APOLLO MONEY MARKET FUND

ANNUAL REPORT AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2025

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ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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APOLLO MONEY MARKET FUND

CORPORATE TRUSTEE

FOR THE YEAR ENDED 31 DECEMBER 2025

Corporate Trustee	KCB Bank Kenya Limited KCB Towers 7th Floor, Upper Hill Junction of Kenya Road & Hospital Road P O Box 30664 – 00100 Nairobi,Kenya
Registered office	Apollo Asset Management Company Limited Apollo Centre, 3rd Floor Ring Road Parklands, Westlands P O Box 30389 – 00100 Nairobi, Kenya
Independent auditor	Deloitte & Touche LLP Certified Public Accountants (Kenya). Deloitte Place, Waiyaki Way, Muthangari P O Box 40092-00100 Nairobi, Kenya
Custodian	Co-operative Bank of Kenya Limited KUSCCO Centre, Ground Floor Kilimanjaro Avenue- Upper Hill P O Box 48231 – 00100 Nairobi, Kenya
Fund Managers and Administrators	Apollo Asset Management Company Limited Apollo Centre, 3rd Floor Ring Road Parklands, Westlands P O Box 30389 – 00100 Nairobi, Kenya

The Fund manager submit their report together with the audited financial statements of Apollo Money Market Fund ("the Fund") for the year ended 31 December 2025, which disclose the state of financial affairs of the Fund.

INCORPORATION

The Fund was established and is governed by a Trust Deed dated 30 November 2015 as a money market fund. The Fund is registered with the Capital Markets Authority and approved under the Income Tax Act. The Fund is tax exempt with effect from 1 February 2019. The Fund only withholds tax on interest distributed to unit holders on a quarterly basis.

CORPORATE TRUSTEE

The Corporate Trustee who held office during the year and upto the date of this report is set out on page 2.

PRINCIPAL ACTIVITIES

The principal activity of the Fund is to obtain a reasonable level of return on a regular basis while preservingcapital and offering liquidity by investing in a wide range of fixed income instruments. It ultimately aims to mobilize savings and allow access to investment assets and returns in fixed income instruments otherwise restricted to persons with access to large amounts of capital. The Fund primarily invests in high quality money market instruments with a short-term maturity profile.

FINANCIAL REVIEW

The statement of profit or loss and other comprehensive income on page 11 shows a profit for the year of Shs 325,866,834 (2024: Shs 234,875,896 The statement of financial position on page 12 shows unit holder balances of Shs 4,017,060,090 as at 31 December 2025 (2024: Shs 2,351,981,343).

PERFORMANCE RECORD

The performance record of the Fund over the past four years is as shown below:

a) The cumulative average growth rate of the unit holder balances invested:

	2025	2024	2023	2022
Growth rate	72%	122%	25.76%	24.85%

b) The closing, lowest and highest unit prices of the units of the Fund for the last 4 years are as shown below:

	2025		**2024**		**2023**		**2022**	
	Bid Price Shs	**Offer Price Shs**	**Bid Price Shs**	**Offer Price Shs**	**Bid Price Shs**	**Offer Price Shs**	**Bid Price Shs**	**Offer Price Shs**
Closing unitprice	126.1415	126.1415	124.11	124.11	121.67	121.67	120.50	120.50
Lowest unitprice	124.1094	124.1094	124.11	124.11	120.41	120.41	119.22	119.22
Highest unitprice	126.1415	126.1415	124.67	124.67	122.01	122.01	120.50	120.50

c) The total Fund value, number of units and net income distributed per unit held for the last 4 years are as shown below:

	2025	**2024**	**2023**	**2022**
Net asset value (Shs)	4,017,060,090	2,351,981,343	1,061,687,616	845,057,402
Number of units issued	25,660,421	16,059,585	6,247,6741	2,712,906
Net income distributed per unit (Shs)	14.50	14.62	16.97	24.82

There has not been any amalgamation or reconstruction of the current units in the Fund that have had amaterial effect on the size of the Fund.

REPORT OF THE FUND MANAGER (Continued)

PERFORMANCE RECORD (Continued)

INVESTMENT

Under the terms of their appointment, Apollo Asset Management Company Limited is the fund manager and supports the Corporate Trustee in the investment decisions. The overall responsibility for investment and performance lies with the Trustee.

MEMBERSHIP

As at 31 December 2025, the Fund had 2,866 members (2024: 2,257 members).

STATEMENT AS TO DISCLOSURE TO THE FUND AUDITOR

With respect to Corporate Trustee at the time this report was approved:

(a) there is, as far as the Corporate Trustee is aware, no relevant audit information of which the Fund'sauditor is unaware; and

(b) the Corporate Trustee has taken all the steps that the Corporate Trustee ought to have taken as a Corporate Trustee so as to be aware of any relevant audit information and to establish that the Fund's auditor is aware of that information.

TERMS OF APPOINTMENT OF AUDITOR

Deloitte & Touché LLP were appointed as auditors in the year and continue in office in accordance with the Fund's Trust Deed and Section 55 (A) of the Capital Markets (Licensing Requirements) (General) Regulations 2002.

The Corporate Trustee monitors the effectiveness, objectivity and the independence of the auditor. This responsibility includes the approval of the audit engagement contract and the associated fees on behalf ofthe unit holders.

Signed on behalf of the Fund Manager

..... **Fund Manager**

31 | 03 | **2026**

..... **Fund Manager**

31 | 03 | **2026**

APOLLO MONEY MARKET FUND
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2025

The Corporate Trustee of the Apollo Money Market Fund is pleased to present its report to the unit holders for the year ended 31 December 2025.

1. Compliance with the Capital Markets (Collective Investment Schemes) Regulations, 2023

In accordance with the Capital Markets (Collective Investment Schemes) Regulations, 2023, the Trust Deed between KCB Bank Kenya Ltd (the "Trustee") and Apollo Asset Management Limited (the "Fund Manager"), and the Information Memorandum, we confirm that during the year under review:
The Trustee has fulfilled all duties and responsibilities prescribed under the Regulations and the Trust Deed.

The Scheme and its sub-funds were operated in accordance with the approved scheme documents, the Regulations, and applicable laws.

2. Oversight of Fund Manager Activities

The Trustee has exercised continuous oversight over the Fund Manager's activities and confirms that:
All investment decisions were made within the investment policy, strategy, and limits set out in the scheme documents and the Regulations.
The Fund Manager adhered to the investment powers granted and did not exceed the mandate conferred by the Trust Deed or the Regulations.
Pricing, valuation, unit creation, and redemption processes were reviewed periodically and found to be in compliance with regulatory requirements.

3. Management of Conflicts of Interest

The Trustee confirms that:
No conflicts of interest were identified that would prejudice the interests of the unit holders.
The interests of all participants were treated as paramount in all matters relating to the scheme.

4. Review of Irregularities and Undesirable Practices

In line with regulatory obligations:
The Trustee monitored the scheme for any irregularities or undesirable practices.
Where concerns arise, the Trustee is required to notify the Fund Manager and, where not resolved, to notify the Authority.
For the period under review, no irregularities or undesirable practices were observed.

5. Custody and Safeguarding of Assets

The Trustee has ensured that all scheme assets were properly held, registered, and safeguarded for the benefit of unit holders.

6. Trustee's Opinion

Based on the oversight performed during the year, the Trustee is satisfied that:
The Scheme was managed in accordance with applicable regulations and the governing documents.
The Fund Manager conducted its duties with due skill, care, and diligence.

Unit holders' interests were adequately protected throughout the year.

Signed for and on behalf of the Corporate Trustee KCB Bank Kenya Limited

For: KCB BANK KENYA LTD.

.....
CORPORATE TRUSTEE

Corporate Trustee

Date 31 | 03 | 2026

For: KCB BANK KENYA LTD.

.....
CORPORATE TRUSTEE

Corporate Trustee

Date 31 | 03 | 2026

APOLLO MONEY MARKET FUND
FUND MANAGER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

Kenya's economy remained resilient in 2025, although growth was more moderate than in the previous year. Real GDP grew by 4.8%, compared with 5.6% in 2024, reflecting tighter monetary conditions in the first half of the year, softer domestic demand, and continued pressure from the global environment. Agriculture performed well, remittance inflows stayed strong, and the services sector continued to provide steady support to overall economic activity.

Globally, major central banks, including the US Federal Reserve, the Bank of England, and the European Central Bank, kept interest rates elevated for much of the year before beginning a gradual easing cycle in the second half as inflation pressures subsided. In Kenya, the Central Bank followed a similar path, cutting the Central Bank Rate to 11.25% by year-end. Headline inflation averaged 4.1%, down significantly from 7.7% in 2024, helped by lower global commodity prices, improved domestic food supply, and a more stable exchange rate.

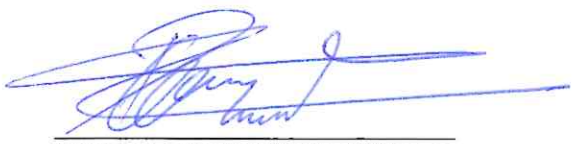
The Kenyan shilling strengthened by about 17.9% against the US dollar during the year, reversing the prolonged weakness seen previously. CBK intervention, stronger foreign exchange reserve buffers, and a current account deficit that narrowed to an estimated 4.0% of GDP supported this. In the fixed income market, Treasury Bills remained consistently oversubscribed, with average subscription levels of 119.5%, reflecting continued investor preference for short-dated instruments.Kenya's Eurobond yields also declined steadily through the year, reflecting improved confidence in the sovereign credit story and stronger engagement with multilateral lenders.

Looking ahead, GDP growth is projected at 5.2% in 2026, supported by infrastructure spending, a more accommodative interest rate environment, and continued resilience in agriculture and services. That said, risks remain, particularly around the global outlook, public debt sustainability, and potential exchange rate volatility, and these will need close monitoring.

Against this backdrop, the Apollo Money Market Fund continued to deliver on its core mandate in 2025 by preserving capital, maintaining liquidity, and generating returns that remained competitive in real terms. Performance benefited from relatively attractive Treasury Bill yields and fixed deposit rates for much of the year. However, the decline in interest rates in the latter part of the year began to reduce the level of income available for distribution to investors. This is a normal feature of money market funds, whose returns are closely linked to prevailing short-term interest rates. As yields on Treasury Bills, fixed deposits, and other short-duration instruments decline, the income generated by the portfolio adjusts accordingly. This trend is likely to continue into 2026 if the easing cycle persists.

In response, the Fund has continued to position the portfolio carefully and proactively. Where value has been available on the short end of the curve, the portfolio has selectively taken slightly longer tenors within the limits of the mandate to reduce the immediate impact of reinvesting at lower rates. At the same time, diversification has been maintained across Treasury Bills of different maturities and attractively priced fixed deposits placed with strong counterparties. This approach is intended to protect liquidity, manage reinvestment risk, and support the overall risk-adjusted return profile of the Fund.

The decline in rates reflects improved stability in the domestic economy. Inflation has eased, the shilling has recovered meaningfully, and cost-of-living pressures have reduced compared with 2024. In that sense, lower short-term yields are not in themselves a negative signal, but rather part of a broader normalisation in macroeconomic conditions. The Fund's mandate remains unchanged: to preserve capital, provide liquidity, and generate competitive income within a prudent risk framework. We remain confident in the Fund's position and grateful for the continued trust placed in us by our investors.



Signed on behalf of the Fund Manager

31 | 03 | **2026**

APOLLO MONEY MARKET FUND
CUSTODY AGREEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025

In accordance with the Capital Markets (Collective Investment Schemes) Regulations, 2023 (the Regulations) and the Custody Agreement between Co-operative Bank of Kenya Limited as the Custodians and Apollo Asset Management Company Limited as the Fund Manager, we confirm that:

a) We have discharged the duties prescribed for a Custodian under Regulation 68 (2) of the Regulations, tothe Apollo Money Market Fund.

b) The issue, sale, redemption and cancellation, and calculation of the price of the Fund's units and the application of the Fund's income have been carried out in accordance with the Regulations; and

c) The investment and borrowing powers and restrictions applicable to the Fund in accordance with the Regulations and the documents of incorporation have not been exceeded.

For the year ended 31 December 2025, we have held the assets for the Fund, including title deeds, securities and income that accrue thereof, to the order of the Fund Manager and facilitated the transfer, exchange or delivery in accordance with the instructions received from the Fund Manager.



Signed on behalf of the Custodian

31 / 07 / **2026**

Deloitte.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF APOLLO MONEY MARKET FUND

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Apollo Money Market Fund Limited (the Fund), set out on pages 11 to 25, which comprise the statement of financial position at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and the notes to the financial statements, which include material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2025 and of its financial performance and cash flows for the year then ended in accordance with IFRS accounting standards as issued by the International Accounting Standards Board and the requirement of the Capital Market (Collective Investments Schemes) Regulation, 2023.

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 fund in accordance with the International Ethics Standards Board for Accountants (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (the IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Kenya. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The financial statements of Apollo Money Market Fund for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on 27 March 2025.

Other information

The Trustee is responsible for the other information. The other information comprises of Report of the Trustee, Statement of Trustee's Responsibilities, Fund Manager's Report and the Report of the Custodian.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

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Partners: D.M. Mbogho; A.N. Muraya; F. O. Aloo; B.W. Irungu; I. Karim; F. Okwiri; F.O Omondi; F. Mitambo; P. Seroney; D. Waweru; J. Mureithi.

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Report on the audit of the financial statements (Continued)

Responsibilities of the Trustee for the financial statements

The Fund manager is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS accounting standards as issued by the International Accounting Standards Board and the requirements of Capital Markets (Collective Investment Schemes) Regulations, 2023, and for such internal control as the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Fund'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 Trustee either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for 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 directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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 Trustee 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 trustee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on the audit of the financial statements (Continued)

From the matters communicated with the trustee, we determine those matters that were of most significance in the audit of the financial statements of the current year 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is **CPA Freda Mitambo, Practising certificate No 2174.**

Freda Mitambo

For and on behalf of Deloitte & Touche LLP
Certified Public Accountants (Kenya)
Nairobi

31 March **2026**

UNIQUE CODE: 46959260331

APOLLO MONEY MARKET FUND

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

	Notes	2025 Shs	2024 Shs
Interest income	5(a)	372,098,827	268,603,294
Fair value losses on investments	5(b)	17,531,208	(961,671)
Total income		389,630,036	267,641,623
Operating expenses	6(a)	(60,831,961)	(32,345,084)
Expected credit loos charge on financial assets	6(b)	(2,931,241)	(420,643)
Profit before income tax		325,866,834	234,875,896
Income tax expense	7	-	-
Profit for the year attributable to the unit holders		325,866,834	234,875,896

APOLLO MONEY MARKET FUND
STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2025

	Notes	2025 Shs	2024 Shs
ASSETS			
Corporate bonds	8	-	25,560,989
Treasury bonds	8	921,869,102	5,625,380
Commercial paper	8	61,675,239	63,918,132
Call deposits	8	814,646,849	95,664,767
Fixed deposits	8	1,921,596,201	1,147,933,743
Treasury bills	8	151,483,358	1,006,908,802
Investment in unit trust funds	8(b)	151,198,168	-
Cash at bank	9	6,669,877	17,518,695
Total assets		4,029,138,794	2,363,130,508
LIABILITIES			
Current liabilities			
Payables	10	12,078,702	11,149,165
Liabilities		12,078,702	11,149,165
Net assets available for benefits		4,017,060,090	2,351,981,343

The financial statements on pages 11 to 25 were approved by the Trustee 31/03 2026 and were signed on behalf of the Fund Manager by:

Fund Manager

Fund Manager

APOLLO MONEY MARKET FUND
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
AT 31 DECEMBER 2025

	Notes	Accumulated funds Shs
Year ended 31 December 2024		
1 January 2024		1,061,683,616
Profit for the year		234,875,896
		1,296,559,512
Transactions with unit holders:		
Net proceeds from units traded in the year	11	1,055,421,831
31 December 2024		2,351,981,343
Year ended 31 December 2025		
1 January 2025		2,351,981,343
Profit for the year		325,866,834
		2,677,848,177
Transactions with unit holders:		
Net proceeds from units traded in the year	11	1,339,211,916
31 December 2025		4,017,060,093

APOLLO MONEY MARKET FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR 31 DECEMBER 2025

	Notes	2025 Shs	2024 Shs
Cash flows from operating activities			
Profit before income tax		325,866,834	234,875,896
Adjustments for:			
Changes in fair value:			
Treasury bonds	5 (b)	(17,531,208)	979,986
Corporate bonds	5 (b)	-	(18,315)
Expected credit loss	8	2,109,102	1,341,414
Interest income	5	(372,098,827)	(209,186,785)
		(61,654,099)	27,992,196
Changes in working capital:			
Increase in payables		929,538	7,888,965
Purchase of fixed deposits	8	(1,993,118,436)	(4,080,410,000)
Purchase of treasury bills	8	(145,512,840)	(1,134,130,820)
Purchase of commercial papers	8	(60,000,000)	(120,000,000)
Purchase of treasury bonds	8	(2,177,550,757)	-
Purchase of corporate bonds	8	(2,539,010)	-
Proceeds from disposal of treasury bills	8	1,006,908,802	210,051,126
Proceeds from disposal of corporate bonds	8	28,100,000	-
Proceeds from disposal of commercial papers	8	63,918,132	122,710,660
Proceeds from disposal of treasury bonds	8	1,308,552,866	83,280,703
Proceeds from fixed deposits	8	1,280,847,919	3,571,554,134
Interest income received		120,039,235	137,581,966
Net cash used in operating activities		(569,424,552)	(1,173,481,070)
Cash flows from financing activities			
Contributions from unit holders	11	2,955,516,522	1,934,538,448
Withdrawals by unit holders	11	(1,616,304,606)	(879,116,617)
Net cash generated from financing activities		1,339,211,916	1,055,421,831
Net (decrease)/ increase in cash and cash equivalents		708,133,264	(118,059,239)
Cash and cash equivalents at start of year		113,183,462	231,242,701
Cash and cash equivalents at end of year	9(b)	821,316,726	113,183,462

1 GENERAL INFORMATION

The Fund started operation on 30 November 2015 and is governed by a Trust Deed dated 30 November 2015, is registered with the Capital Market Authority and is domiciled in Kenya as shown in page 1

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board and the requirements of the Kenyan Capital Markets Act. The financial statements have been prepared under the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Kenya shillings (Shs), rounded to the nearest Shilling.

The financial statements comprise the statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in net assets, statement of cash flows, and notes. Income and expenses, excluding the components of other comprehensive income, are recognised in profit or loss. Other comprehensive income comprises items of income and expenses (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by IFRSs. Reclassification adjustments are amounts reclassified to profit or loss in the current period that were recognised in other comprehensive income in the previous periods. Transactions with the unit holders in their capacity as unit holders are recognised in the statement of changes in net assets

The preparation of financial statements in conformity with International Financial Reporting Standards requires the use of estimates and assumptions. It also requires the Trustee to exercise its judgement in the process of applying the accounting policies adopted by the Fund. Although such estimates and assumptions are based on the Trustee's best knowledge of the information available, actual results may differ from those estimates. The judgements and estimates are reviewed at the end of each reporting period, and any revisions to such estimates are recognised in the year in which the revision is made. The areas involving the judgements of most significance to the financial statements, and the sources of estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year, are disclosed in Note 3.

Adoption of new and revised International Financial Reporting Standards (IFRSs)

Impact of relevant new standards

Several new and revised standards and interpretations became effective during the year. The Trustees have evaluated the impact of these new standards and interpretations, and none of them apply to the Fund's financial statements.

New and amended standards and interpretations in issue but not yet effective in the current year

At the date of authorisation of these financial statements, various standards and interpretations were in issue but not yet effective. The adoption of these standards and interpretations, when effective, will not result in changes in the Fund's accounting policies or result in any material impact on the financial statements of the Fund.

Early adoption of standards

The Fund did not early-adopt any new or amended standards in the financial year.

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(a) Basis of preparation (continued)

Going concern
The Corporate Trustee have, at the time of approving the financial statements, a reasonable expectation that the Fund has adequate resources to continue in operational existence for the near future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

(b) Changes in accounting standards and disclosures

(i) New relevant standards, amendments and interpretations adopted by the Company

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

***Amendments to IAS 21* The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability**

The entity has adopted the amendments to IAS 21 for the first time in the current year. The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Fund. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(c) Translation of foreign currencies

On initial recognition, all transactions are recorded in the functional currency (the currency of the primary economic environment in which the Fund operates), which is Kenya Shillings (Shs).

(d) Income recognition

Income is measured at the fair value of the consideration received or receivable.

The Fund's income is in form of interest and dividend income, which is recognised on a time proportion basis, in income and expenditure, using the effective interest rate method.

(e) Income tax

The Fund is exempt from income tax.

(f) Financial instruments

Initial recognition

Financial instruments are recognised when, and only when, the Fund becomes party to the contractualprovisions of the instrument. All financial assets are recognised initially using the trade date accountingwhich is the date the Fund commits itself to the purchase or sale.

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(f) Financial instruments (Continued)

Financial assets

Classification

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Fund has transferred substantially all risks and rewards of ownership

As at the reporting date, the classification of the Fund's financial assets was as follows:

- Fair value through profit or loss: treasury bonds and corporate bonds; and
- At amortized cost: bank balances, treasury bills, fixed, call deposits and commercial papers.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated. These assets are carried at fair value and any changes in the fair value recognised in profit or loss.

(ii) Financial assets at amortised cost

Debt instruments are measured at amortized cost if both of the following conditions are met, and the asset is not designated as FVTPL:

a) the asset is held within a business model that is Held-to-Collect (HTC) as described below; and
b) the contractual terms of the instrument give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

These assets, bank deposits, treasury bills, cash and bank placements are carried at amortised cost.

Subsequent measurement

When a financial asset measured at fair value through other comprehensive income, other than an equity instrument, is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. For equity investments for which an irrevocable election has been made to present changes in fair value in other comprehensive income, such changes are not subsequently transferred to profit or loss.

Impairment of financial assets

The Fund recognises a loss allowance for expected credit losses on investments in financial instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Fund recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Fund measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Fund compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Fund considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

(f) Financial instruments (Continued)

Financial assets

(ii) Definition of default

The Fund considers the following as constituting an event of default 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 Fund, in full (without taking into account any collateral held by the Fund)

Irrespective of the above analysis, the Fund considers that default has occurred when a financial asset is more than 90 days past due unless the Fund has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

The Fund write-offs debt only when there is objective evidence that the debt will not be recovered and after it has exhausted its collection avenues.

(iii) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Fund in accordance with the contract and all the cash flows that the Fund expects to receive, discounted at the original effective interest rate.

Presentation

All financial assets are classified as non-current except those with maturities of less than 12 months from the financial reporting date, those which management has the express intention of holding for less than 12 months from the financial reporting date or those that are required to be sold to raise operating capital, in which case they are classified as current assets.

All financial liabilities are classified as non-current except, those expected to be settled in the Company's normal operating cycle, those payable or expected to be paid within 12 months of the financial reporting date and those which the Company does not have an unconditional right to defer settlement for at least 12 months after the financial reporting date.

Derecognition/write off

Financial assets are derecognised when the rights to receive cash flows from the financial asset have expired, when the Fund has transferred substantially all risks and rewards of ownership, or when the Fund has no reasonable expectations of recovering the asset

Financial liabilities

Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost. Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

The fund liabilities include Management fees, CMA fees, audit fees, trustee fees and custody fees outstanding as at 31 December 2025.

2 Summary of material accounting policies (continued)

(g) Cash and cash equivalents

Cash and cash equivalents include cash in hand and term deposits, with maturities of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value

3 Significant judgements and key sources of estimation uncertainty

No significant judgements have had to be made by the Corporate Trustee in preparing these financial statements.

4 Financial risk management objectives and policies

The Fund's activities expose it to a variety of financial risks including credit, liquidity and market risks. The Fund's overall risk management policies are set out by the Corporate Trustee and implemented by the management, and focus on the unpredictability of changes in the business environment and seek to minimise the potential adverse effects of such risks on the Fund's performance by setting acceptable levels of risk. The Fund does not hedge against any risks.

Credit risk

Credit risk arises from cash and deposits with banks and financial institutions and interest bearing instruments. Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Fund.

As part of the credit risk management system, the Investment Manager and the Trustee monitor and review information on significant investments. The credit risk on fixed deposits and bank balances is limited because the counterparties are banks with high credit ratings assigned by the banking regulator.

The tables below detail the credit quality of the Fund's financial assets as well as the Fund's maximum exposure to credit risk by credit risk rating grade.

	Gross Amounts Shs	Expected credit losses Shs	Total Shs
At 31 December 2025			
Cash at bank (Note 9)	6,676,554	(6,677)	6,669,877
Corporate bonds (Note 8)	-	-	-
Treasury bonds (Note 8)	921,869,102	-	921,869,102
Call deposits (Note 8)	815,462,312	(815,462)	814,646,850
Fixed deposits (Note 8)	1,923,519,720	(1,923,520)	1,921,596,201
Treasury bills (Note 8)	151,483,358	-	151,483,358
Commercial paper (Note 8)	61,860,822	(185,582)	61,675,239
Investment in Unit Trust fund (other Funds)	151,198,168	-	151,198,168
Exposure to credit risk	4,032,070,036	(2,931,241)	4,029,138,795
At 31 December 2024			
Cash at bank (Note 9)	17,536,231	(17,536)	17,518,695
Corporate bonds (Note 8)	25,560,989	-	25,560,989
Treasury bonds (Note 8)	5,625,380	-	5,625,380
Call deposits (Note 8)	95,760,528	(95,761)	95,664,767
Fixed deposits (Note 8)	1,149,082,825	(1,149,083)	1,147,933,742
Treasury bills (Note 8)	1,006,908,802	-	1,006,908,802
Commercial paper (Note 8)	64,110,463	(192,331)	63,918,132
	2,364,585,218	(1,454,711)	2,363,130,507

4 Financial risk management objectives and policies (continued)

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. The Corporate Trustee have developed a risk management framework for the management of the Fund's short, medium and long-term liquidity requirements thereby ensuring that all financial liabilities are settled as they fall due. The Fund manages liquidity risk by continuously reviewing forecasts and actual cash flows and maintaining banking facilities to cover any shortfalls.

The table below summarises the maturity analysis for financial liabilities to their remaining contractual maturities. The amounts disclosed are the contractual undiscounted cash flows

	Due on demand	Due within 3 months	Total
At 31 December 2025			
Payables (Note 10)	12,078,702		12,078,702
At 31 December 2024			
Payables (Note 10)	11,146,164	-	11,146,164

Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market price and comprises two types of risks: currency risk and interest rate risk. The Fund is not exposed to this risk.

(i) Foreign exchange risk

The Fund is not exposed to significant currency risk. The fund has not invested in assets denominated in foreign currency

(ii) Interest rate risk

The Fund's interest-bearing assets include term deposits, which have fixed interest rates, hence are not subject to interest rate risk.

(iii) Price risk

Price risk arises on financial instruments because of changes in the price of a financial instrument. The Fund is exposed to price risk on its investments held at fair value through profit or loss. Management considers that a change in the market prices of its treasury and corporate bonds of 5% either way is reasonably possible.

If the financial instruments held by the Fund at the reporting date decreased/increased by the said percentage, with other factors remaining the value of the investments would decrease/increase by Shs 45,216,895 (2024: Shs 1,559,318).

5 (a) Interest income	2025 Shs	2024 Shs
Interest on call and fixed deposits	189,413,449	196,834,758
Interest on treasury bills	80,061,717	54,131,831
Interest on treasury bonds	86,885,926	2,619,853
Interest on corporate bonds	4,006,367	3,079,327
Interest income from commercial papers	11,731,368	11,937,525
Total interest income	372,098,827	268,603,294
(b) Fair value (losses)/ gains on investments		
Fair value gain/(loss) on treasury bonds	17,531,208	(979,986)
Fair value gain on corporate bonds	-	18,315
	17,531,208	(961,671)

6 (a) Operating expenses		
Audit fees	400,000	355,972
Management fees	47,429,561	24,686,691
Custodial fees	4,288,992	2,866,260
Trustee fees	6,433,489	3,529,782
Publication fees	375,000	350,959
Transaction fees	444,920	54,735
CMA annual license fees	250,000	250,000
AGM Costs	170,000	100,274
Tax filing charges	200,000	150,411
USSD provider costs	840,000	-
	60,831,962	32,345,084
(b) Expected credit loss impairment charge		
Movement in provision for credit losses		
1 January	(1,454,711)	(1,034,068)
Charge for the year	(2,931,241)	(420,643)
At 31 December	(4,385,952)	(1,454,711)
Total expense ratio	1.68%	1.39%

7 Income tax

The Fund is exempt from income tax. However, it withholds tax on income distributed to unit holders

8 Investments

	Current				Non-current		
	Call deposits Sh	Fixed deposits Shs	Treasury bills Shs	Commercial paper Shs	Treasury bonds Shs	Corporate bonds Shs	Total Shs
Year ended 31 December 2025							
1 January 2025	95,664,768	1,147,933,743	1,006,908,802	63,918,132	5,625,380	25,560,989	2,345,611,814
Purchases	5,687,564,382	1,993,118,436	145,512,840	60,000,000	2,177,550,757	2,539,011	10,066,285,425
Sales	(4,977,705,694)	(1,280,847,919)	(1,006,908,802)	(63,918,132)	(1,308,552,866)	(28,100,000)	(8,666,033,409)
Accrued interest	9,938,856	63,615,460	5,970,518	1,860,822	29,714,623	-	110,800,279
Fair value gain	-	-	-	-	17,531,208	-	17,531,208
Expected credit losses	(815,462)	(1,923,520)	-	(185,582)		-	(2,924,564)
31 December	814,646,849	1,921,596,201	151,483,358	61,675,239	921,869,102	-	3,871,088,749
Year ended 31 December 2024							
1 January 2024	224,973,027	612,703,217	42,666,163	62,902,991	89,886,069	25,542,674	1,058,674,141
Purchases	5,145,100,000	4,080,410,000	1,134,130,820	120,000,000	-	-	10,479,640,820
Sales	(5,274,436,954)	(3,571,554,134)	(210,051,126)	(122,710,660)	(83,280,703)	-	(9,262,033,577)
Accrued interest	124,455	27,523,742	40,162,945	3,918,132	-	-	71,729,274
Fair value (losses)/ gains	-	-	-	-	(979,986)	18,315	(961,671)
Expected credit losses	(95,761)	(1,149,083)	-	(192,331)	-	-	(1,437,175)
31 December 2024	95,664,767	1,147,933,743	1,006,908,802	63,918,132	5,625,380	25,560,989	2,345,611,812

8 (b) Investments (Continued)	2025 Shs 000	2024 Shs 000
Invest in Unit Trust Funds		
Genafrica Money Market Fund		
At 1 January	-	-
Purchase	150,000,000	-
Interest income	1,198,168	-
At 31 December	151,198,168	-

The categorisation of assets held by hierarchy is defined below:

Year ended 31 December 2025	Carry value	Fair Value		
		Level 1	Level 2	Level 3
	Shs	Shs	Shs	Shs
Deposits with financial institutions				
Treasury Bills	151,483,358	151,483,358	-	-
Commercial papers	61,675,239	-	-	61,675,239
Treasury bonds	921,869,102	-	921,869,102	-
Investment Unit Trust Funds	151,198,168	-	151,198,168	-
	1,286,225,867	151,483,358	1,073,067,270	61,675,238

Year ended 31 December 2024	Carry Value	Fair Value		
		Level 1	Level 2	Level 3
	Shs	Shs	Shs	Shs
Deposits with financial institutions	1,243,598,509	-	1,243,598,509	-
Treasury Bills	1,006,908,802	-	1,006,908,802	-
Commercial papers	63,918,132	-	63,918,132	
Treasury bonds	5,625,380	5,625,380	-	-
Corporate Bonds	25,560,989	-	25,560,989	-
	2,345,611,812	5,625,380	2,339,986,432	-

8 Investments (Continued)

The levels in fair value hierarchy used above within which the fair value measurement is categorised are defined as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets;
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
Level 3: inputs for the asset that are not based on observable market data.
There were no transfers between the levels in the year.

9 (a) Cash and Cash equivalents

	2025 Shs 000	2024 Shs 000
Bank balances	6,676,554	17,536,231
Expected credit losses	(6,667)	(17,536)
	6,669,877	17,518,695

(b) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	2025 Shs 000	2024 Shs 000
Cash and bank balances	6,669,877	17,518,695
Call deposits	814,646,849	95,664,767
	821,316,726	113,183,462

10 Payables

Due to related parties	5,876,487	3,037,819
Other payables	6,202,215	8,111,346
	12,078,702	11,149,165

Other payables relates to publication fees payable, trustee fees payable, custodial fees payable & withholding tax deducted from distributable interest income to unitholders.

11 Transactions of units

Purchases	2,955,516,522	1,934,538,448
Sales	(1,616,304,606)	(879,116,617)
	1,339,211,916	1,055,421,831

12 a) Distributions

The total income paid to unit holders during the year totaled Shs 325,866,834 (2024: 234,875,896).

b) Distributions reinvested

Distributions payable	294,226,950	267,641,623
Net distributions reinvested	(252,694,111)	(227,495,380)
Withholding tax on distributions	(41,532,839)	(40,146,243)
	-	-

13 Subsequent events

The Trustee is not aware of any events after the reporting date that require disclosure in or adjustments to the financial statements as at the date of this report.