,774
Amount due from subsidiaries	-	-	270,030,325	89,375,277

29. Financial instruments and risk management

Capital risk management

The Group's objectives when managing capital are:

- to provide an adequate return to shareholders by pricing products and services commensurate with the level of;
- to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- to maintain a strong asset base to support the development of business; and
- to maintain an optimal capital structure to reduce the cost of capital.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or adjust the amount of capital expenditure. Net debt is calculated as total debt (as shown in the statement of financial position) less cash and cash equivalents. Capital comprises all components of equity.

The Group is not subject to externally imposed capital requirements.

29. Financial instruments and risk management

Capital risk management

The gearing ratio as at 31 December 2025 and 31 December 2024 were as follows:

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Borrowings (Note 13)	1,372,684,001	1,307,035,979	784,188,490	801,069,082
Bank overdrafts (Note 11)	470,038,882	462,054,148	17,063	17,063
Total borrowings	1,842,722,883	1,769,090,127	784,205,553	801,086,145
Less: Cash and cash equivalents (Note 11)	(57,908,712)	(54,106,442)	(594,449)	(46,747)
Net borrowings	1,784,814,171	1,714,983,685	783,611,104	801,039,398
Equity	1,532,913,493	1,224,530,152	74,776,686	118,942,728
Gearing ratio	116%	140%	1048%	673%

Financial risk management

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, management assesses the credit quality of the customer, taking into account their financial position, past experience and other factors. Individual limits are set based on internal or external information in accordance with limits set by the management. The utilisation of credit limits is regularly monitored.

In assessing whether the credit risk on a financial asset has increased significantly, the Group compares the risk of default occurring on the financial asset as at the reporting date with the risk of default occurring on that financial asset as at the date of initial recognition. In doing so, the Group considers reasonable and supportable information that is indicative of significant increases in credit risk since initial recognition and that is available without undue cost or effort.

There is a rebuttable assumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.

For these purpose default is defined as having occurred if the debtor is in breach of contractual obligations, or if information is available internally or externally that suggests that the debtor is unlikely to be able to meet its obligations. However, there is a rebuttable assumption that default does not occur later than when a financial asset is 90 days past due.

If the Group does not have reasonable and supportable information to identify significant increases in credit risk and/or to measure lifetime credit losses when there has been a significant increase in credit risk on an individual instrument basis, lifetime expected credit losses are recognised on a collective basis. For such purposes, the Group's financial assets on the basis of shared credit risk characteristics, such as:

- type of instrument;
- industry in which the debtor operates; and
- nature of collateral.

29. Financial instruments and risk management

Capital risk management

Credit risk

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. Evidence that a financial asset is credit impaired include observable data about the following events:

- significant financial difficulty of the debtor;
- a breach of contract;
- it is probable that the debtor will enter bankruptcy; and
- The disappearance of an active market for the financial asset because of financial difficulties.

Trade receivables, contract assets and lease receivables for which the loss allowance is always measured at an amount equal to lifetime expected credit losses, based, as a practical expedient, on provision matrices.

The outstanding debt over sales is 23% and the days sales outstanding (DSO) is 60 days (2024: 52 days). The payment terms range from 30 to 90 days (for big supermarkets), and in any case the Group policy is to collect postdated cheques on delivery. The Group has a team of credit controllers and outsourced debt collectors to ensure payments are received as expected. Our client base is quite diversified: hardware shops, NGO, supermarkets, public institutions, schools, hospitals.

The maximum exposure to credit risk is presented in the table below:

Group	2025			2024		
	Gross carrying amount Shs	Credit loss allowance Shs	Amortised cost/fair value Shs	Gross carrying amount Shs	Credit loss allowance Shs	Amortised cost/fair value Shs
Trade receivables (Note 9)	951,858,774	(128,392,935)	823,465,839	586,926,242	(129,018,500)	457,907,742
Cash and cash equivalents (Note 11)	57,908,712	-	57,908,712	54,106,442	-	54,106,442
	1,009,767,486	(128,392,935)	881,374,551	641,032,684	(129,018,500)	512,014,184

The Company is not exposed to credit risk as it trades through its subsidiaries.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group's management maintains flexibility in funding by maintaining availability under committed credit lines. Notes disclose the maturity analysis of borrowings, lease liabilities, bank overdraft and trade and other payables.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

29. Financial instruments and risk management

Capital risk management

Liquidity risk

Group	2025 Carrying amount	2024 Carrying amount
Non-current liabilities		
Borrowings (Note 13)	576,749,263	784,076,770
Lease liability (Note 14)	158,966,834	84,899,812
Current liabilities		
Trade and other payables (Note 15)	956,856,546	645,610,845
Lease liability (Note 14)	4,053,773	4,053,773
Borrowings (Note 13)	795,934,738	522,959,209
Bank overdraft (Note 11)	470,038,882	462,054,148

Foreign currency risk

Foreign currency sensitivity analysis

The following information presents the sensitivity of the Group to an increase or decrease in the respective currencies it is exposed to. The sensitivity rate is the rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated amounts and adjusts their translation at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

Market risk

Foreign exchange risk

The Group operates in various jurisdictions and is exposed to foreign exchange risk arising from various currency exposures. The risk arises from assets and liabilities in the statement of financial position and future transactions.

Risk management is carried out by the management under policies approved by the Board of directors. Management identifies, evaluates and hedges financial risks in close co-operation with various departmental heads. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The table below summarises the effect on post-tax profit had the Kenya Shilling weakened by 1% against various currencies, with all other variables held constant. If the Kenya Shilling strengthened against each currency, the effect would have been the opposite.

Group	UAE Dirham Shs	Other currencies Shs	Total Shs
Effect on profit - Decrease			
Year ended 31 December 2025	240,245	(6,263,558)	(6,023,313)
Year ended 31 December 2024	15,723,234	2,595,046	18,318,280

29. Financial instruments and risk management (continued)

Capital risk management

Market risk

Interest rate risk

The Group's exposure to interest rate risk arises from borrowings. As at the reporting date, if interest rates at that date had been 10 basis points higher with all other variables held constant, post-tax profit for the year would have been lower by amounts shown below, this arising mainly as a result of higher interest expense on variable borrowings.

30. Fair value measurement

A number of assets and liabilities included in the Group and the Company's consolidated and separate financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group and the Company's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

Level 1: Quoted prices in active markets for identical items (unadjusted);

Level 2: Observable direct or indirect inputs other than Level 1 inputs; and

Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the year in which they occur.

The carrying amount of the financial assets and financial liabilities reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

31. Going concern

The consolidated and separate financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The ability of the Company to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the Company and that the subordination agreement referred to in note of these financial statements will remain in force for so long as it takes to restore the solvency of the Company.

- FTG Holdings Ltd has a low net debt EBITDA ratio (x 4.6 and reducing) and in Q4 2025 the banking facility with SBM was renewed to finance the growth of the Group as well as the working capital.
- The Company is planning to raise additional capital from private investors and its currently evaluating to issue a Corporate Bond. The use of funds will be mainly debt restructuring and increasing of production capacity.
- **Assets:** The subsidiary's property, plant and equipment were mostly revalued in 2025 by an independent valuer, with the effect of revaluation reflected in the 2025 Group figures. The Group has acquired new machines, equipment and vehicles to diversify the products offered, insource some productive process and increase capacity. All new acquisitions have been properly valued by independent assessors, and the value has been incorporated in the books. Properties in Rwanda, Kenya and Ethiopia has been properly revalued as well. Management believes that no additional investment in property, plant and equipment are required to continue with the with the normal operations with the risk of obsolescence considered very low in view of the factories using low technology and the equipment maintained in good conditions on a regular basis.

32. Detailed classification of expenses

	Group		Company	
	2025	2024	2025	2024
	Shs	Shs	Shs	Shs
SELLING AND DISTRIBUTION				
Commission expenses	911,177	3,670,655	224,390	142,423
Excise duties	79,562,044	72,634,812	-	-
Rent expense	9,073,248	14,607,910	-	-
Promotion and marketing expenses	170,186,147	114,280,476	-	-
Transport and freight expense	245,584,506	257,666,706	6,560	-
Impairment on trade receivables	19,695	257,799	-	-
	505,336,817	463,118,358	230,950	142,423
ADMINISTRATIVE EXPENSES				
Administration and management fees	44,628,983	28,473,045	1,300,000	931,833
Audit fees	7,084,107	7,068,491	1,815,914	2,007,800
Legal, professional and consulting fees	6,107,380	5,762,871	12,490,184	8,089,622
Transport and freight expense	634,569	-	-	-
Telephone, postage, courier and internet	12,536,316	11,593,831	-	-
Employees costs (Note 20)	449,186,060	405,207,722	21,626,611	26,407,789
Bank charges	17,629,137	19,087,369	81,927	114,793
Memberships and subscriptions	1,040,123	351,504	-	37,833
Printing and stationery	932,505	532,932	-	-
Fines and penalties	5,167,445	7,297,702	10,100	47,621
Standard levy	2,806,364	2,150,382	-	-
Motor vehicle running expense	21,734,792	21,221,966	-	-
Donations	229,126	-	-	-
Miscellaneous expenses	15,395,442	21,350,052	-	(1)
Licenses and permits	12,512,255	14,760,897	47,667	5,817,110
Cleaning expenses	16,985,177	22,463,855	-	-
Electricity and water	2,635,121	2,268,600	-	-
Office expenses	10,657,842	14,913,449	-	64,030
	627,902,744	584,504,668	37,372,403	43,518,430
OTHER OPERATING EXPENSES				
Depreciation on property, plant and equipment	112,948,330	105,951,911	2,951	2,724
Depreciation on right-of-use asset	31,965,024	37,053,662	-	-
Amortisation of intangible assets	6,148,647	763,158	-	-
Insurance	19,649,935	24,607,843	157,635	335,811
Installation expenses	130,474	-	-	-
Factory rent expense	28,591,596	13,084,041	-	-
Fuel and gas	-	408,923	-	-
Security charges	7,571,227	7,586,189	-	-
Repairs and maintenance	22,443,152	40,055,448	-	-
Local conveyances	2,534,366	1,902,534	-	-
	231,982,751	231,413,709	160,586	338,535

33. Basic earnings per share

	Group		Company	
	2025 Shs	2024 Shs	2025 Shs	2024 Shs
Total number of shares	178,053,486	178,053,486	178,053,486	178,053,486
Total profit/(loss) for the year	(15,913,884)	201,873,069	(44,166,042)	(38,386,978)
Total comprehensive income/(loss) for the year	310,008,654	(114,882,528)	(44,166,042)	(38,386,978)
Earning per share – on (loss)/gain for the year	(0.09)	1.13	(0.25)	(0.22)
Earnings per share – on total comprehensive income / (loss) for the year	1.74	(0.65)	(0.25)	(0.22)

34. Realised revaluation reserve

During the year, the Group has adjusted the difference between the accounting profit and tax depreciation, less deferred tax arising from Roto Private Limited Company (Ethiopia) amounting to Shs 734,821 (ETB 785,315).

35. Events after the reporting date

As at the date of the approval of these financial statements, the directors are aware of the recent geopolitical tensions and armed conflicts in the Middle East and do not underestimate the seriousness of these events and the impact this will have on the global economy. Currently there is no direct impact on the Company as it does not have any transactions with countries in the affected regions. Accordingly, the directors have determined that the matter does not have a material impact on the financial statements.

Nevertheless, due to the uncertainty surrounding the duration and extent of the conflict and the potential for broader economic impacts, management will continue to monitor the situation closely.

Subsequent to year-end, the ongoing Iran conflict has contributed to increased volatility in global oil prices, resulting in inflationary pressures, higher raw material costs, and supply chain disruptions. This has impacted the Group through potential margin compression and short-term loss of sales in certain periods. In response, Management has implemented price adjustments and is pursuing additional working capital facilities and debt restructuring initiatives to support liquidity and preserve cash flow. While these factors may have a significant impact in specific months, Management expects the overall effect to be contained within a limited period, with conditions normalizing over the next 12 months as the conflict stabilizes and input costs ease.

Notice of Annual General Meeting

FTG Holdings Limited

Registered Office: 6th Floor, The Docks 4, United Docks Business Park,
Caudan, Port Louis 11306, Republic of Mauritius
Email: info@flametreegroup.com
Website: www.flametreegroup.com
Nairobi office: P.O. Box 27621-00506, Nairobi.



Date: 26th May 2026

To: The Shareholders of the Company

From: ST LAWRENCE MANAGEMENT LIMITED, Secretary

Subject: Notice of the Annual General Meeting of Shareholders of the Company to be held on Friday, 26th June 2026 at 11:00 A.M (Kenyan Time).

The Company proposed to conduct the Annual General Meeting electronically. The details of how shareholders will attend, vote and ask questions are further detailed as per the notes hereunder.

Notice is hereby given that the Annual General Meeting of the Shareholders of the Company will be held via electronic communication on Friday, 26th June 2026 at 11:00 A.M (Kenyan Time) to transact the following business:

1. To table the proxies and note the presence of a quorum.
2. To read the notice convening the meeting.
3. To receive the auditor's report and consider the adoption of the financial statements for the year ended 31st December 2025.
4. Election of the Board of Directors
 - a) Mr Bishwarnath Bachun retires by rotation at the dissolution of the meeting and being eligible, offers himself for re-election in accordance with Article 12.1.2 of the Company's Constitution;
 - b) Ms Marie Joanna Martine Choo Fon retires by rotation at the dissolution of the meeting and being eligible, offers herself for re-election in accordance with Article 12.1.2 of the Company's Constitution; and



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c) Mr George Carmichael Theobald retires by rotation at the dissolution of the meeting and being eligible, offers himself for re-election in accordance with Article 12.1.2 of the Company's Constitution.

5. To take note that Mr Heril Colbert Bangera will continue to serve as Managing Director of the Company.

6. Appointment of Auditors

To consider the replacement and appointment of auditors of the Company for the financial year ending 31 December 2026 and to authorise the Directors to determine their remuneration in accordance with Section 196 of the Companies Act, 2001.

7. Any Other Business

To transact any other business which may be properly transacted at an annual general meeting and for which a valid notice has been issued in accordance with the Company's Constitution.

Quorum Requirement:

As per Article 11.4.1 of the Constitution, the quorum for an Annual General Meeting is as follows:

"A quorum for a meeting of members shall be present where the members or their proxies are present or have cast postal votes, who are between them able to exercise a majority of the votes to be cast on the business to be transacted by the meetings."

By order of the Board

A handwritten signature in blue ink, appearing to read "A. Wallace", written over a horizontal line.

For and on behalf of ST LAWRENCE MANAGEMENT LIMITED
Secretary



FTG Holdings Limited

Registered Office: 6th Floor, The Docks 4, United Docks Business Park, Caudan, Port Louis 11306, Republic of Mauritius

Email: info@flametreegroup.com

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Note:

1. Any shareholders wishing to participate in the meeting should register for the virtual AGM by using either of the following:
 - (a) Registered Unit Holders will receive a link via SMS/email.
 - (b) Through the web portal:

By logging onto <https://escrowagm.com/ftg/login.aspx> Click the "Register" button using the credentials provided via SMS/Email. For assistance shareholders should dial the following helpline number: (+254) 710 888 000 between 9:00 a.m. to 4:00 p.m. from Monday to Friday.

- (c) Unstructured Supplementary Service Data (USSD)

By dialing *483*560# and following the prompts. In order to complete the registration process via USSD. For assistance shareholders should dial the following helpline number: (+254) 710 888 000 between 9:00 a.m. to 4:00 p.m. from Monday to Friday. The USSD service cost will be borne by FTG Holdings Limited.

The registration to the virtual AGM shall be open on 2nd June 2026 at 09:00 hours and shall close on 23rd June 2026 at 17:00 hours.

2. Shareholders are entitled to appoint a proxy to vote on their behalf. A proxy form must be signed by the appointor or his attorney duly authorized in writing. If the appointor is a corporate body, the proxy form shall be given under its common seal or under the hand of an officer or duly authorized attorney of such body corporate. A completed form of proxy should be emailed to eagm@efsregistrars.com or delivered to EFS Registrars Limited offices at MJ1 Business Park, 11th Floor, Westlands Road, Westlands P.O. Box 6341-00100 Nairobi, so as to be received not later than Tuesday, 23rd June 2026 at 17:00 hours. Any shareholder appointing a proxy must provide the phone number, Identity Card Number and e-mail address of the proxy on the proxy form. Any proxy registration that is rejected will be communicated to the shareholder concerned no later than 24th June 2026 at 17.00 hours to allow time to address any issues.
3. Proxies will only be able to register for the meeting after the Proxy Form appointing them has been submitted and duly acknowledged by the Registrar. The proxy may then register using either the web portal or mobile phone, tablet or computer with internet access ("USSD platform") using their identity card/Passport Number. For further assistance, Proxies may call EFS Registrars Limited on +254 710 888 000.
4. As per the requirements of the Companies Act 2001, shareholders have a right to access the Company's annual accounts, a copy of the notice and proxy form. The mentioned documents are available on the following links for your consideration:



FTG Holdings Limited

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- Annual Report: <https://flametreegroup.com/financial-reports>
 - Copy of Notice & proxy form: <http://www.flametreegroup.com/other.html>
5. Shareholders having questions prior to the virtual AGM date should address them to the Company via email on agmftg@flametreegroup.com by indicating their names, ID/passport number CDSC Account and phone number. All questions received by 20th June 2026 will be responded to and answers shall be made available in the Company's website www.flametreegroup.com
 6. Shareholders wishing to ask a question during the virtual AGM may do so by using the chat box available on the system, and the questions shall be responded during a question-and-answer session.
 7. The virtual AGM will be streamed live via a link to be provided to all shareholders who have registered to participate in the annual general meeting. Duly registered shareholders and proxies shall be able to join the meeting either by logging into the system using their registration credentials or following proceedings on a link to be shared via SMS for those who register through the USSD platform.
 8. Duly registered shareholders and proxies may vote (when prompted by the Chairman) for resolutions on a panel provided next to the live stream screen or via the USSD platform menu for voting. Proxies shall also vote on behalf of all the shareholders they represent.
 9. Proxies successfully registered via USSD may be able to vote on USSD by dialing the short code, selecting language then picking Menu No. 3. Each resolution will auto-populate and will require the proxy to pick the option of choice. Note: A USSD platform session lasts about 25 seconds so shareholders using USSD platform need to vote with relative speed.
 10. Proxies who register via web portal will get a drop-down menu against each resolution that will prompt them to vote for each of the shareholders they represent. The Proxy will select the name of the shareholder and proceed to vote for that respective shareholder. The list will stop populating once all resolutions have been voted for.

Results of the virtual AGM shall be published within 24 hours following conclusion of the virtual AGM. The results will be available on the Company's web portal www.flametreegroup.com and summarized results on the USSD platform menu.



Proxy Form

I / We,

of P.O. Box.....being a member / s
of FTG Holdings Ltd,

hereby appoint:of

.....

or failing whom

.....of

.....

As my / our proxy, to vote for me / us and on my / our behalf at the Virtual Annual General Meeting of the Company to be held on 26th June 2026 at 11:00 a.m and at any adjournment thereon.

Number of Shares held

Account number of member

Signed this day of 2026

Signature (s)

Notes:

- A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his stead and a proxy need not be a member of the Company.
- In the case of a member being a limited Company this form must be completed under its common seal or under the hand of an officer or attorney duly authorized in writing.
- Proxies must be emailed to eagm@efsregistrars.com or lodged at the registered office of the Company's Shares Registrars, EFS Registrars Limited offices at MJ1 Business Park, 11th Floor, Westlands Road, Westlands P.O. Box 6341-00100 Nairobi not later than 23rd June 2025 at 17:00Hrs.



CONTACT US:
FTG HOLDINGS LIMITED
St Lawrence Management Limited
United Docks Business Park, 6th Floor, The Docks 4
Caudan, Port Louis, Republic of Mauritius

Email: info@flametreegroup.com
Website: www.flametreegroup.com

Nairobi office: P.O. Box 27621 - 00506, Nairobi