



FORMS CAPITAL LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2025

FORMS CAPITAL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 2025

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**FORMS CAPITAL LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2025
CORPORATE INFORMATION**

CHAIRMAN	Berifi Afari Apenteng
ACTING CHIEF EXECUTIVE OFFICER	Jonathan Atuah
MEMBERS	Jude Kwabena Asenso addo Ewurafua Addo-Atuah Jonathan Kojo Amoah Atuah Joyce Kesewa Opon (Mrs.) Ernest Obuobisa-Darko (Dr.)
COMPANY SECRETARY	Lesley Dodoo
REGISTERED OFFICE	Florida House F 170/6 3rd Labone Link Labone - Accra
AUDITORS	PKF Accountants & Business Advisers Farrar Avenue P. O. Box 1219 Accra
SOLICITORS	J. Opoku Boateng & Co KJ Legal Law Consortium S&H Templars
BANKERS	Zenith Bank Ghana Limited Agricultural Development Bank First Atlantic Bank Limited Republic Bank Ghana Limited Fidelity Bank Ghana Limited Consolidated Bank Ghana Limited GT Bank Limited First National Bank OmniBsic Bank Absa Bank

FORMS CAPITAL LIMITED
REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDING 31 DECEMBER 2025

In accordance with the requirements of Section 136 of the Companies Act, 2019 (Act 992), and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930), we the Board of Directors of Forms Capital Limited, do herewith submit our annual report on the state of affairs of the Company for the year ended 31 December 2025.

Statement of Directors Responsibilities

The directors are responsible for the preparation of financial statements that give a true and fair view of Forms Capital Limited, comprising the statement of financial position at 31 December 2025, statements of profit or loss and other comprehensive income, statement of changes in equity, Statement of cash flows for the year ended and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS), and in the manner required by the Companies Act, 2019 (Act 992) and the Bank and Specialised Deposit-Taking Institutions Act, 2016 (Act 930). In addition, the directors are responsible for the preparation of the report of the directors.

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The directors have made an assessment of the ability of the Company to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future.

The auditor is responsible for reporting on whether the financial statement give a true and fair view in accordance with the applicable financial reporting framework.

Operational Results:

	2025 GH¢	2024 GH¢
Gross Earnings	<u>110,266,776</u>	<u>40,827,990</u>
Profit before tax	13,146,630	8,944,181
From which is deducted a Tax provision	<u>(4,376,636)</u>	<u>(2,666,167)</u>
Leaving a balance of	8,769,994	6,278,014
This is to be added to Retained earnings balance Brought forward from previous year of	(21,857,441)	(29,867,258)
Transfer to Statutory Reserve	(4,384,997)	(3,139,007)
Transfer from /(to) Credit Risk reserve of	<u>(3,067,044)</u>	<u>4,870,810</u>
Leaving a Balance on the Retained Earnings Accounts of	<u>(20,539,488)</u>	<u>(21,857,441)</u>

FORMS CAPITAL LIMITED
REPORT OF THE BOARD OF DIRECTORS
FOR THE YEAR ENDING 31 DECEMBER 2025

Nature of Business

The Company is authorised to carry out intermediate financial services and specialises in providing tailored financing solutions to businesses, organisations and individuals. There was no charge in the principal activity of the Company during the year ended 31 December 2025.

Particulars of entries in the Interests Register during the financial year

Director and their associate had loan facilities to the tune of GH¢ 150,000 with the Company as at the year end. These transactions had been recorded in the Interests Register as required by section 194(6), 195(1) (a) and 196 of the Companies Act, 2019 (Act 992).

Corporate Social Responsibility and Code of Ethics

An amount of GH¢ 25,047 (2024: Nil) was spent on Corporate Social Responsibility and Code of Ethics with the provision of Computers to Controller and Accountant General Department for the current year.

Capacity Building of Directors

Refresher courses were organized for Directors to update their skills and knowledge on Risk Management & Anti Money Laundering activities as well as their statutory duties as directors. A program has been outlined in accordance with the new corporate guidelines to continuously provide them further training on leadership and corporate governance

Audit fees

In accordance with section 139 (5) of the Companies Act, 2019 (Act 992) the auditors, PKF will continue in office as auditors of Forms Capital Limited. As at 31 December 2025, the amount payable in respect of audit fees was GH¢ 162,475 inclusive of taxes.

Going Concern

The Board of Directors has assessed the Company's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Dividend

The Directors did not recommend the payment of dividend to shareholders.

Acknowledgement

The Board of Directors hereby expresses its sincere appreciation for the support, loyalty and dedicated service of the staff, management and all stakeholders of the Company over the past year.

Approval of the report of the directors

The report of the directors and the financial statements were approved by the Board of

Directors on 4th June 2026 and signed on its behalf by

Director.....

Director.....

FORMS CAPITAL LIMITED
CORPORATE GOVERNANCE
FOR YEAR ENDED 31 DECEMBER 2025

Forms Capital Limited is committed to strong corporate governance practices that allocate rights and responsibilities among the Board and Management to provide effective oversight and management of the institution in a manner that enhances shareholder value.

Forms Capital Limited's corporate governance principles are contained in several corporate documents including their Policies and Procedures, Internal Audit Charter and other policies issued from time to time.

1.0 Board Qualifications and Composition

In accordance with section 23 of the Corporate Governance Directive, all Board members are qualified for the position and remain qualified through training. The team has vast experience cutting across Banking, Insurance, Statistics, Economics, Accounting and Taxation. They have a clear understanding of their role in corporate governance and can exercise sound and objective judgement about the affairs of the Company.

The Board is composed of five non-executive directors and executive director (the acting chief executive officer), comprising two women and four men. They possess the requisite skills, appropriate experience, competencies, personal qualities and the ability to exercise sound independent judgment.

2.0 The Board of Directors

The Board oversees the conduct of Forms Capital Limited's business and is primarily responsible for providing effective governance over the Company's key affairs, including the appointment of Management, approval of business strategies, evaluation of performance and assessment of major risks facing the company.

In discharging its obligations, the Board exercises judgment in the best interest of the Company and relies on the Management to implement approved business strategies and promote high ethical standards. The Board delegates authority in management matters to the Management subject to clear instructions in relation to such delegation of authority and the circumstances in which Management shall be required to obtain Board approval prior to taking a decision on behalf of the Company.

3.0 Board Size and Structure

As of 31st December 2025, the Board was made up of Six (6) Directors; One (1) Executive Director and Five (5) Non-Executive Directors with Mr. Berifi Afari Apenteng as the Chairman. The Board has delegated various aspects of its work to the Audit and the Risk and Compliance Committees of the Board.

Board committee members were appointed by the Board. Each Board committee has its own written terms of reference, duties and authorities as determined by the Board.

FORMS CAPITAL LIMITED
CORPORATE GOVERNANCE
FOR YEAR ENDED 31 DECEMBER 2025

Profile of Directors

	Director	Qualification	Position	Other Board Membership and Management
1.	BERIFI APENTENG	EMBA	CHAIRMAN	MG MEDIA DIGITAL LTD
2.	DR. ERNEST OBUOBISA DARKO	PHD, ECONOMICS	NON - EXECUTIVE DIRECTOR	AKUAPEM RURAL BANK LIMITED
3.	JOYCE KESEWA OPON	MA	NON - EXECUTIVE DIRECTOR	SCION LIMITED
4.	JUDE ADDO	MBA	NON - EXECUTIVE DIRECTOR	PORTFOLIO PLANNERS LTD
5.	EWURAFUA ADDO-ATUAH	LLB	NON - EXECUTIVE DIRECTOR	PAB CONSULT LTD
6.	JONATHAN ATUAH	MBA	EXECUTIVE DIRECTOR	SEEDTECH LIMITED

Attendance at Board Meetings

S/N	Members	Number of Meetings Held	Number of Meetings Attended
1	BERIFI APENTENG	10	7
2	DR. ERNEST OBUOBISA-DARKO	10	10
3	JOYCE KESEWA OPON	10	9
4	JUDE ADDO	10	6
5	EWURAFUA ADDO-ATUAH	10	7
6	JONATHAN ATUAH	10	10

FORMS CAPITAL LIMITED
CORPORATE GOVERNANCE
FOR YEAR ENDED 31 DECEMBER 2025

4.0 Annual Certification

In compliance with Section 12 of the Bank of Ghana's Corporate Governance Directive 2018, the Board of Directors of Forms Capital Limited certifies general compliance with this Directive. The Board further certifies that:

- They are aware of their responsibilities as people charged with governance.
- They have received training and certification from a Bank of Ghana approved training organization on the responsibilities of Directors under the Corporate Governance Directive.
- They have adopted standard evaluation tools that help assess the performance of the Board, its committees, and individual members on an annual basis.
- They shall report any material weaknesses and/or deficiencies identified in the year to the Bank of Ghana. This report will include the action plans to remedy any such situation within a reasonable timeline.

5.0 Business Strategy

The Board approves and monitors the overall business strategy of the Company. It was involved in the formulation of the Company's Business Strategic Plan and approved it for implementation. The pillars of the plan include:

- Short to medium term sustainable profitability and revenue
- Policies directed towards improved client relationships and customer satisfaction.
- Empowering employees through learning, development, and compensation systems
- Improving operational excellence via internal control systems, core values and strong corporate governance structure
- Comprehensive risk and compliance strategy covering risk management, anti-money laundering and combating the financing of terrorism risk.

6.0 Key Management Oversight

In accordance with sections 18 and 63 of the Corporate Governance Directive, the Board also monitors and ensures that the actions of Key Management Personnel are consistent with the strategy and policies approved by the Board, including the risk tolerance/appetite and risk culture.

The Board has ensured that there is an established management structure that promotes accountability and transparency and oversees the implementation of appropriate systems for managing risks both financial and non-financial to which the Company is exposed.

FORMS CAPITAL LIMITED
CORPORATE GOVERNANCE
FOR YEAR ENDED 31 DECEMBER 2025

The Company has engaged skilled and competent staff and provides training and development opportunities to sustain the delivery of short and long-term business objectives.

7.0 Separation of Powers

In accordance with section 19 of the Corporate Governance Directive 2018, there is in place a division of responsibilities between the positions of the Board Chairman and the Managing Director

8.0 Related Party Transactions

The Board ensures that transactions with related parties (including internal group transactions) are reviewed to assess risk and are subject to appropriate restrictions (e.g., by requiring that such transactions be conducted on non-preferential terms/basis) and applicable legislation and other requirements such as those prescribed under sections 67 to 70 of Act 930 regarding exposure limits for loans to related parties and staff.

9.0 Conflict of Interest

In line with Paragraph 59 of the Corporate Governance Directive 2018, directors are guided against placing themselves in either real or perceived conflict of interest positions or in situations in which their individual conduct may adversely affect their judgment in the discharge of their responsibilities to the Company. During the year no such conflict arose. As part of our in-house monitoring procedures all directors complied by completing a Conflict-of-Interest Disclosure form for the year 2025.

10.0 External Auditors

External auditors are appointed through a bidding process on a rotational basis for a period outlined by the Banks and Specialized Deposit-Taking Institutions Act 2016, (Act 930). The external auditors present and discuss their audit findings with the Board Audit Committee.

11.0 Board Sub-Committees

There are currently two (2) main committees through which the Board of Directors discharges its functions, Board Audit Committee and Board Risk and Compliance Committee. Their composition and functions are as follows:

11.1 Board Audit Committee

The Board Audit Committee is made up of three (3) Non-Executive Directors, the Chairman being Dr. Ernest Obuobisa-Darko.

The Committee carries out the duties set out below for the Company, considering relevant laws, regulations, and best practices in discharging its responsibilities.

The Board Audit Committee's responsibilities shall include but not be limited to the following:

- Evaluating the reliability and integrity of information and the means used to identify, measure, classify, and report such information.

- Evaluating the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on the organization.
- Evaluating the means of safeguarding assets and, as appropriate, verifying the existence of such assets.
- Evaluating the effectiveness and efficiency with which resources are employed.
- Evaluating operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- Monitoring and evaluating governance processes.
- Monitoring and evaluating the effectiveness of the organization's risk management processes.
- Evaluating the quality of performance of external auditors and the degree of coordination with internal audit.
- Performing consulting and advisory services related to governance, risk management and control as appropriate for the organization.

S/n	Members	Number of meetings held	Number of meetings attended
1	Dr. Ernest Obuobisa-Darko	2	2
2	Mrs. Joyce Kesewa Opon	2	2
3.	Mr. Jude Addo	2	0

11.2 Risk and Compliance Committee

The Board Risk and Compliance Committee is made up of two (2) Non-Executive Directors, chaired by Mrs. Joyce Kesewa Opon.

The Committee carries out the duties set out below for the Company, considering relevant laws, regulations, and best practices in discharging its responsibilities.

The Board Risk and Compliance Committee's responsibilities shall include but not be limited to the following:

- Review and recommend to the full Board from time to time as it deems appropriate the adoption or modification of regulatory or compliance policies.
- Consider bank regulatory laws and issues that may arise from time to time and make recommendations to the Board with respect thereto, including consideration of applicable government and industry standards as well as legal and business trends and public policy issues.
- Review reports on compliance investigations by regulatory bodies, assess management's responses to the findings and the status of implementation of recommendations.
- Review and approve credit, investment and other risks assets within the limit established by the Board.
- Recommend to the Board the Company's credit management structure including approval limits.
- Periodical review of the Company's assets and liabilities report and non-performing loans.
- Recommend provisions for loan losses to the Board.

- Recommend to Board major changes in the Company's credit policies.

S/n	Members	Number of meetings held	Number of meetings attended
1	Mrs. Joyce Kesewa Opon	1	1
2	Ewurafua Addo Atuah	1	1

Anti-Money Laundering (AML) Matters

Money Laundering, the Financing of Terrorism and Proliferation of Weapons of Mass Destruction have negative effects on financial systems and societies. It is therefore the policy of the Company to take all reasonable and appropriate measures to prevent persons engaged in such crimes from using the Company's products and services to launder proceeds of crime. The Company is committed to ensuring compliance with the Anti- Money Laundering Act, 2020, (Act 1044) and related regulations in Ghana.

The Company has in place AML compliance systems and controls to enable its employees to detect and report money laundering activities. The elements of the Company's AML Compliance System include:

- A Board approved AML/CFT Risk Assessment Framework
- The appointment of the Anti-Money Laundering Reporting Officer (AMLRO)
- Customer Acceptance Policy
- Customer Identification on Procedures
- Transaction Monitoring and Reporting



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FORMS CAPITAL LIMITED
FOR THE YEAR ENDED 31 DECEMBER 2025**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Forms Capital Limited which comprise the statement of financial position as at December 31, 2025, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year ended and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of Forms Capital Limited as at December 31, 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS Accounting Standards) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the international Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants, (IESBA Code), (including International Independence Standards), together with the ethical requirements that are relevant to our audit of the financial statements in Ghana, and we have fulfilled our 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 opinion

Material Uncertainty Related to Going Concern

We draw attention to Note 30 to the financial statements (Breach of Regulatory Requirements). The Capital Adequacy Ratio was 5.25% for the year ended 31 December 2025 (2024: 6.13%) The Company failed to comply with the regulatory minimum requirement of 10% as required by Bank of Ghana. These events indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matter is the Key Audit Matter communicate in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment of loans and advances in line with IFRS 9 Loans and advances to customers constitute a significant portion of the total assets of the Company.	We focused our testing of the impairment of loans and advances to customers on the key assumptions and inputs made by management and directors. Specifically, our audit procedures included:

At 31 December 2025, gross loans and advances to customers were GH¢522 million (2024: GH¢277 million) against which total loan impairment amount of GH¢ 11 million (2024: GH¢ 8.95 million) was recorded, thus leaving a net loan balance of GH¢511.7 million (2024: GH¢ 268.08 million) which represents about 82.84 % (2024: 86.66%) of the total assets as at the reporting date (see note 14).

The basis of the impairment amount is summarised in the accounting policies in the financial statements.

The directors exercise significant judgment when determining both when and how much to record as loan impairment. This is because several significant assumptions and inputs go into the determination of expected credit loss (ECL) impairment amounts on loans and advances to customers.

This complex standard requires the Company to recognise Expected Credit Losses (ECL) on financial instruments, which involves exercise of significant judgment and estimates. The key areas where we identified greater levels of management judgment and therefore increased levels of audit focus in the Company's implementation of IFRS 9 include:

- i. Identification and measurement of economic scenarios to measure ECLs on a forward-looking basis reflecting a range of future economic conditions.
- ii. Assessment and measurement of Significant Increase in Credit Risk (SICR') using different criteria.
- iii. Modelling for estimation of ECL parameters:
 - Probabilities of Default (PDs) – 12-month and lifetime.
 - Loss Given Default (LGD); and
 - Exposure at Default (EAD).
- iv. Completeness and accuracy of data used to calculate the ECL.

Because of the significance of these estimates, judgments and the size of loans and advances portfolio, the audit of loans impairment provisions are considered a key audit matter.

- Obtaining an understanding of the loan loss impairment calculation process within the Company.
- Testing the design and determining implementation of key controls across the processes relevant to the ECL (allocation of assets into stages, model governance, data accuracy and completeness, credit monitoring, multiple economic scenarios, post model adjustments, individual provisions and processing of journal entries and disclosures);
- Assessing the ECL provision levels by stage to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.
- Challenging the criteria used to allocate assets to stages 1, 2 or 3 in accordance with IFRS 9.
- Testing the assumptions, inputs and formulae used in a sample of ECL models (including assessing the appropriateness of model design and formulae used, considering alternative modelling techniques and recalculating the Probability of Default, Loss Given Default and Exposure at Default for a sample of models).
- Testing the data used in the ECL calculation by reconciling to source systems; and
- Assessing the adequacy and appropriateness of disclosures for compliance with the accounting standards.

Based on our review, we found that the Company's impairment methodology, including the model, assumptions and key inputs used by management and directors to estimate the amount of loan impairment losses and the estimated loan impairment losses determined were appropriate in the circumstances.



Other information

The Board of Directors is responsible for the other information. The other information comprises reports from the Directors but does not include the Company's financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report on in this regard.

Responsibilities of Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements that gives a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 based on these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is



higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of 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 Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Companies Act 2019, (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) require that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- ii) In our opinion proper books of account have been kept by Forms Capital Limited, so far as it appears from our examination of those books,
- iii) The statement of financial position and statement of profit or loss and other comprehensive income of the Company agree with the accounting records and proper returns adequate for the purposes of the audit have been received from branches not visited by the us.
- iv) The financial statements give a true and fair view of the states of affairs of the Company and its results for the year under review
- v) Adequate disclosures have been made in the financial statements for the directors' remuneration and the amount reported in the financial statements agree with the accounting records and returns.
- vi) We are independent of the Company in accordance with Section 143 of the Companies Act, 2019 (Act 992).
- vii) The Company has complied with the disclosure requirement of section 136 of the Companies Act, 2019 (Act 992).
- viii) The Company has complied with the provisions of the Anti-Money Laundering Act, 2020 (Act 1044) and the Anti-Terrorism Act, 2008 (Act 762) as amended by the Anti-Terrorism (Amendment) Act, 2014 (Act 875) and the regulations made under these enactments.
- ix) The Company's transactions are within its powers.

The engagement partner on the audit resulting in this independent auditor's report is **Dominic Dorkenoo (ICAG/P/1448)**.

PKF

FOR AND ON BEHALF OF PKF (ICAG/F/2026/039)

CHARTERED ACCOUNTANTS

FARRAR AVENUE

ACCRA

4TH JUNE

.....2026

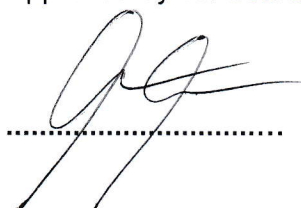
FORMS CAPITAL LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

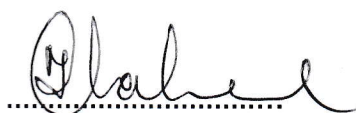
	Note	2025 GH¢	2024 GH¢
Interest and Similar Income	4	109,083,995	33,143,425
Interest and Similar Expenses	5	(78,564,316)	(20,225,912)
Net Interest Income		30,519,679	12,917,513
Net Commission and Fees	6	445,113	(320,138)
		30,964,792	12,597,375
Impairment Loss on Financial Assets	8	(2,167,141)	(2,390,136)
		28,797,651	10,207,239
Operating Expenses	9	(16,388,689)	(9,267,761)
Other Income	7	737,668	8,004,703
Net Profit before tax		13,146,630	8,944,181
Growth and Sustainability Levy	10b	(657,332)	(447,209)
Taxation	10a(i)	(3,719,304)	(2,218,958)
Net Profit Transferred to Retained Earnings		8,769,994	6,278,014
Basic earnings per share (Ghana cedi per share)	27	49.16	35.27

FORMS CAPITAL LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	2025	2024 GH¢
ASSETS			
Cash and Short - Term Funds	11a	96,811,025	29,934,585
Pledged Assets	12	375,927	308,714
Short Term Investment	13	2,851,451	2,851,451
Loans and Advances	14	511,705,142	268,079,909
Other Assets	15	2,107,849	6,547,450
Property, Plant and Equipment	16	3,847,749	1,618,371
TOTAL ASSETS		617,699,143	309,340,480
LIABILITIES			
Bank Borrowings	11b	295,533,875	132,545,046
Deposits from Customers	17	82,243,047	58,265,740
Taxation	10b	423,394	2,167,365
Other Liabilities	18	197,224,523	84,676,649
TOTAL LIABILITIES		575,424,839	277,654,800
SHAREHOLDERS' FUNDS			
Stated capital	20	38,981,694	37,107,664
Retained earnings		(20,539,488)	(21,857,441)
Statutory Reserve		10,591,043	6,206,046
Credit Risk Reserve	21	13,241,055	10,174,011
Deposit For Shares	19	-	55,400
TOTAL SHAREHOLDERS' FUNDS		42,274,304	31,685,680
TOTAL LIABILITIES AND SHAREHOLDERS FUNDS		617,699,143	309,340,480

Approved by the board of directors on 4th June.....2026 and signed on its behalf by:





FORMS CAPITAL LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

2025	Stated Capital GH¢	Retained Earnings GH¢	Credit Risk Reserve GH¢	Statutory Reserve GH¢	Deposit for Shares GH¢	Total GH¢
Balance as at 1 January	37,107,664	(21,857,441)	10,174,011	6,206,046	55,400	31,685,680
Deposit for Shares					1,818,630	1,818,630
Issuance of Shares	1,874,030	-	-	-	(1,874,030)	-
Net Profit for the Year	-	8,769,994	-	-	-	8,769,994
Transfer to Statutory Reserve	-	(4,384,997)	-	4,384,997	-	-
Transfer to Credit Risk Reserve	-	(3,067,044)	3,067,044	-	-	-
Balance as at 31 December	38,981,694	(20,539,488)	13,241,055	10,591,043	-	42,274,304

2024

Balance as at 1 January	32,136,121	(29,867,258)	15,044,821	3,067,039	735,800	21,116,523
Deposit for Shares	-	-	-	-	4,291,143	4,291,143
Issuance of Shares	4,971,543	-	-	-	(4,971,543)	-
Net Profit for the Year	-	6,278,014	-	-	-	6,278,014
Transfer to Statutory Reserve	-	(3,139,007)	-	3,139,007	-	-
Transfer to Credit Risk Reserve	-	4,870,810	(4,870,810)	-	-	-
Balance as at 31 December	37,107,664	(21,857,441)	10,174,011	6,206,046	55,400	31,685,680

FORMS CAPITAL LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 GH¢	2024 GH¢
Cash flows from operating activities		
Net Profit before taxation	13,146,630	8,944,181
Adjustments for:		
Impairment loss on financial assets	2,167,141	2,390,136
Depreciation	128,821	128,778
Operating profit before working capital changes	15,442,592	11,463,095
Changes in Loans and Advances	(491,278,544)	(225,581,969)
Changes in other Assets	6,064,274	(2,554,939)
Changes in Pledged Assets	2,781,099	615,073
Changes in Short Term Investment	-	-
Changes in Customer Deposit	50,882,047	22,919,605
Changes in Due to Banks	291,657,407	132,545,046
Changes in other liabilities	197,609,004	84,194,121
Cash generated from operations	73,157,879	23,600,032
Taxation		
Tax Paid	(3,953,242)	(878,758)
Net cash generated in operations	69,204,637	22,721,274
Cash flow from investing activities		
Purchase of Property, Plant & Equipment	(2,358,197)	(557,902)
Proceed from Disposal	30,000	39,493
Net cash used in investing activities	(2,328,197)	(518,409)
Cash flows from financing activities		
Deposit for Shares	(1,874,030)	(680,400)
Proceed from issue of shares	1,874,030	4,971,543
	-	4,291,143
Net Increase in cash and cash equivalents	66,876,440	26,494,008
Cash and Cash Equivalent at begining of the year	29,934,585	3,440,577
	96,811,025	29,934,585

FORMS CAPITAL LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 GH¢	2024 GH¢
Cash flows from operating activities		
Net Profit before taxation	13,146,630	8,944,181
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	96,811,025	29,934,585

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

1. Reporting Entity

Forms Capital Limited (FCL) is a Limited Liability Company incorporated and domiciled in Ghana under the Companies Act, 2019 (Act 992). Forms Capital is authorised to carry out intermediate financial services and specialises in providing tailored financial solutions to businesses, organisations and individuals.

2. Basis of Preparation

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in the manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

a. Basis of measurement

The financial statements have been prepared on the basis below:

- Historical cost convention, unless otherwise stated.
- Non-derivative financial instruments, carried at fair value through profit or loss, are measured at fair value.
- Fair value through other comprehensive income (FVOCI) financial assets are measured at fair value through equity.
- The liability for defined benefit obligations is recognized as the present value of the defined benefit obligation less the fair value of the plan assets.

b. Presentation of financial statements

The Company presents its statement of financial position in order of liquidity. Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. Income and expenses are not offset in the income statement unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the company.

c. Functional & presentation currency

The financial statements are presented in Ghana Cedis (GH¢) which is also the Company's functional currency.

3. Summary of Significant Accounting Policies

The Company has adopted the following significant accounting policies in the preparation of these financial statements:

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

a. Property Plant & Equipment

The company recognizes an item of property, plant and equipment as an asset when it is probable that future economic benefits will flow to it and the amount meets materiality threshold set by the company.

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is provided on the depreciable amount of each component on a straight-line basis over the anticipated useful life of the asset. The depreciable amount related to each asset is determined as the difference between the cost and the residual value of the asset. The residual value is the estimated amount, net of disposal costs that the company would currently obtain from the disposal of an asset in similar age and condition as expected at the end of the useful life of the asset.

The current annual depreciation rates for each class of property, plant and equipment are as follows:

Asset Classification	Basis	Rate
Plant and Machinery	Straight Line	20%
Office Equipment	Straight Line	20%
Furniture & Fittings	Straight Line	20%
Motor Vehicle	Straight Line	20%
Computer & Data Handling Equipment	Straight Line	33.3%

Costs associated with routine servicing and maintenance of assets are expensed as incurred. Subsequent expenditure is only capitalized if it is probable that future economic benefits associated with the item will flow to the Company.

The carrying values of property, plant and equipment are reviewed for indications of impairment annually, or when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of property and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the item. Any gain or loss arising on derecognizing the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the pre- operating expenses.

Residual values, useful lives and methods of depreciation for property and equipment are reviewed, and adjusted if appropriate, at the date of financial statements

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

b. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized:

Interest Income

Interest income is recognized in the statement of profit or loss and other comprehensive income for all interest-bearing financial instruments measured at amortised cost, including loans and advances, as interest accrues using the effective interest method.

An effective interest method is a method of calculating the amortised cost of a financial asset and allocating the interest income. The effective interest rate is the rate that discounts the estimated future cash payments or receipts over the expected life of the instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The effective interest rate is calculated on initial recognition of the financial asset, estimating the future cash flow after considering all the contractual terms of the instrument but not future credit losses. The calculation includes all amounts for processing and commitment fees paid or received by the Company that are an integral part of the overall return, direct incremental transaction costs related to the acquisition, issue or disposal of a financial instrument.

Where a financial asset or a group of similar financial assets has been written down because of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Commissions and fees

The Company earns commission and fees from a limited range of services provided to its customers. Fees earned for the provision of services over a period are accrued over that period. Facility fees for loans and other credit-related fees are deferred (together with any incremental costs) and recognised as an adjustment to the EIR on the loan.

c. Interest expense

Interest expense is recognised in the statement profit or loss and other comprehensive income for all interest-bearing financial instruments measured at amortised cost as interest accrues using the effective interest method.

An effective interest method is a method of calculating the amortised cost of financial liability and of allocating the interest expense. The effective interest rate is the rate that exactly discounts the estimated future cash payments over the expected life of the instrument or, when appropriate, a shorter period, to the net carrying amount of the financial liability.

The effective interest rate is calculated on initial recognition of the financial liability, estimating the future cash flow after considering all the contractual terms of the instrument. The calculation includes all amounts for processing and commitment fees paid by the Company that are an integral part of the overall return, direct incremental transaction costs related to the acquisition, issue of or disposal of a financial instrument and all other premiums or discounts.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

d. Financial instruments

Initial Recognition and Measurement Classification

The Company classifies financial assets and financial liabilities into the following categories:

- Financial assets at amortised cost
- Financial liabilities measured at amortised cost.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as fair value through profit or loss:

The asset is held within a business model whose objective is to hold assets to collect contractual cash flow; and

The contractual terms of the financial asset give rise, on specified dates, to cash flows that solely payments of principal and interest on the principal amount outstanding.

Business Model Assessment

The Company assesses the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. Whether management's strategy focuses on earning contractual interest revenue, matching the duration of financial assets to the liabilities.
- that are funding those assets or realizing cash flows through the sales of the assets; how the performance of the portfolio is evaluated and reported to the Company's management.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and expectations about future sales activity. Information about sales activity is considered as part of the overall assessment of how the Company's stated objective for managing the financial assets is achieved and our cash flows are realized. Assessment of whether contractual cash flows are solely payments of principal and interest. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'interest' is defined as consideration for the time value of money and for credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs (for example, liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payment of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual clause that could change the timing or amount of contractual cash flow such that it would not meet this condition. In making this assessment, the Company considers:

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

- interest rate charged to customers.
- Origination fee and service fee charged to customers.
- any other amount charged to customer (if any);
- contingent events that would change the amount and timing of cash flow.
- leverage features.
- prepayment and extension terms.
- terms that limit the Company's claim to cash flows from specified assets (for example, non-recourse asset arrangements) and features that modify consideration of time value of money (for example, periodical reset of interest rates).

Financial assets which have been classified as measured at amortised cost include cash and cash equivalents, trade and other receivables and loans and advances.

If the business model/SPPI test are not met, the financial asset would be classified as fair value through profit or loss.

Initial recognition and measurement

The Company initially recognizes financial assets and liabilities on the date the Company becomes a party to the contractual provisions of the instruments, i.e. trade date. This is on the date that these financial instruments are originated.

Financial instruments are measured initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities are added to or deducted from the fair value of the financial assets or liabilities, as appropriate, on initial recognition, except if fair value through profit and loss.

The Company generally does not reclassify financial instruments between different categories subsequent to initial recognition. Financial assets are reclassified only if the Company changes its business model for managing financial assets. In accordance with IFRS 9.

- Financial liabilities can never be reclassified; and
- Financial assets can only be reclassified if there is a change in the business model.

Subsequent Measurement

Amortised Cost

Financial assets which are classified as measured at amortised cost, are measured using an effective interest method, with less than any expected credit losses which are recognized in profit or loss. Amortised cost is calculated by considering any transaction costs on acquisition as well as fees and costs that are an integral part of the effective interest rate. Origination fees and service fees are both considered to be integral to the effective interest rate. Origination fees are added to the original debt amount and included in the initial measurement of the loan.

Expected credit losses are calculated using an appropriate impairment methodology.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

Derecognition

Financial assets (or a portion thereof) are derecognized when the Company realizes the rights to the benefits specified in the contract, the rights expire, the asset is substantially modified or the Company surrenders or otherwise loses control of the contractual rights that comprise the financial asset. On derecognition, the difference between the carrying amount of financial liability, including related unamortised costs, and the amount paid for it are included in profit and loss.

Impairment of Financial Assets

Significant Increase in Credit Risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue costs and effort. The Company has utilized the 30-days past due rebuttable presumption to identify a significant increase in credit risk since initial recognition.

Definition of Default

The Company considers the following as constituting an event of default, and therefore credit – impaired, for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the debtor; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without considering any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due.

Credit impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised costs are credit impaired.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower.
- a breach of contract, such as a default or past due event.
- the Company, for economic or contractual reasons relating to the borrower's financial difficulty, having granted the borrower a concession(s) that the Company would not otherwise consider.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.
- the disappearance of an active market for security because of financial difficulties.

Write off Policy

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered bankruptcy proceedings, or in the case of trade receivable, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, considering legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Measurement and recognition of Expected credit losses

The Company recognizes loss allowances for expected credit losses on the following financial assets:

- Loans and Advances
- Cash and Bank Balances
- Intercompany Receivables
- Other Assets.

Impairments are measured as 12 months' expected credit losses upon origination. Where there has been a significant increase in credit risk since initial recognition of a financial asset, the loss allowance is measured as an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Expected credit losses are a probability weighted estimate of credit losses. They are measured as follows:

- Financial assets that are not credit impaired at the reporting date – as the present value of all cash flow shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expect to receive).
- Financial assets that are credit impaired at the reporting date – as the difference between the gross carrying amount and the present value of estimated future cash flows.
- Loss allowances for expected credit losses are presented in the statement of financial position as a deduction from the gross carrying amount of financial assets.

Other Assets

Other assets are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are recognised in profit and loss.

e. Other Payables

Other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

f. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

g. Bank overdraft and borrowings

Bank overdraft and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

h. Offsetting

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

i. Provisions

The Company recognizes provisions when it has a present obligation (legal or constructive) because of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flow at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. Contingent liabilities and contingent assets are disclosed in the notes to the financial statements.

j. Credit Risk Reserve

Loans and Receivables

To cater for any shortfall between the Bank of Ghana's credit loss provision requirements and loans and advances impairments based on IFRS principles, a transfer is made from distributable to non-distributable reserves in the statement of changes in equity, being the regulatory general risk reserve. The non-distributable regulatory general credit risk reserve ensures that minimum regulatory provisioning requirements as established by the Bank of Ghana are maintained.

k. Employee Benefits

The Company contributes to the defined contribution schemes (the Social Security Fund) on behalf of employees.

Retirement Benefits Cost

The Company contributes to the statutory Social Security and National Insurance Trust (SSNIT). This is a defined contribution scheme registered under the National Social Security Act. The Bank's obligations under the scheme are limited to specific contributions legislated from time to time and are currently limited to a maximum of 13% of an employee's basic salary per month. All employer contributions are charged to profit or loss as incurred and included under staff costs.

Provision for employee entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave accrued at the year end.

Short-Term Employment Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognised for the amount expected to be paid under a short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

l. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in profit or loss in the expense category that is consistent with the function of the intangible assets.

The Company's intangible assets comprise of its software which is currently being amortised at a rate of 33.33%.

m. Share Capital and Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Ordinary shares are classified as equity. Ordinary shares are recognised at par value and classified as 'share capital' in equity. Dividends are recognised as a liability in the year in which they are declared.

n. Related Parties

Related parties are individuals and Companies, where the individual and Company have the ability, directly or indirectly, to control the other party or exercise significant influence on the other party in making financial and operating decisions. Related party transactions and balance are disclosed in the notes to the financial statements.

o. Taxation

a) Income Tax

Income tax is recognized in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognized directly in shareholders' equity, in which case it is recognized in shareholders' equity. Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current tax assets and liabilities are offset when the Company intends to settle on a net basis and the legal right to set-off exists.

b) Deferred tax

Deferred taxation is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax assets recognized for all deductible temporary differences and carry-forward of unused tax assets and losses, to the extent that it is probable that taxation profits will be available against which the deductible temporary differences and carry-forward of unused tax assets and losses, can be utilized.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax assets and liabilities are offset against each other if they relate to the same tax authority and the legal right to set-off exists.

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

c) Value Added Tax (VAT)

Revenue, expenses and assets are recognized net of the amount of VAT except:

- where the value added tax incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of value added tax included.

p. New Standards and Interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the period ended 31 December 2024 and have not been applied in preparing these financial statements. These are disclosed as follows:

Amendments to IAS 21 - Lack of Exchangeability

An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. Annual periods beginning on or after 1 January 2025 (early adoption is available).

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

The Amendments significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified. The Amendments permit an entity to early adopt only the amendments related to the classification of financial assets and the related disclosures and apply the remaining amendments later.

Annual periods beginning on or after 1 January 2026.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025
IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements and is mandatorily effective for annual reporting periods beginning on or after 1 January 2027.

IFRS 18 sets out significant new requirements for how financial statements are presented. The aim of the IASB in publishing IFRS 18 is to improve comparability and transparency of companies' performance reporting. IFRS 18 has also resulted in narrow changes to the statement of cash flows

The above new standards, interpretations and amendments are not expected to have any material impact on the financial statements.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 GH¢	2024 GH¢
4. Interest and Similar Income		
Loans and Advance to customers	108,790,798	32,742,480
Investments at Amortised Cost	258,189	328,666
Cash and Cash Equivalents	35,008	72,279
	<u>109,083,995</u>	<u>33,143,425</u>
5. Interest and Similar Expenses		
Deposit from Customers	9,857,636	10,956,769
Due to Banks	68,706,680	9,269,143
	<u>78,564,316</u>	<u>20,225,912</u>
6. Net Commission Fees		
Facility Fees From Loans and Advances	445,113	497,347
Fee Expenses - Loans and Advances	-	(817,485)
	<u>445,113</u>	<u>(320,138)</u>
7. Other Income		
Foreign Exchange Gain	27,366	324,871
Penal Charges	208,888	1,239,521
Recoveries	28,636	487,112
Other Services Income	472,778	5,953,199
	<u>737,668</u>	<u>8,004,703</u>
8. Impairment Losses on Financial Assets		

The table below shows the Expected Credit Loss charges on financial instrument for the year recorded in statement of profit or loss and other comprehensive income:

	Stage 1 GH¢	Stage 2 GH¢	Stage 3 GH¢	Total GH¢
2025				
Loans and Advances	531,977	204,664	1,430,500	2,167,141
Bank Balances	-	-	-	-
Other Receivables	-	-	-	-
	<u>531,977</u>	<u>204,664</u>	<u>1,430,500</u>	<u>2,167,141</u>
2024				
Loans and Advances	-	-	2,390,136	2,390,136
Bank Balances	-	-	-	-
Other Receivables	-	-	-	-
	<u>-</u>	<u>-</u>	<u>2,390,136</u>	<u>2,390,136</u>

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 GH¢	2024 GH¢
9. Operating Expenses		
Staff Cost	3,747,084	2,925,600
Directors' Emoluments	305,040	846,835
Audit Fees	162,475	155,108
Depreciation	128,821	128,778
Occupancy	999,375	809,374
General & Administration Expenses	11,045,894	4,402,066
	<u>16,388,689</u>	<u>9,267,761</u>

10. Taxation

(i) Income tax expense

Current Tax Expenses	3,719,304	2,218,958
Deferred Tax (10c)	-	-
	<u>3,719,304</u>	<u>2,218,958</u>

All tax liabilities are subject to the agreement of the Ghana Revenue Authority.

(ii) Reconciliation of effective tax rate

Profit Before Tax	13,146,630	8,944,181
Corporate Tax at 25% (2024: 25%)		
Tax calculated at corporate tax rate	3,286,658	2,236,045
Tax effect on non-deductible expenses	579,590	37,972
Tax effect of capital allowance	(146,943)	(55,059)
	<u>3,719,305</u>	<u>2,218,958</u>
Effective Tax Rate%	28%	25%

	Balance 1 Jan. GH¢	Payment for the year GH¢	Charge for the year GH¢	Balance 31 Dec GH¢
10b. Income Tax				
2025	1,853,435	(5,434,218)	3,719,304	138,521
Growth and Sustainability	313,930	(686,389)	657,332	284,873

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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10c Deferred Tax

Deferred tax assets have not been recognised in respect of the following items:

	2025 GH¢	2024 GH¢
Tax Loss	-	2,708,169
	<u>-</u>	<u>2,708,169</u>

11a. Cash and Short - Term Funds

Balance with Banks and Other Financial Institutions	5,907,194	1,887,668
Cash on Hand	90,903,831	28,046,917
	<u>96,811,025</u>	<u>29,934,585</u>

11b. Borrowing from Banks

Term Loan	22,854,607	20,000,000
Overdraft	272,679,268	112,545,046
	<u>295,533,875</u>	<u>132,545,046</u>

12. Pledged Assets

Treasury Bills	375,927	308,714
	<u>375,927</u>	<u>308,714</u>

Pledged assets are in respect of treasury bills and placements assigned by Forms Capital Limited to its bankers in respects of credit facilities granted to the company. These assets cannot be assigned to any other party while being assigned to the bankers of the Company. Bills are held to maturity. All pledged assets are carried at amortised cost.

13. Short Term Investment

GOG Bond	2,851,451	2,851,451
	<u>2,851,451</u>	<u>2,851,451</u>

14. Loans and Advances

Personal and Business Loans	522,059,707	276,372,568
Staff Loans	782,142	664,932
	<u>522,841,849</u>	<u>277,037,500</u>
Less Credit Impairment Loss	(11,116,001)	(8,948,858)
Deferred Fees	(20,706)	(8,733)
	<u>511,705,142</u>	<u>268,079,909</u>

14a

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025	2024
14a Allowance for Impairment		
Balance as at 1 January	8,948,858	7,045,834
Recoveries	-	(487,112)
Impairment	2,167,143	2,390,136
Balance as at 31 December	<u>11,116,001</u>	<u>8,948,858</u>
15 Other Assets		
Accounts Receivable	621,083	74,430
Other Debtors	-	1,765,813
Prepayments	1,486,766	4,707,207
	<u>2,107,849</u>	<u>6,547,450</u>

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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16. Property, Plant and Equipment

2025	Office Equipment	Office Furn. & Fittings	Motor Vehicle	Computers & Handling Equipment	Computer Software	Plant & Machinery	Capital Work in Progress	Total
Cost	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance as at 1 January	529,526	349,823	377,737	394,065	453,488	59,915	1,253,105	3,417,659
Additions	17,764	24,448	1,303,834	60,011	-	-	952,140	2,358,197
Disposal	-	-	(118,605)	-	-	-	-	(118,605)
Balance as at 31 December	547,290	374,271	1,562,966	454,076	453,488	59,915	2,205,245	5,657,251
Depreciation								
Balance as at 1 January	414,338	291,918	377,737	203,637	451,743	59,915	-	1,799,288
Charge for the year	41,223	9,112	-	76,917	1,569	-	-	128,821
Disposal	-	-	(118,607)	-	-	-	-	(118,607)
Balance as at 31 December	455,561	301,030	259,130	280,554	453,312	59,915	-	1,809,502
NBV at 31 December 2025	91,729	73,241	1,303,836	173,522	176	-	2,205,245	3,847,749

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FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

16. Property, Plant and Equipment

2024	Office Equipment	Office Furn. & Fittings	Motor Vehicle	Computers & Handling Equipment	Computer Software	Plant & Machinery	Capital Work in Progress	Total
Cost	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Balance as at 1 January	478,483	344,823	461,867	186,180	453,488	59,915	959,131	2,943,887
Additions	51,043	5,000	-	207,885	-	-	293,974	557,902
Disposal	-	-	(84,130)	-	-	-	-	(84,130)
Balance as at 31 December	<u>529,526</u>	<u>349,823</u>	<u>377,737</u>	<u>394,065</u>	<u>453,488</u>	<u>59,915</u>	<u>1,253,105</u>	<u>3,417,659</u>
Depreciation								
Balance as at 1 January	368,834	284,782	461,867	159,738	419,504	59,915	-	1,754,640
Charge for the year	45,504	7,136	-	43,899	32,239	-	-	128,778
Disposal	-	-	(84,130)	-	-	-	-	(84,130)
Balance as at 31 December	<u>414,338</u>	<u>291,918</u>	<u>377,737</u>	<u>203,637</u>	<u>451,743</u>	<u>59,915</u>	<u>-</u>	<u>1,799,288</u>
NBV at 31 December 2024	<u>115,188</u>	<u>57,905</u>	<u>-</u>	<u>190,428</u>	<u>1,745</u>	<u>-</u>	<u>1,253,105</u>	<u>1,618,371</u>

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 GH¢	2024 GH¢
17. Deposits From Customers		
Term Deposits	82,243,047	58,265,740
	<u>82,243,047</u>	<u>58,265,740</u>
18. Other Liabilities		
Short Term Employee Benefit	-	11,707
Accounts Payable & Accruals	197,224,523	84,664,942
	<u>197,224,523</u>	<u>84,676,649</u>
19. Deposit for Shares		
Balance as at 1 January	55,400	735,800
New Deposits	1,818,630	4,291,143
Transfer to Stated Capital	(1,874,030)	(4,971,543)
	<u>-</u>	<u>55,400</u>

Contributions made by shareholders have been approved by Bank of Ghana and registered with the statutory authorities.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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	2025 Number of Shares	2024 Number of Shares
20. Stated Capital		
Authorised Ordinary Shares of no par value	<u>1,000,000</u>	<u>1,000,000</u>
Issued Ordinary Shares of no par value	<u>178,400</u>	<u>178,400</u>
	GH¢	GH¢
Proceeds of issue for cash - Ordinary Shares	<u>38,981,694</u>	<u>37,107,664</u>

There is no unpaid liability on any share and there are no shares in treasury.

21. Credit Risk Reserve

This reserve represents excess loan provision as per Bank of Ghana guidelines over IFRS loan provision.

22. Analysis of Cash and Cash Equivalents

	GH¢	GH¢
Gross Cash and Bank Balances	<u>(198,722,850)</u>	<u>(102,610,461)</u>

23. Contingent Liabilities

The Company had no contingent liabilities arising in ordinary course of business as at 31 December 2025 (2024: Nil)

24. Capital Commitments

The Company has no commitment for capital expenditure as at 31 December 2025.

25. Other Commitments

The Company had no other commitment as at 31 December 2025, (2024: Nil)

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

26. Related Party Transaction

Transactions with Executive Directors and Key Management Personnel.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly and comprise the Executive Directors and Officers of the Company.

Remuneration of executive directors and other key management personnel.

	2025	2024
	GH¢	GH¢
Salaries and other short - term benefit	<u>1,291,645</u>	<u>2,153,993</u>

Loans and advances to executive directors and their associates are as follows:

Balance as at 1 January	8,236	315,521
Interest Charged	24,000	17,954
Loans Disbursed	200,000	-
Payment Received	(82,236)	(325,239)
	<u>150,000</u>	<u>8,236</u>

27. Basic Earnings Per Share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of shares in issue during the year.

Profit attributable to equal holders	<u>8,769,994</u>	<u>6,278,014</u>
Weighted average number of ordinary shares	<u>178,400</u>	<u>178,000</u>
Basic earnings per share (Ghana cedi per share)	<u>49.16</u>	<u>35.27</u>

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

28. Financial Risk Management

The Company's activities exposes the business to a number of risks. These risks are managed professionally and in a targeted manner. Key risks arising from the core functions are identified and measured to facilitate management and determination of risk positions and capital allocators. The Company has exposure to the following types of risks from its use of financial instruments:

Credit risk
Liquidity risk
Market risk
Operational risk

The Company continues to assess its overall risk management framework and governance structure.

I Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans to customers.

a. Exposure to credit risk

The table below set out information about the quality of loans to customers and the allowance for impairment/loss held by the company against those loans.

	2025	2024
	GH¢	GH¢
Allowance for impairment		
Balance as at 1 January	8,948,858	7,045,834
Impairment	2,167,143	2,390,136
Recoveries	-	(487,112)
Balance as at 31 December	11,116,001	8,948,858
Impairment Charge for the Year	2,167,143	2,390,136

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

28. Financial Risk Management (Continued)

b. Concentration of credit risk

The company monitors concentrations of credit risk by product. The analysis on the concentration of credit risk at the reporting date is shown below:

	2025 GH¢	2024 GH¢
Personal & Business Loans	522,059,707	276,372,568
Staff loans	782,142	664,932
Total gross loan portfolio	522,841,849	277,037,500
Deferred processing fee	(20,706)	(8,733.00)
Impairment provision	(11,116,001)	(8,948,858)
Total net portfolio	511,705,142	268,079,909

c. Key ratios on loans and advances

Non - Performing Loan Ratio is 4% (2024: 6%)

Percentage of gross non-performing loans with respect to Bank of Ghana Prudential Norms (especially impaired) to total gross loans and advances is 4% (2024: 6%)

ii. Liquidity risk

The company defines liquidity risk as the risk that the company will encounter difficulty meeting obligations associated with liabilities that are settled by delivering cash or other financial assets. The company maintains liquidity limits advised by its local regulators, Bank of Ghana and the overall liquidity has always been within the regulatory limit of Bank of Ghana.

a. Exposure to Liquidity Risk

The key measure used by the company for managing liquidity risk is the ratio of net liquid assets to deposits from customers. For this purpose net liquid assets are considered as including cash and cash equivalents and investments for which there is an active and liquid market.

Details of the reported company ratio of the net liquid assets to deposit from customers at the reporting date and during the reporting year were as follows:

	2025 GH¢	2024 GH¢
At end of period	118%	52%
Average during the year	153%	46%

b. Maturity analysis of financial assets and liabilities

The table below presents cashflow payable under non-derivative financial liabilities and assets held for managing liquidity risk by remaining contractual maturities at the reporting date adjusted to reflect behavioral characteristics of the financial assets and liabilities. The amounts disclosed in the table are the contractual undiscounted cashflows, whereas the company manages liquidity risk taking into account the behavioral characteristics of deposits.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

28. Financial Risk Management (Continued)

2025	Up to 1 months GH¢	2-3 months GH¢	4-12 months GH¢	1-5 year(s) GH¢	Total GH¢
Financial Asset					
Cash & Cash Equivalent	20,000,000	56,811,024	20,000,000	-	96,811,024
Government Securities	-	-	375,927	-	375,927
Short term Investments	-	-	-	2,851,451	2,851,451
Loans and Advances	295,879,216	101,152,115	100,536,681	14,137,129	511,705,141
Other Assets (excluding Prepayments)	-	-	621,083	-	621,083
Total Financial Assets	315,879,216	157,963,139	121,533,691	16,988,580	612,364,626
Financial liabilities					
Deposit from customers	400,000	336,223	79,506,824	9,201,888	89,444,935
Taxation	-	-	-	-	-
Amounts owed to banks	155,000,000	100,000,000	40,533,875	-	295,533,875
Accounts payable	147,224,523	50,000,000	-	-	197,224,523
Total financial liabilities	302,624,523	150,336,223	120,040,699	9,201,888	582,203,333
	13,254,693	7,626,916	1,492,992	7,786,692	30,161,293
2024					
	Up to 1 months GH¢	2-3 months GH¢	4-12 months GH¢	1-5 year(s) GH¢	Total GH¢
Financial Asset					
Cash & Cash Equivalent	29,934,585	-	-	-	29,934,585
Government Securities	-	-	308,714	-	308,714
Short term Investments	-	-	-	2,851,451	2,851,451
Loans and Advances	56,439,191	13,338,972	166,856,583	31,445,163	268,079,909
Other Assets (excluding Prepayments)	-	-	1,840,243	-	1,840,243
Total Financial Assets	86,373,776	13,338,972	169,005,540	34,296,614	303,014,902
Financial liabilities					
Deposit from customers	736,223	2,000,000	46,327,630	9,201,887	58,265,740
Taxation	-	-	1,654,992	-	1,654,992
Amounts owed to banks	-	-	112,545,046	20,000,000	132,545,046
Accounts payable	83,543,242	1,133,407	-	-	84,676,649
Total financial liabilities	84,279,465	3,133,407	160,527,668	29,201,887	277,142,427
	2,094,311	10,205,565	8,477,872	5,094,727	25,872,475

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

28. Financial Risk Management (Continued)

Market Risks

Management of market risk

The Company recognizes market risk as the exposure created by potential changes in market prices and rates, such as interest rates, equity prices and foreign exchange rate. The Company's exposure to market risk arises principally from customer driven transaction. Overall authority for market risk is vested in management.

Exposure to interest rate risk - Non trading portfolios

The principal risk to which non trading portfolios are exposed is the risk of loss from fluctuations in the future cashflows or fair values of financial instruments because of a change in market interest rates. Interest rate risk is managed principally through monitoring interest rate gaps and by having pre - approved limits for repricing bands. The Asset and Liability Committee (ALICO) is the monitoring body for compliance with these limits in its day to day monitoring activities.

Interest rate risk

Interest rate risk is managed principally through monitoring interest rate. The interest rates on the Company's financial assets and liabilities are fixed and all financial assets and liabilities are measured at amortised cost. Hence, changes in interest rate in the future will not implicate the profit and equity of the Company.

Market risks

Foreign currency exposure risk

Exposure to other market risks - Non trading portfolios

At 31 December 2025

		EUR GH¢	USD GH¢	GBP GH¢	CEDI GH¢
Asset					
Cash and Cash Equivalent					96,811,025
Pledged Assets					375,927
Short term investments					2,851,451
					511,705,142
Loans and advances to customers					
Other assets					2,107,849
Property, plant & equipment					3,847,749
Total financial Assets	A	-	-	-	617,699,143
Liabilities					
Deposit from customers					82,243,047
Due to banks					295,533,875
Other liabilities					197,224,523
Current tax liabilities					
Total financial liabilities	B				575,001,445
Net on statement of financial position	A-B				42,697,698

At 31 December 2024

Total Assets		309,340,480
Total Liabilities		277,654,800
Net on statement of financial position		31,685,680

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

28. Financial Risk Management (Continued)

The management of foreign exposure by monitoring the sensitivity of the Company's financial assets and liabilities in foreign currencies and the movement in the local currency. Standard scenarios that are considered on a monthly basis include a basis point (bp) fall or rise in local currency relative to US dollar, EURO and Great Britain Pound Sterling.

A decrease in the value of Ghana Cedi relative to US dollar by 3% would have impacted equally on profit / (loss) by the amounts shown below:

Currency	Increase / Effect on Profit	
	Decrease in basis points	before tax
USD	3%	394,399

The Company's foreign exchange exposures comprise non trading foreign currency translation exposures. The following mid interbank exchange rate were applied at the end of the years:

	2025 GH¢	2024 GH¢
USD	10.4500	14.7000
EUR	12.2728	15.2141
GPB	14.0579	18.4008

Operational Risk

Operational risk is the risk of indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations. The Company's objective is to manage operational risk so as to balance the avoidance of financial loss and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity. The primary responsibility for the development and and implementation of controls to address operational risk is assigned to senior management within each business unit.

The Company's Risk and Internal Audit & Inspection Departments are responsible for establishing and maintaining an appropriate framework of the Company's compliance policies and procedures.

This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- a. requirement for appropriate segregation of duties, including the authorisation of transaction;
- b. requirements for the reconciliation and monitoring of transaction;
- c. compliance with regulatory and other legal requirement;
- d. documentation of control and procedures;
- f. requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified. losses and proposed remedial action
- e. requirements for the reporting of operational losses and proposed remedial action
- h. training and professional development
- i. ethical and business standards ; and
- j. risk mitigation, including insurance where this is effective.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

28. Financial Risk Management (Continued)

The Company's regulator, the Bank of Ghana sets and monitors capital requirement for the Company as a whole. In implementing current capital requirement, the Bank of Ghana requires the Company to maintain a prescribe ratio of total capital to total risk weighted

Regulatory Capital

The Company's regulatory capital is analyzed into two tiers:

. Tier 2 capital, also referred to a core/primary capital is made up of equity and disclosed reserves. Equity includes issued and fully paid ordinary share capital and perpetual non - cumulative preference shares. Disclosed reserves relate to those created or increased by appropriation of after tax retained earnings/surplus, retained profits and general statutory reserves and does not include regulatory credit risk.

. Tier 2 capital, also referred to as supplementary/secondary capital includes revaluations reserves, latent revaluation reserves and hybrid capital instruments. Latent revaluation reserves relate to unrealised gain on equity instruments classified as available for sale.

Various limits are applied to elements of the capital base. The qualifying tier 2 capital cannot exceed tier 1 capital.

Risk weighted assets are determined according to specified requirements that seek to reflect the varying levels of risks attached to assets and off - balance sheet exposure.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Company recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position. Contributions of GH¢ 1,874,030 made by shareholders as capital has been approved by the regulator for subsequent registration with the statutory authorities. The Bank of Ghana requires that finance houses maintains a minimum paid up capital of GH¢ 15.0 million. As indicated in note 19 and 20 of the financial statements, the Company's paid - up capital at the reporting date was GH¢ 38.9 million.

The capital adequacy ratio looks at the percentage of the capital base of the Company and the Company's risk weighted asset base. In accordance with Bank of Ghana regulations, a minimum ratio of 10% is to be maintained. The Capital Adequacy Ratio (CAR) of 5.25% (2024 6.13%) as recorded was below the Central Bank's defined minimum limit.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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28. Financial Risk Management (Continued)

Tier 1 capital

	2025	2024
	GH¢	GH¢
Stated capital	38,981,694	37,107,664
Disclosed reserved	(9,948,445)	(15,651,395)
Other assets/Intangibles & others	(1,486,766)	(4,707,207)
Total Regulatory Capital	27,546,483	16,749,062
Total Assets	604,458,088	299,166,469
Less:		
Cash in hand	90,903,831	(28,046,917)
Treasury Securities	3,227,378	(3,160,165)
Claims on other banks	4,725,755	(1,510,134)
Intangibles	1,486,766	(4,707,207)
Adjusted Total Assets	504,114,358	261,742,046
Add:		
100% of 3 years Average	20,567,556	11,644,681
Adjusted Asset Bass	524,681,914	273,386,727
Capital Adequacy Ratio	5.25	6.13

Breach of capital adequacy ratio

The company in the year under review recorded a Capital Adequacy Ratio (CAR) of 5.25% below the 10% minimum acquired by the Bank of Ghana.

Capital Allocation

The allocation of capital between specific operations and activities is to a large extent, driven by optimisation of the return achieved on the capital allocation. The amount of capital allocation to each operation or activity is based primarily upon the regulatory capital, but in some cases the regulatory requirements do not reflect fully the varying degree of risk associated with different activities. In such cases the capital requirements may be flexed to reflect differing risk profiles, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes. The process of allocating capital to specific operations and activities is undertaken by the Company's Board Credit Committee or ALCO as appropriate.

Although, maximisation of the return on risk adjusted capital is the principal basis used in determining how capital is allocated within the Company to particular operations or activities. It is not the sole basis used for decision making. Accounts also is taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Company's longer term strategic objectives. The Company's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

28. Financial Risk Management (Continued)

Fair value of financial instrument

The carrying value of financial assets included in the other assets and financial liabilities included in creditor and accruals approximate their fair values.

The fair value of claims and liabilities at fixed rates of interest was determined using the discounted cash flow method, ie. Net of allowance for impairment. The expected cash flows are discounted to fair value at the current market interest rates of the respective markets.

Valued Added Statement

	2025	2024
	GH¢	GH¢
Interest earned and other operating income	109,083,995	33,143,425
Direct cost of service	(78,564,316)	(20,225,912)
Value added by banking services	30,519,679	12,917,513
Non-banking income	1,182,781	7,684,565
Impairment Charge	(2,167,141)	(2,390,136)
Valued added	29,535,319	18,211,942

Distributed as follows:

To Employees:

Non-executive directors	305,040	-
Executive directors	968,313	846,835
Other employees	2,778,771	2,925,600
	4,052,124	3,772,435

To Government:

Income tax	(4,376,636)	(2,666,167)
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To Shareholders:

Dividend to shareholders	-	-
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To Expansion and growth:

Depreciation and amortisation	128,821	128,778
Other operating expenses	12,207,744	5,366,548
	12,336,565	5,495,326
To retained earnings	8,769,994	6,278,014

FORMS CAPITAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

29. Event after the reporting date

The directors are not aware of any other material event that have occurred between the date of the statement of financial position and the date of this report that require disclosure or adjustment.

30. Breach of regulatory requirement

Section 29 of the Banks and Specialised Deposit Taking Institution Act 2016 (Act 930), requires a minimum capital adequacy ratio of 10%. As at 31 December 2025, the Capital Adequacy Ratio (CAR) of the Company was 5.25% (2024 : 6.13).

FORMS CAPITAL LIMITED
SCHEDULE TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 GH¢	2024 GH¢
STAFF COST		
Salaries and Wages	1,833,724	930,501
Social Security Cost	263,875	212,511
Other Staff Cost	1,537,787	1,657,754
Staff Training	37,966	25,075
Medical Expenses	73,732	99,759
	<u>3,747,084</u>	<u>2,925,600</u>
OCCUPANCY		
Repairs and Maintenance	129,607	43,176
Rent and Rates	761,847	711,590
Water, Electricity & Conservancy	107,921	54,608
	<u>999,375</u>	<u>54,608</u>
GENERAL AND ADMINISTRATIVE EXPENSES		
Security Services	63,251	41,349
Bank Charges	77,875	97,275
Board Expenses	65,000	315,958
Direct Operating Expenses	383,023	727,830
Commission on Sales	1,056,320	1,728,683
Printing and Stationary	77,317	60,709
Canteen Expenses	408,040	342,270
Communications	138,213	124,061
Subscription and Publication	4,810	2,440
Advertising and Branding	742,430	43,005
Insurance	121,781	69,725
Cleaning and Sanitation	4,120	32,557
CSR and Donation	66,147	10,000
Exchange Loss	62,189	13,109
Fuel and Lubricants	62,847	38,772
IT System Support and maintenance	736,616	392,593
Professional and Legal Fees	6,734,314	355,644
Transport and Travelling	241,601	6,086
	<u>11,045,894</u>	<u>4,402,066</u>