



2026

Integrated Annual Report

Capricorn Group

Growth that stays

When Namibia grows, so do we. This simple principle grounds our growth as a Group.

Growth that stays is a theme that reflects how we define Capricorn Group: A Namibian financial services group with a regional presence, built on enduring relationships and a long-term commitment to shared prosperity.

For 44 years, Capricorn Group has grown with Namibia. We are deeply rooted here, anchored by our country and its people. From here, we have expanded into the region, including Botswana and South Africa.

We are Connectors of Positive Change, united by purpose and committed to building value that endures.

This sense of steady, purposeful growth is also reflected in the design of this report.

Inspired by the enduring Namib dunes and the resilient oryx, it tells a story of growth shaped over time, reflecting a landscape where change and continuity coexist. The dunes shift with the winds, while the oryx moves confidently through its environment, adapting to challenges with strength and resilience. They capture the ability to evolve with purpose, while remaining grounded and staying true to what matters most.

In the same way, our diversified business model and disciplined execution have enabled us to navigate changing economic cycles and create lasting value for more than four decades.

Our growth is here to stay.





Welcome to our integrated annual report

Understanding our reporting approach 2

About our report

An overview of our reporting suite and the frameworks that guide it, the purpose, scope and intended audience of this report and the assurance and approval processes applied. Our approach to materiality and enhanced sustainability reporting provides context for the information presented.

Perspectives on 2026 5

Group Chairperson's message	6	Leadership messages
Group CEO's report	10	Observations from the Group's leadership on how we acted as Connectors of Positive Change in 2026. A balanced view of the year, insight into governance, strategic direction and delivery, financial position and outlook.
Group Financial Director's report	13	

Connecting people, ideas and opportunities 21

What we stand for	22	Value creation in 2026
How we work	23	How we create and preserve value, guided by our purpose of improving lives by connecting people, ideas and opportunities. An overview of who we are, how and where we operate and how our network of subsidiaries and associates works together to deliver financial solutions. It also outlines how ethical leadership and a robust governance framework, supported by the board and its committees, enable oversight and risk management.
What we do	25	
How we create value	30	
Who we connect with	32	
How we are led	35	
Why we are a good choice	41	

A path to growth 43

Strategic context	44	Our strategic direction
Risk management	48	How we monitor risks and opportunities and manage material matters to focus the Group's efforts where they create the most value. Our strategy and execution which deliver long-term outcomes for stakeholders.
Material matters	50	
Strategy overview	54	
Strategy execution	56	
Strategic evolution	66	

Reward and recognition 67

Remuneration report
Our approach to remuneration shows how our practices attract and retain talent. The Group Remuneration Policy and the principles that ensure fair, transparent decisions are aligned with long-term value.

BSEC report 76

How we see the road ahead 79

Supporting context 81

Group shareholding	82	Appendices
Shareholders' diary	82	Information that complements this report and provides context and reference points.
Glossary of terms	83	

This is an **interactive report** with features designed to enhance your reading experience. Use the navigation items and hyperlinks to move between sections, access additional information or return to the contents page. For the best experience, view in a full-feature PDF reader such as Adobe Acrobat.

Our Group committee acronyms

- > Board audit, risk and compliance committee ("BARCC")
- > Group board social and ethics committee ("BSEC")
- > Group board remuneration committee ("Remco")
- > Group board human resources ("HR") committee

- > Group board investment committee ("GIC")
- > Group board information technology committee ("GBITC")
- > Group board nominations committee ("Nomco")
- > Group executive committee ("Exco")
- > Group executive management team ("EMT")



Understanding our reporting approach

About our report



We are pleased to present our integrated annual report for 2026, which forms part of our broader annual reporting suite. This report reflects our continued commitment to transparent reporting and clear, meaningful communication with a wide range of stakeholders.

This integrated annual report ("the report") outlines the performance and activities of Capricorn Group Ltd ("the Group" or "Capricorn Group") for the financial year 1 July 2025 to 30 June 2026 ("the year"). The report is primarily prepared for providers of financial capital.

The financial and non-financial information contained in this report relates to the entities comprising the Group, as set out on page 25.

Our reporting suite

Our reporting suite is structured to address the specific information needs of our stakeholders, with each component aligned to applicable reporting frameworks and legislation. The 2026 suite includes the following elements and is available on our website at www.capricorn.com.na.

Integrated annual report

Outlines how we create and preserve value over the short, medium and long term.

Regulatory and reporting frameworks

- > The Integrated Reporting Framework, January 2021
- > King IV™ Report on Corporate Governance for South Africa, 2016 ("King IV™")¹
- > Companies Act of Namibia, 28 of 2004 ("Companies Act of Namibia")
- > Namibia Securities Exchange ("NSX") Listing Requirements

Assurance of reporting content

This report contains data extracted from the Group's audited annual financial statements, which received an unmodified audit opinion from the external auditors.

Unless stated otherwise, non-financial information is not externally assured. A combined assurance model is applied to assess and assure various aspects of the Group's operations, including internal controls related to external reporting. The board will consider an assurance report on selected non-financial data in the future.

The processes and practices to ensure the report's accuracy and reliability are outlined on the right.

Annual financial statements

Presents the Group's audited consolidated financial performance.

Regulatory and reporting frameworks

- > International Financial Reporting Standards ("IFRS")
- > Namibia Banking Institutions Act, 13 of 2023
- > Botswana Banking Act, 8 of 2023

Assurance of reporting content

Deloitte provides external assurance on the annual financial statements. The external auditor's opinion on the annual financial statements is on page 3 of the online financial statements. Shareholders should refer to the full auditor's report online for details of the scope of the engagement.

Governance report

Discloses the Group's governance approach and application of King IV™ principles, and includes the King IV™ index, which provides a synopsis of this application and was previously a separate document.

Regulatory and reporting frameworks

- > King IV™
- > Companies Act of Namibia
- > NSX Listing Requirements

Assurance of reporting content

The report is approved by the board on BSEC's recommendation. The King IV™ index is reviewed by BSEC and approved by the board as a fair representation of the Group's application of the King IV™ principles.

Risk report

Discloses our risk governance approach and application of the relevant King IV™ principles, particularly Principle 11.

Regulatory and reporting framework

- > King IV™

Assurance of reporting content

The report is reviewed and approved by the Group's central risk management function and BARCC, which oversees risk governance and reporting.

Notice of annual general meeting ("AGM") and proxy

Invites shareholders to the AGM and provides a proxy form for those unable to attend.

Regulatory and reporting frameworks

- > NSX Listing Requirements
- > Companies Act of Namibia

Assurance of reporting content

The notice of AGM is reviewed by the company secretary and approved by the board.

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Materiality and enhanced reporting

In preparing this report, the board and management applied the principle of materiality as defined in the Integrated Reporting Framework, focusing on the matters that could significantly affect the Group's ability to create, preserve and protect value over time. Read more about our material matters on page 50.

As stakeholder expectations, regulatory requirements and reporting frameworks evolve, we are developing our reporting approach for our suite of reports. The board has approved reporting principles and a multi-year roadmap to guide this process.

As part of this journey, we are reviewing and refining our approach to materiality, including the potential transition from a primarily financial perspective towards a broader double materiality approach.

We will augment our reporting capabilities and governance processes to ensure our disclosures align with developing standards and expectations.

Forward-looking information

This report contains forward-looking statements regarding the Group's results and operations. These statements are subject to risks and uncertainties, as they relate to events and circumstances that may or may not occur in the future. The Group's external auditors have not reviewed or expressed any opinion on these forward-looking statements.

Time horizons

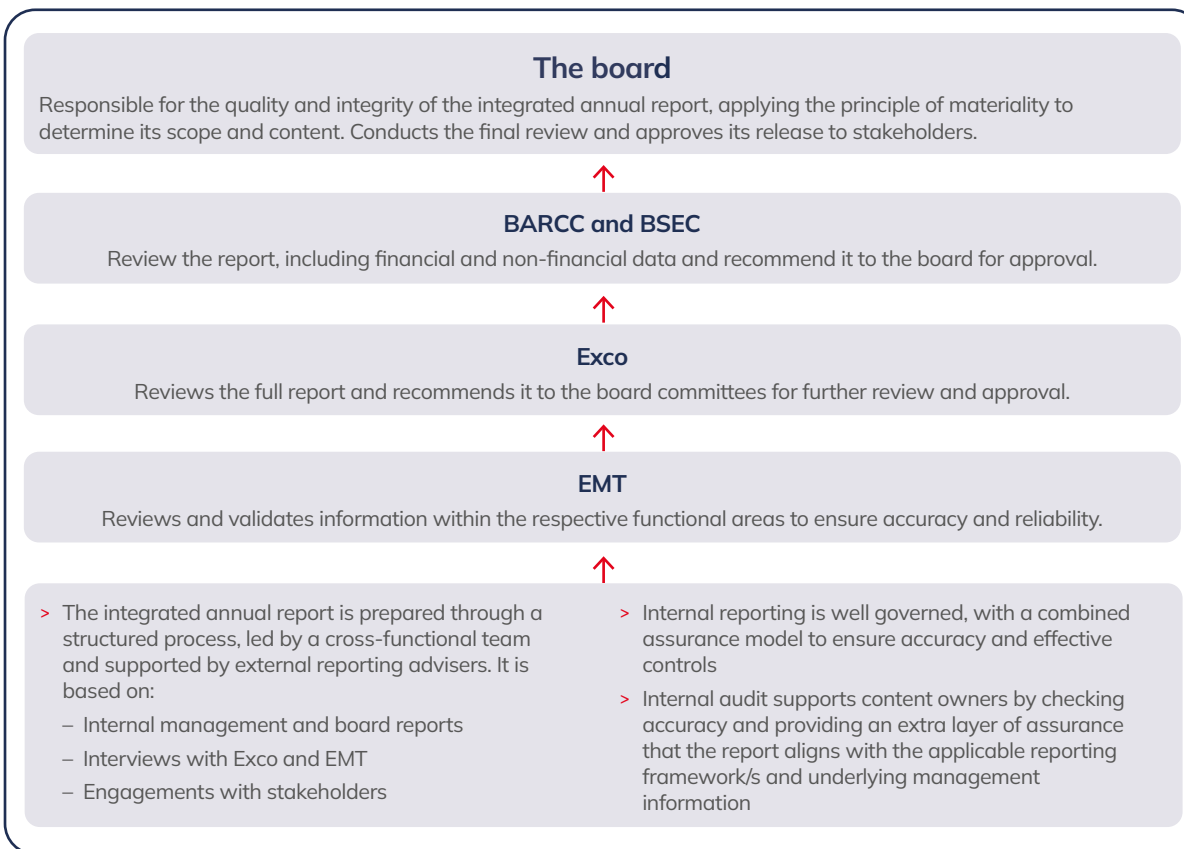
We have defined our time horizons in the Group Enterprise Risk Management Framework ("ERMF"):

- > Short term: less than three years
- > Medium term: four to 10 years
- > Long term: more than 10 years
- > Long-term horizon: up to 30 years

Report approval and accountability

The integrated annual report is assessed for accuracy and reliability through oversight from multiple functions within the Group.

The board authorised the release of this report and other elements of the reporting suite to our stakeholders on 15 September 2026. They concluded that the reporting suite complies with the required frameworks and regulatory requirements.



For more information or feedback on this report or any other elements listed above, contact Marlize Horn at investorrelations@capricorn.com.na or +264 (61) 299 1226.



Perspectives on 2026

Leadership messages



Group Chairperson's message

This year required steady oversight in a complex and uneven operating environment, with particular focus on maintaining discipline and ensuring that strategic intent was translated into consistent execution.

I am proud to present this report on behalf of the board. This year required steady oversight in a complex and uneven operating environment, with particular focus on maintaining discipline and ensuring that strategic intent was translated into consistent execution. This message outlines the external conditions affecting Capricorn Group, as well as the board's governance priorities and areas of focus.

Board priority snapshot

Strategic execution and portfolio refinement under AsOne2030

Credit risk and macroeconomic stress (especially in Botswana)

Capital and liquidity resilience

Operating efficiency and earnings pressure management

Regulatory compliance, ethics and conduct risk

Structural capability shifts (digital, data and sustainability integration)

Following an exceptionally strong prior year, performance moderated to a more sustainable level, as was to be expected, since periods of outperformance are typically followed by a moderation. Therefore, while results did not match the exceptional levels of the prior year, the board is satisfied that the Group delivered a resilient outcome in a more demanding environment.

The year in context

The 2026 financial year presented significant macroeconomic challenges for Capricorn Group's markets and industry.

The global operating environment was highly volatile and increasingly fragmented. Geopolitical tensions and a sharp increase in Brent crude oil prices contributed to elevated inflation expectations and uncertainty around the global interest rate cycle. These events have had impacts far beyond the geographies directly involved and have placed pressure on bond and equity markets. In addition, market uncertainty, including shifting trade dynamics and policy direction in key economies, has weighed on business confidence.

Regionally, conditions diverged meaningfully between the Group's two core markets.

In Namibia, conditions were relatively stable, supported by important fiscal milestones, including government's successful settlement of a US\$750 million Eurobond and full repayment of a N\$3.9 billion International Monetary Fund emergency loan by April 2026. While fiscal pressures remain and the budget deficit widened to 6.4% of gross domestic product ("GDP"), medium-term prospects are relatively optimistic due to anticipated foreign direct investment in oil and gas, a gradual recovery in tourism and ongoing economic diversification.

In Botswana, the economy experienced severe recessionary conditions. At one stage, in late 2025, the economy contracted by more than 5% in real terms, driven by a contraction of more than 40% in mining. Given the sector's importance as a source of exports and foreign exchange earnings, this placed pressure on economic activity and liquidity conditions.

In addition, an outbreak of foot-and-mouth disease in Botswana in January 2026 highlighted the vulnerability of the beef industry, with potential implications for economic activity and parts of the

lending portfolio. We maintained close oversight of Bank Gaborone's monitoring and mitigation efforts, including proactive engagement with affected stakeholders. We are encouraged by the coordinated response from industry and government to contain the outbreak.

These developments highlighted increased funding strain in the banking environment, including within Bank Gaborone, where reliance on institutional deposits and higher wholesale funding costs became more pronounced.

In response, the board has overseen a strategic reset of the Botswana operations, focused on improving short-term liquidity management and positioning the business for longer-term resilience in a potentially redefined operating environment.

Main areas of board oversight

The board's oversight was anchored in maintaining balance sheet strength, disciplined risk management and execution of the Group's strategy.

We considered financial performance in the context of a softer earnings environment. While performance was resilient, earnings were impacted by margin compression resulting from changes in the interest rate environment and a higher cost base driven by continued investment in people and technology. This reinforced the board's ongoing prioritisation of cost discipline and operational efficiency.

We also emphasised capital and liquidity management. We are satisfied that the Group's capital and liquidity positions are sound, with a capital adequacy ratio of 19.4%, which is well above regulatory minimum requirements.

Credit risk was another area of oversight, with impairment charges increasing due to individual customer stress and weaker macroeconomic conditions, particularly in Botswana. This was assessed within the macroeconomic developments I have described, which continued to influence asset quality and provisioning levels.

We oversaw continued strengthening of credit risk management and anti-money laundering ("AML") controls in response to regulatory expectations, including those linked to Namibia's Financial Action Task Force ("FATF") grey list exit in June 2026.

Sharpening strategic execution under AsOne2030

From a strategic perspective, the board engaged extensively with Exco on a focused review of the strategic choices under the AsOne2030 strategy, which remains the Group's anchor framework. This review resulted in refinements to sharpen execution focus and support sustainable growth.

A key outcome was the elevation of customer-led portfolio value creation as a standalone strategic choice that prioritises cross-business collaboration to unlock value for customers and at the portfolio level.

The board also identified culture and leadership as critical enablers of strategy. We oversaw the rollout of the reimagined Capricorn Way for all entities, as well as the Future Fluent leadership journey, which engaged more than 400 Group leaders to support alignment and execution discipline.

Oversight of data governance and digital transformation remained a key focus, given the growing importance of technology to the Group's operating model and future competitiveness.

In addition, the sustainability function was elevated to report directly to the Group Chief Executive Officer ("CEO"), reinforcing its strategic importance and supporting a more integrated approach to sustainable finance and its commercial application across the business.

Governance matters

Ethical leadership and governance effectiveness are central to board deliberations. Ethical leadership underpins the Group's reputation, which is a core asset and foundation of stakeholder trust.

The board considered the outcomes of an external ethics assessment. The Group was assessed as having a developing ethical culture, with deterioration in certain ethics-related risk indicators. The board is committed to strengthening ethical culture within the Group.

We consciously embed the King IV™ principles into daily practice, reinforcing governance as a lived discipline rather than a compliance exercise. We also noted progress in preparing for the transition to King V™¹, which places greater emphasis on sustainability and technology governance.

¹ King V™ Code on Corporate Governance for South Africa (IoDSA). Copyright Institute of Directors in South Africa NPC (IoDSA). All rights reserved.

Board and leadership changes

We extend our appreciation to Johan Swanepoel, who has retired as from November 2025 from the board of Capricorn Group Ltd and continues to serve as chairperson of Bank Windhoek Ltd, for his distinguished service as an independent non-executive director of Capricorn Group, including his tenure as chairperson. His contribution over more than 26 years has been significant in shaping the Group's development. We are pleased that he will continue to serve as chairperson of Bank Windhoek.

We also welcomed the appointment of Louis van der Riet as a non-executive director. He is a chartered accountant with extensive experience in auditing and financial services and brings valuable knowledge of the Group's operating environment.

Elize Fahl resigned as an independent non-executive director in July 2026. We thank Elize for her valuable contribution to the board since her appointment in 2021 and wish her the best with her future endeavours.

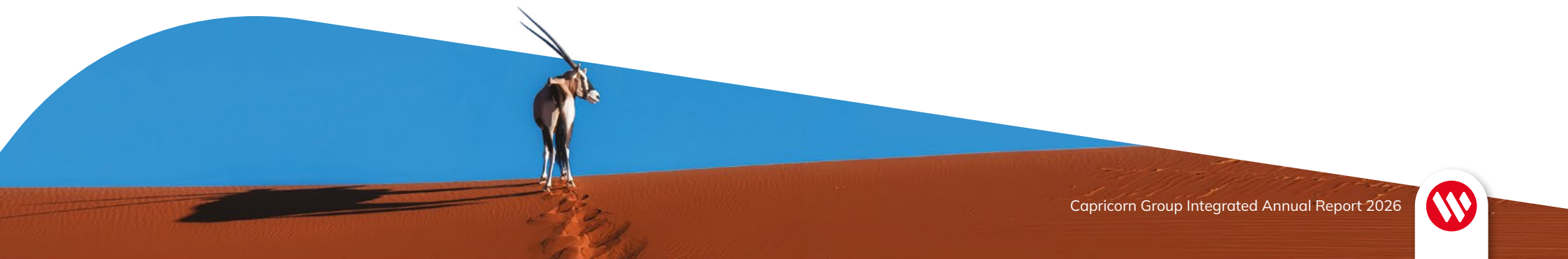
Nangula Hamunyela was appointed on 2 July 2026 as an independent non-executive director, and we warmly welcome her and look forward to her contribution.

The board has accepted the resignation of Bank Gaborone managing director ("MD"), Olebile Makhupe, who will step down at the end of August 2026. Olebile joined Bank Gaborone in 2023 and also served on the Capricorn Group Exco.

We would like to acknowledge her contribution during a particularly challenging period for Bank Gaborone and Botswana in general. She provided steady leadership during a time of significant macroeconomic pressure and played an important role in guiding the business through this phase.

On behalf of the board, I thank her for her service to the Group and wish her well in her future endeavours.

To ensure continuity, Tsaone Raboloko, who has been with the bank since January 2018 and also serves as chief financial officer ("CFO"), was appointed interim MD while a formal recruitment process for a permanent appointment is underway.





Board composition and renewal

We engage with regulators on the requirements for independent non-executive directors with relevant banking and financial services experience. While the intent of these requirements is supported, certain criteria, such as independence definitions, tenure limits, age thresholds and residency requirements, combined with a limited regional talent pool, can constrain board composition options. Engagement ensures an appropriate balance between regulatory intent and practical application.

Overall, I am satisfied that the board has the appropriate mix of skills and experience to guide the Group effectively, and we will enhance this mix when appropriate and as possible within the prevailing regulatory framework.

Community impact and the role of the Capricorn Foundation

The Capricorn Group contributes to society through a range of initiatives. In my capacity as chairperson of the Capricorn Foundation, I would like to highlight its progress.

The Foundation has matured as a trusted development partner, expanding its reach and strengthening its impact. While education, health and community development are central, there is an increasing emphasis on economic development through support for entrepreneurship and job creation. The focus going forward is on scaling initiatives with sustainable, measurable impact.

Regional outlook and strategic positioning

The board continues to monitor developments in Namibia's emerging oil and gas sector, recognising its potential to reshape the country's economic landscape and create new opportunities across multiple industries. While the pace and scale of development depend on future investment decisions, we believe it is important that the Group is well-positioned to support customers as these opportunities evolve.

During the year, we oversaw the development of a Group-wide approach to understanding and participating in opportunities that may arise from the sector. This included enhancing our understanding of the industry and assessing potential implications for the Group's subsidiaries.

We are already observing signs of economic activity linked to energy developments, particularly in sectors such as property, logistics and business services. We also see potential opportunities in areas aligned with our existing strengths, including corporate and investment banking, trade finance, foreign exchange, transactional banking and sustainable finance solutions.

The board has encouraged the EMT to balance opportunity with discipline. As part of our oversight responsibilities, we regularly consider a range of economic scenarios and potential outcomes, including the implications of increased foreign investment, changing market dynamics and large-scale infrastructure development. We are equally mindful of the execution risks associated with major projects and of the need to ensure that growth expectations are realistic and well managed.

We also engage constructively with stakeholders, including government and industry participants, to better understand how the Group can contribute to Namibia's long-term socio-economic development.

In Botswana, the short-term outlook is more constrained. IMF and World Bank assessments indicate that the economy is undergoing cyclical and structural adjustment. Most multilateral and market forecasts point to a gradual recovery from 2026, supported by a partial rebound in diamond production and improved fiscal management.

However, in the short term, the recovery is expected to be narrow and largely dependent on the mining cycle, rather than on broad-based diversification. Over the medium term, policies focused on diversification under national transformation programmes aim to reduce vulnerability to commodity cycles and strengthen non-mining sectors as a more sustainable source of growth. Our focus there is on stabilisation and support.

In conclusion

The Group has performed well in tough circumstances, reflecting the resilience of its people and the disciplined execution of the AsOne2030 strategy. I extend my sincere appreciation to Exco, the employees and my fellow board members for their commitment and contribution throughout the year.

I also thank the boards and leadership teams of the subsidiaries for their support in driving Group performance.

Finally, I would like to thank Capricorn Group's customers for their continued trust in the Group and our purpose of being Connectors of Positive Change.

Gerhard Fourie
Group chairperson





Group CEO's report

While the environment continues to change, our focus is constant: serving customers well and building businesses that create sustainable value over the long term.



This year marks an important point in Capricorn Group's journey. As we celebrate 25 years of Capricorn Asset Management ("CAM") and 20 years of Bank Gaborone, we reflect on how the Group has evolved from a predominantly Namibian banking business into a diversified financial services group with a broader regional footprint. While the environment continues to change, our focus is constant: serving customers well and building businesses that create sustainable value over the long term.

Strategic snapshot

Net promoter score ("NPS") was stable at **44%**, reflecting sustained customer loyalty

Mobile app transaction volumes increased by **38%**, demonstrating strong progress in digital migration

Inclusion survey score improved to **7.5** from **7.3** in 2025, with continued progress on diversifying talent pipelines and inclusive leadership practices

The Future Fluent leadership journey successfully trained **411** leaders, achieving a **96.4%** job impact rating and **94.8%** participant NPS

Advanced sustainability integration through a refined environmental risk management approach, with **75.4%** of employees confident in identifying related risks and opportunities

While the operating environment continues to present challenges across our markets, our people have demonstrated adaptability and an unwavering commitment to serving customers. These qualities give me confidence that we are well-positioned for the opportunities that lie ahead.

Navigating varied conditions across our portfolio

Bank Windhoek continued to demonstrate resilience as Namibia's leading bank. We are well advanced in transforming our branch network into digitally enabled self-service centres while preserving the personal interaction our customers value. At the same time, we are positioning the bank for emerging structural opportunities in Namibia, particularly in oil and gas, through strategic partnerships that support financing, capability development and inclusive participation.

These achievements reflect the ability of our people to execute on strategy and the enduring value of our brand.

In Botswana, liquidity shortages and broader macroeconomic pressures created a difficult operating environment for both Bank Gaborone and Peo Finance. In response, management initiated a strategic reset focused on strengthening capital, improving credit quality and diversifying funding sources away from concentrated institutional deposits. These actions are intended to enhance long-term stability and position both businesses for sustainable growth.

Peo Finance also experienced a difficult year as liquidity constraints affected growth and profitability. Management responded by focusing on more stable customer segments and strengthening credit practices. The business is also progressing with responsible lender certification to broaden access to development funding and strengthen its long-term positioning.

CAM delivered another strong year, supported by continued client confidence and healthy inflows. As the market leader in its segment, the business completed a strategic refresh to ensure it stays competitive in a rapidly evolving investment landscape.

Entrepo faced disruption following government's announcement in August 2025 that its contract with Avril Payment Solutions ("APS") to administer government payroll deductions would not be renewed on expiry at the end of November 2025. This directly impacted Entrepo's business model, which relied on APS as a key mechanism for collections and client onboarding. In the interim, the Ministry of Finance has introduced a manual process for onboarding new business and maintaining existing customers. While this provides a temporary solution, it is operationally inefficient and has constrained new business origination. Despite this disruption, Entrepo delivered profit growth, which evidences the resilience of the underlying business. Management is working with Group Exco and the board to adapt the operating model to this evolving regulatory and operational landscape, focusing on repositioning the business to sustainably capture the significant underlying market opportunity.

We are proud of the recognition we received during the year, including Bank Windhoek being named Bank of the Year: Namibia 2025 by The Banker, as well as several other international accolades.





Capricorn Group excellence recognised through accolades

Our market-leading position was recognised through a range of external awards.

Bank Windhoek was named Bank of the Year: Namibia 2025 by The Banker magazine, which recognises strong financial performance, digital innovation, service excellence and sustainability focus. The bank also received four accolades at the SMARTIES® Sub-Saharan Africa Awards for marketing excellence and was ranked the #1 Most Admired Namibian Banking Brand in the 2025 Brand Africa 100 survey.

In corporate banking, Bank Windhoek secured triple recognition at The European Global Business Awards in 2026, in acknowledgement of our socioeconomic impact and leadership in ethical and sustainable banking.

Bank Gaborone was named Most Agile Bank at the 2025 Visa Botswana B2B Workshop and Awards, in recognition of our responsiveness in adopting digital payment solutions and advancing customer-centric innovation.

In addition, Bank Windhoek board member Justina Alders-Sheya was recognised as one of the Top 50 Women in Sustainable Finance 2025 by Women in Financial Services, an honour that highlights her leadership in advancing sustainable finance.

Performance against our strategic choices

Our five strategic choices guide our strategy and strengthen our competitive advantage by leveraging the combined strengths of our diverse portfolio to create value for stakeholders. They support our ambition to become a leading African financial services group.

At a high level, progress on each strategic choice for 2026 is set out below, with further detail in the strategic execution section of this report, which outlines the specific initiatives supporting each choice.

Choice 1: Deliberate portfolio action for growth and value creation

Our intent to consolidate and create value as a diversified financial services group continued to guide how we allocate capital and pursue growth opportunities. Our strategic focus in Botswana pivoted from growth to consolidation and preservation of value in anticipation of further deterioration in the macroeconomic conditions in the country.

We deepened collaboration across shared customer segments and strengthened integrated offerings across the Group. This included closer alignment between private wealth and asset management capabilities, expanded cross-entity client solutions and greater coordination between Bank Windhoek and Bank Gaborone. We also conducted a systematic review of investment and growth opportunities in South Africa.

These initiatives demonstrated the value of the Group model and enhanced our ability to meet customer needs holistically.

Choice 2: Data and digital

Through the #gobeyond programme, Bank Windhoek enhanced branch and automatic teller machine ("ATM") functionality and progressed the rollout of real-time digital payments through the Instant Payment Programme ("IPP").

Technology continues to transform how we serve customers and operate our businesses.

We also increased the use of artificial intelligence ("AI"), including deploying AI-enabled know your customer ("KYC") verification into production to strengthen regulatory compliance and improve efficiency. These initiatives enhanced customer experience, improved operational efficiency and supported lower cost-to-serve outcomes.

Choice 3: Sustainability

Our approach to sustainability is increasingly embedded in our core business and decision-making, informing how we allocate capital, manage risk and engage with clients to create long-term value. During the year, we refined our environmental risk management approach, strengthened our sustainability-oriented culture, expanded sustainable finance activities and enhanced client advisory and measurable social impact initiatives. We continued to align our financing and advisory activities with evolving market needs and national development priorities, particularly across energy, water and critical infrastructure.

Choice 4: Diversity, equity and inclusion ("DE&I")

Our focus on DE&I continued to strengthen our culture and talent pipeline. Key priorities included developing diverse leadership pipelines, embedding inclusive leadership behaviours and expanding mentorship and development opportunities.

Choice 5: Leadership

Leadership capability is one of our most important competitive advantages. Through the Future Fluent leadership journey, a structured and collaborative leadership development programme, we have strengthened alignment with strategy and supported a more collaborative, purpose-driven culture.

In addition, the Capricorn Academy was launched during the year as part of this journey. The curriculum focuses on capabilities that are critical for our future, including data and AI, financial acumen, customer experience, strategic thinking and macroeconomics. Internal executives will contribute in addition to external faculty, ensuring that each session combines global insights with practical relevance to Capricorn.

These investments are helping to build a leadership community equipped to navigate complexity and lead through change. Over time, this will strengthen capability across the Group and help build a stronger leadership pipeline for the future.

From strategic design to strategic delivery

Following the 2026 strategic review, the board approved a refined strategy that sharpens our focus on execution and reflects the progress made in recent years. A key priority is building a single, integrated view of the customer to improve service delivery and operational efficiency.

This report reflects performance against our existing five strategic choices. We will report on the refined strategy from 2027. With the strategic foundations now firmly in place, our focus has shifted from design to execution.

Appreciation

To our shareholders and our customers, thank you for your continued trust. To our colleagues across the Group, thank you for your dedication and commitment. And to our boards, thank you for your guidance and support as we continue building a stronger, more diversified and more sustainable Capricorn Group.

David Nuyoma
Group CEO





Group Financial Director's report

Earnings moderated relative to 2025, driven by margin pressure and higher impairments, while underlying performance remains resilient.



The 2026 financial year reflects a moderation in performance following a period of strong growth. Earnings moderated relative to 2025, driven by margin pressure and higher impairments, while underlying performance remains resilient.

Financial snapshot

15.6%

Return on equity
(2025: 18.2%)

N\$2.23 billion

Operating profit
(2025: N\$2.47 billion)

N\$1.87 billion

Profit after tax
(2025: N\$1.99 billion)

52.0%

Cost-to-income ratio
(2025: 49.5%)

135 cents

Normal dividend per share
(2025: 135 cents)

2,277 cents

Net asset value per share
(2025: 2,135 cents)

343.7 cents

Earnings per share
(2025: 367.3 cents)

343.7 cents

Headline earnings per share
(2025: 369.7 cents)

1.2

Price to book ratio
(2025: 1.0)

8.2

Price earnings ratio
(2025: 5.9)

4.8%

Dividend yield
(2025: 7.9%)

19.4%

Capital adequacy ratio
(2025: 18.1%)

Context of the performance

The 2026 financial year proved challenging for the Capricorn Group, particularly when compared with the exceptional growth achieved in prior years. Headline results reflect lower profits compared to 2025. However, when assessed on a standalone basis without direct comparison to the prior year's exceptional performance, the underlying numbers are solid and respectable.

It is important to contextualise this performance. Since the 2022 post-COVID recovery, the Group has delivered significant double-digit growth.

A normalisation year was inevitable, and 2026 has been that year.

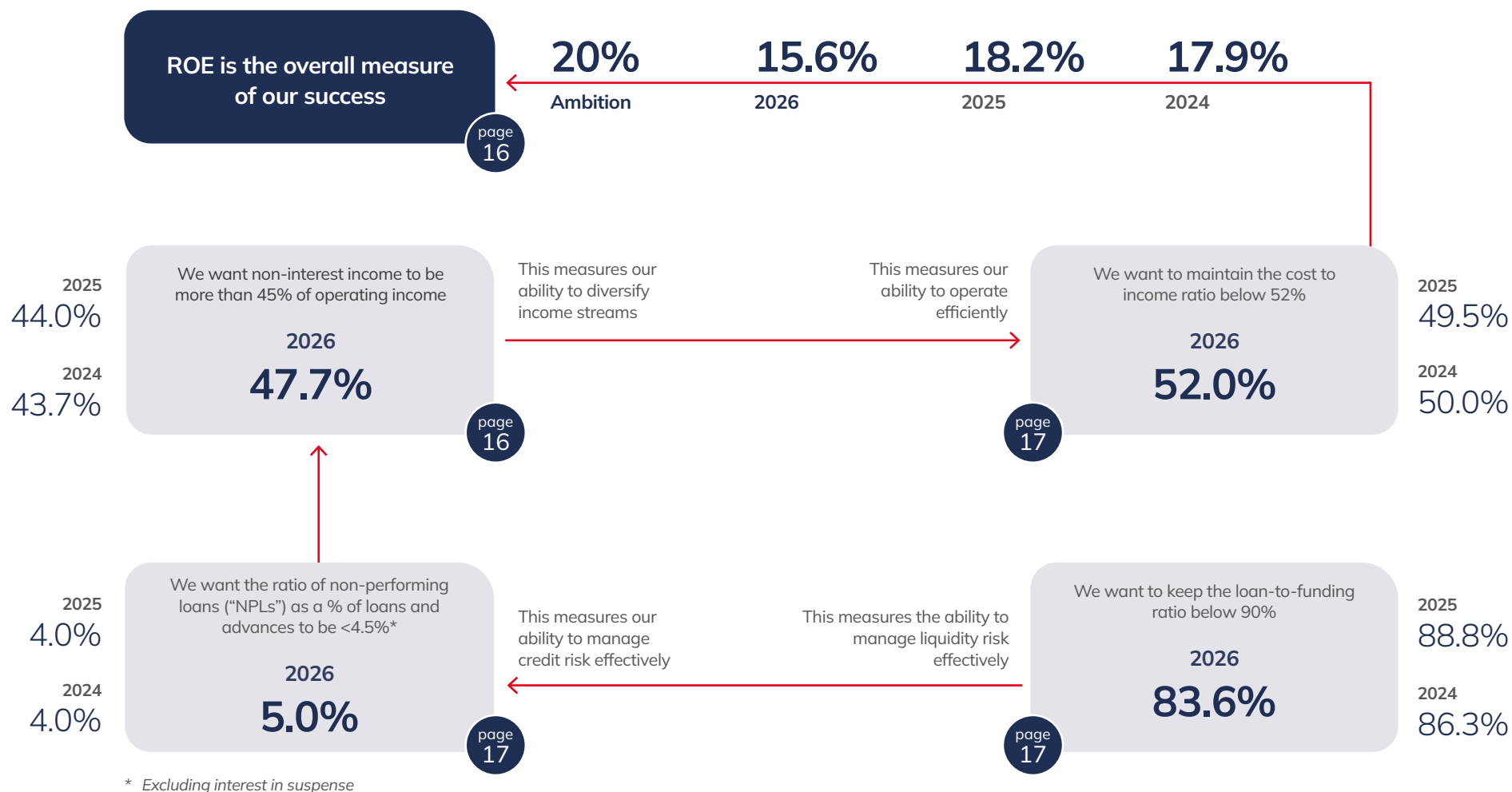
Nevertheless, market sentiment has reflected confidence in our resilient fundamentals, with the Group's share price improving following interim results and forward-looking guidance.

Over the past five years, we have sustained a compound annual growth rate ("CAGR") of 13.7% of profit after tax.





How we assess financial performance





ROE performance

ROE moderated to 15.6%, compared to 18.2% in 2025, mainly due to higher credit impairments and net interest margin pressure. This reflected the impact of the interest rate cycle, as Bank of Namibia monetary policy easing reduced lending yields faster than funding costs adjusted. Additionally, funding costs in Botswana increased substantially during the period as the bank successfully mitigated liquidity shortages experienced in the first half of the financial year. This is reflected in the earnings progression below.

Enhancing ROE is a priority, driven by income diversification and stronger performance from subsidiaries. We also focus on prudent capital allocation and liquidity management to support sustainable returns.

In Botswana, management is executing a strategic reset to strengthen capital, restore margins and normalise non-performing loans.

Earnings progression (N\$' millions)

	2026	2025
Operating profit	2,228	2,466
Profit before tax	2,480	2,677
Profit after tax	1,865	1,993
ROE	15.6%	18.2%

Diversification drives resilient earnings

Our diversified business model supported top-line performance and provided resilience through the interest rate cycle. Net interest income moderated to N\$3.33 billion (2025: N\$3.40 billion), while non-interest income rose to N\$2.62 billion (2025: N\$2.42 billion), primarily due to strong contributions from transactional income, trading activities and fees from asset management.

Consolidated income statement (N\$' millions)

	2026	2025	% change
Interest and similar income	6,793	6,786	0.1
Interest and similar expenses	(3,459)	(3,387)	2.1
Net interest income	3,334	3,399	(1.9)
Credit impairment losses	(457)	(315)	45.1
Net interest income after impairments	2,877	3,084	(6.7)
Non-interest income	2,623	2,422	8.3
Operating income	5,500	5,506	(0.1)
Operating expenses	(3,272)	(3,040)	7.6
Operating profit	2,228	2,466	(9.7)
Share of associates' results	252	211	19.4
Profit before tax	2,480	2,677	(7.4)
Income tax expense	(615)	(684)	(10.1)
Profit after tax	1,865	1,993	(6.4)

Non-interest income composition (%)

	2026	2025
Fee income	62.0	64.3
Net trading income	15.9	14.2
Insurance service result	7.0	7.6
Asset management fees	12.8	10.8
Other	2.3	3.1

Non-interest income contributed 47.7% of operating income, surpassing our 45% target and reflecting the success of our diversification strategy.

Managing costs while investing for growth

Operating expenses increased to N\$3.27 billion (2025: N\$3.04 billion), reflecting continued investment in our people and the Group's digital transformation agenda. Technology-related expenditure remained elevated as key strategic initiatives progressed, supporting improvements in efficiency and customer experience.

Cost structure (N\$' millions)

	2026	2025
Employee costs	1,742	1,723
Technology	320	267
Property expenses	333	297
Operational banking expenses	359	315
Other expenses	518	438

As a result of increased operating expenses and subdued net interest income growth during the year, the cost-to-income ratio rose to 52.0% from 49.5% in 2025, but remained in line with our target of 52.0%. Our cost-to-income ratio is aligned with industry standards. When calculating the cost-to-income ratio, banking and related fees and commission expenses are treated as a reduction in non-interest income rather than operating expenses.



Cost efficiency

	2026	2025
Cost-to-income ratio	52.0%	49.5%
Operating expenses (N\$ billion)	3.27	3.04

The increased cost-to-income ratio reflects margin pressure in a lower-interest-rate environment and sustained investment in future capabilities. We will continue to prioritise technology investment as a key enabler of long-term efficiency and a lower cost-to-serve, while people costs remain the largest component of total expenses, reflecting ongoing investment in critical skills for future growth.

Credit quality and non-performing loans

Credit impairments exceeded prior-year levels and were the primary factor weighing on earnings growth during the year. Impairment charges increased to N\$457 million (2025: N\$315 million), largely due to a weakening economic experience in Botswana along with a smaller number of significant client exposures that experienced financial distress. Gross loans and advances decreased to N\$51.5 billion (2025: N\$52.5 billion), reflecting the weakened demand for loans in Botswana and lower loan uptake at Entrepo following the discontinuation of the PDMS.

Gross loans and advances

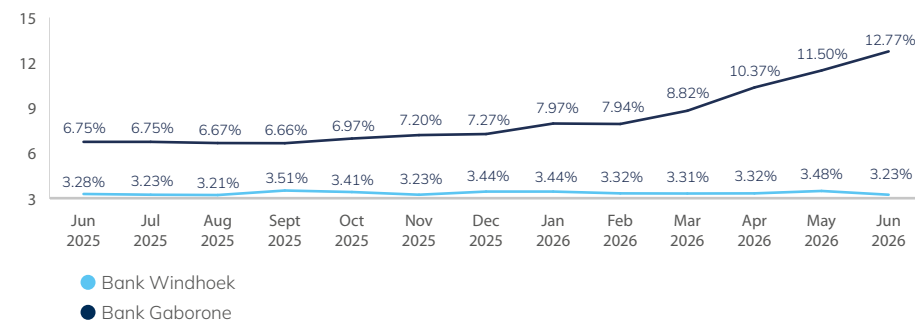
	2026	2025	2024	2023	2022
Bank Windhoek (N\$'million)	41,334	39,810	39,038	37,325	36,549
Bank Gaborone (BWP'million)	7,018	7,688	6,863	5,868	5,317
Entrepo (N\$'million)	1,726	2,188	1,805	1,532	1,416
Peo Finance (BWP'million)	547	491	448	391	180

NPLs (excluding interest in suspense) increased to N\$2.55 billion in 2026 (2025: N\$2.08 billion), resulting in an NPL ratio of 5.0% (2025: 4.0%). The ratio remains in line with industry average in Namibia, reflecting continued prudent credit risk management.

The loan loss rate increased to 0.88% (2025: 0.61%), remaining within acceptable industry norms. This measure includes additional impairment on interest recognised on the net carrying value of non-performing loans in line with IFRS 9.

Despite elevated pressure in specific segments, we expect stabilisation in credit quality.

Non-performing loan ratio (excluding interest in suspense)



Cost of funding and liquidity dynamics

The cost of funding reflects divergent liquidity conditions across our markets. Bank Windhoek benefited from improved funding efficiency and market liquidity, while Bank Gaborone faced significant upward pressure due to constrained market liquidity and structural funding challenges.

Bank Windhoek reduced its cost of funding through an improved funding mix and growth in lower-cost deposits, thereby supporting margin resilience in a lower-interest-rate environment. In Botswana, higher funding costs were driven by reliance on more expensive institutional deposits in a tight and volatile liquidity environment.

We are addressing these pressures through initiatives to strengthen retail deposit growth, enhance funding diversification and improve access to lower-cost liquidity sources.

Notwithstanding these pressures, asset quality was resilient. The Group maintained a strong balance sheet, with capital and liquidity ratios comfortably above regulatory requirements. In addition to the banks' liquidity buffers, the Group holds in excess of N\$1 billion in liquid assets across the Group, which provides an additional layer of contingency funding for the banking subsidiaries. This positions the Group to absorb potential shocks and pursue future growth opportunities.



Capital adequacy (%)

	2026	2025
Capital adequacy ratio (Group)	19.4	18.1
Bank Windhoek capital ratio	19.2	18.2
Bank Gaborone capital ratio	14.3	15.0

Subsidiary and associate performance summary



Bank Windhoek delivered a resilient performance in a softer interest rate environment, supported by a stable deposit base and disciplined credit management. Earnings were impacted by margin compression and selected impairments, although the bank's underlying fundamentals are intact.

The bank continues to benefit from a diversified loan book and strong liquidity buffers, supporting its ability to navigate cyclical pressures while maintaining prudent capital levels.

	2026	2025
Profit after tax growth	0.0%	11.9%
Net interest income growth	5.2%	8.0%
Gross loan book growth	3.8%	2.0%
Interest expense movement	(9.7%)	(7.9%)
Cost-to-income ratio	50.8%	49.1%
Liquid assets growth	14.2%	8.4%
Operating profit (decline)/growth	(1.6%)	11.4%
Non-performing loans movement	(0.6%)	(11.3%)
Market share (loans and advances)	31.5%	35.0%
Net interest margin	5.30%	5.24%
Capital adequacy ratio	19.2%	18.2%



Bank Gaborone operated in a particularly constrained macroeconomic environment in Botswana, where liquidity shortages during the first half of the financial year and weakness in the diamond sector placed pressure on earnings. Funding costs increased significantly as the bank prioritised liquidity stability over short-term profitability. This prudent approach ensured balance sheet resilience during a period of market stress.

Despite these challenging conditions, Bank Gaborone maintained a resilient balance sheet supported by sound capital and liquidity ratios at the end of the reporting period. To further strengthen the bank's capital position, the Group approved a P80 million capital facility that would be available for drawdown in the event that Bank Gaborone experiences capital shortages. However, no capital support was required during the year ended 30 June 2026, nor has any drawdown been necessary subsequent to year-end up to the date of this report.

With liquidity conditions now improving, funding costs have begun to moderate, supporting a more constructive outlook for the bank and positioning it to benefit from an anticipated recovery in economic activity.

	2026	2025
Net interest income (decline)/growth	(40.2%)	13.8%
Impairment charge growth	91.5%	108.5%
Non-interest income growth	28.8%	30.8%
Liquid assets movement	55.4%	(29.1%)
Operating profit (decline)/growth	(182.9%)	2.8%
Non-performing loans growth	65.7%	40.2%
Market share (loans and advances)	7.9%	8.5%
Net interest margin	2.80%	4.29%



CAM delivered another standout performance, underpinned by continued inflows and growth in assets under management ("AUM"), supported by both organic growth and inflows awaiting deployment.

The business continues to benefit from strong client trust, which is based on its consistent investment performance and a disciplined long-term investment approach.

	2026	2025
Net profit after tax growth	33.3%	22.0%
Return on equity	106%	101%
Operating profit growth	27.1%	22.5%
AUM	N\$67.0 billion	N\$57.1 billion
AUM growth	17.5%	22.5%
Unit trust market share	40.2%	37.4%





entrepo

Entrepo was impacted by uncertainty regarding the government payroll deduction management system, which reduced origination volumes given the business's reliance on payroll-linked lending. This resulted in a slowdown in new lending activity, as the operating model is being adapted to a potentially revised administrative environment. Management is actively assessing alternative approaches, while the underlying microfinance market opportunity remains intact, albeit under constrained circumstances.

	2026	2025
Profit after tax growth	6.0%	31.9%
Return on equity	27.0%	33.0%
Income from lending growth	10.5%	43.6%
Insurance income growth	0.7%	18.5%
Operating expenses growth	7.5%	7.6%
Cost-to-income ratio	22.1%	21.7%
Impairment charge	N\$18 million	N\$22 million
Loan Book	N\$1.7 billion	N\$2.2 billion
External funding as % of loan book	48.5%	44.7%
Insurance service result	N\$184 million	N\$185 million
Claims paid	N\$50 million	N\$28 million

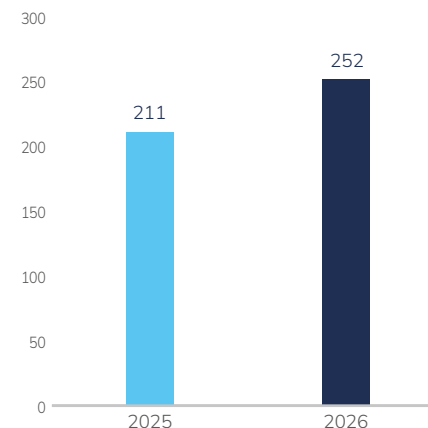
Peo Finance

Peo Finance faced significant pressure from constrained market liquidity and limited funding availability in Botswana. This required a more cautious disbursement approach, resulting in a modest contraction in the loan book. Management is actively considering capital strengthening initiatives to support liquidity and improve the capital structure to ensure the long-term sustainability of the business.

	2026	2025
Profit after tax (decline)/growth	(20.7%)	1.8%
Loan book growth	11.4%	8.6%
Net interest income	BWP54 million	BWP54 million
Profit after tax	BWP23 million	BWP29 million
Loan book	BWP527 million	BWP473 million

Associates

Income from associates (NS'million)



Delivered modest income statement results, reflecting its long-term infrastructure investment model. However, underlying value creation is strong, supported by substantial infrastructure assets, including fibre networks and regional connectivity backbone systems. These investments are expected to yield long-term value for the associate as utilisation increases across the network.

	2026	2025
Capricorn Group share of current year's retained income	(N\$2 million)	N\$3 million



Delivered solid operational growth, supported by strong premium generation, although reported results were influenced by changes in actuarial and reserving methodologies under IFRS 17.

	2026	2025
Capricorn Group share of current year's retained income	N\$186 million	N\$164 million



Delivered steady performance, supported by growth in gross written premiums and disciplined underwriting.

	2026	2025
Capricorn Group share of current year's retained income	N\$68 million	N\$44 million





Ensuring attractive shareholder returns

The Group declared a final ordinary dividend of 77 cents per share. Together with the interim ordinary dividend of 58 cents per share, this represents a total ordinary dividend of 135 cents per share for the 2026 financial year, compared to 135 cents per share in 2025. No special dividend was declared in 2026 (2025: 36 cents per share).

As a result, the dividend payout ratio was 37.5% (2025: 44.5%), which is aligned with the Group's capital management framework. The Group continues to balance dividend distributions with capital preservation to support future growth.

The share repurchase programme remains in place in terms of prior shareholder approval, aimed at improving liquidity in the Namibian listed equity market and enabling value realisation for smaller shareholders. Since inception, the Group has repurchased and cancelled 799 thousand shares at a total cost of N\$12.1 million (N\$15.14 per share).

Dividend payment details

Last day to trade cum dividend: 2 October 2026

First day to trade ex-dividend: 5 October 2026

Record date: 9 October 2026

Payment date: 22 October 2026

Johan Maass
Group Financial Director





Connecting people, ideas and opportunity

Value creation in 2026



What we stand for

Our purpose and values

Our shared **PURPOSE** is the light that guides us, our practical compass for decision-making.

Being Connectors of Positive Change.

We connect our customers to products and services that positively impact their lives

We bring positive change to our communities by being a responsible corporate citizen

We encourage employee volunteerism through our Changemaker initiatives

We connect our customers, partners and suppliers with opportunities for growth

We seek innovative ways to bring together our customers and their aspirations

We collaborate with the like-minded to bring about positive change in the countries in which we operate

We are catalysts of sustainable opportunities

THE CAPRICORN WAY defines what it means to be a Connector of Positive Change. It combines our values with the behaviours that translate them into action in our daily work.

Open: We're here to listen, learn and lead together

To **listen** is actively hearing others, intending to understand

To **learn** is to continuously look for ways to grow individually and as a team

To **lead** together is fostering leadership and collaboration at all levels

Dedicated: We show up consistently with care and commitment

Consistency is being reliable and taking ownership of our actions

Care is taking pride in our work and prioritising the needs of our customers, colleagues, and community

Commitment is always delivering on our promises

Inspired: We bring passion, presence and possibility to everything we do

Passion is staying motivated by the impact we can make and inspiring others

Presence is being fully engaged and intentional in our contributions

Possibility is starting with what can be and embracing sustainable solutions

How we work

Our Group profile

Capricorn Group is a southern African financial services group with a 44-year track record and operations in Namibia and Botswana.

Since our establishment in 1982, we have played a significant role in Namibia's banking sector, maintained Namibian ownership and have been listed on the NSX since 2013.

We have established ourselves as an aspirational brand in the region, and we are committed to supporting sustainable economic development in the markets we serve.

We employ 2,226 people who embody our purpose and do things the Capricorn Way.

Namibia

The Group's headquarters are in Windhoek, Namibia. 106% of the Group's profit after tax derives from Namibia.¹

Number of employees (permanent)

1,848

Total
(2025: 1,797)

86

Capricorn Group²
(2025: 83)

1,644

Bank Windhoek³
(2025: 1,589)

74

Capricorn Asset Management
("CAM") (2025: 71)

44

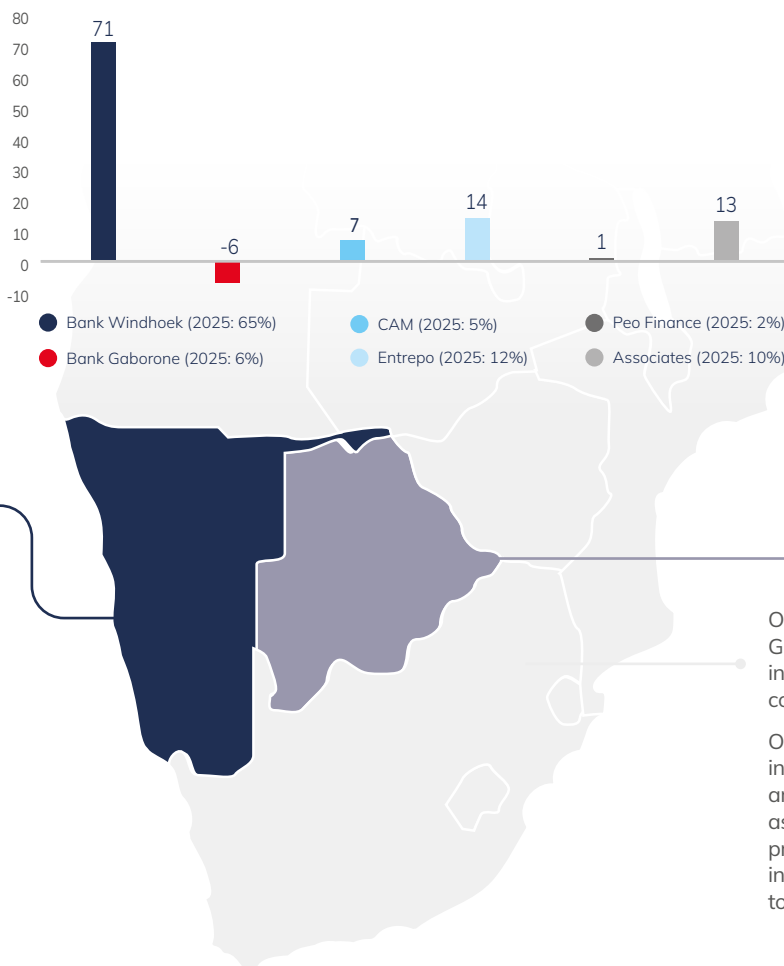
Entrepo
(2025: 54)

Market share in loans and advances

31.5%

Bank Windhoek
(2025: 35.0%)

Contribution to Group profit after tax (%)



Botswana

-6% of the Group's profit after tax is derived from Botswana through Capricorn Investment Holdings Botswana ("CIHB").¹

Number of employees

347

Bank Gaborone
(2025: 343)

22

Peo Finance
(2025: 21)

369

Total Botswana
(2025: 364)

Market share in loans and advances

7.9%

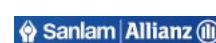
Bank Gaborone
(2025: 8.5%)

Our South African presence is through Capricorn Investment Group (Pty) Ltd (South Africa), a Group-level entity focused on investment structuring, regional portfolio management, selected corporate functions and an advisory footprint.

Our two banking subsidiaries are complemented by businesses in asset management, unit trust management, microlending and property development. We also have shareholdings in associates Sanlam Allianz Namibia and Santam Namibia, providing exposure to the insurance sector, and hold an investment in Paratus Group Holdings, which provides exposure to the African telecommunications sector.

We serve a broad customer base that includes individuals, small and medium enterprises ("SMEs") and large corporates.

We deliver our customer-centred value proposition through a combination of physical and digital channels.



¹ Based on profit attributable to shareholders.

² Head office, central functions and South Africa.

³ Includes Namib Bou.

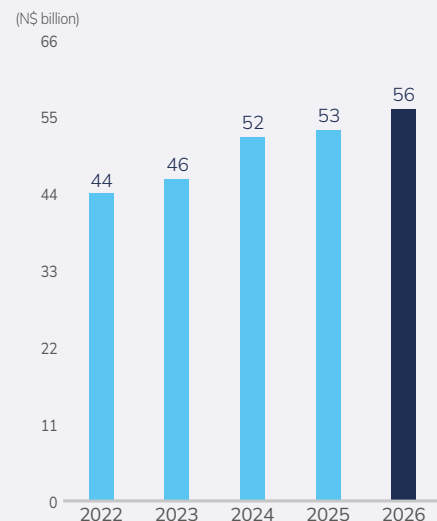




Capricorn Group in numbers

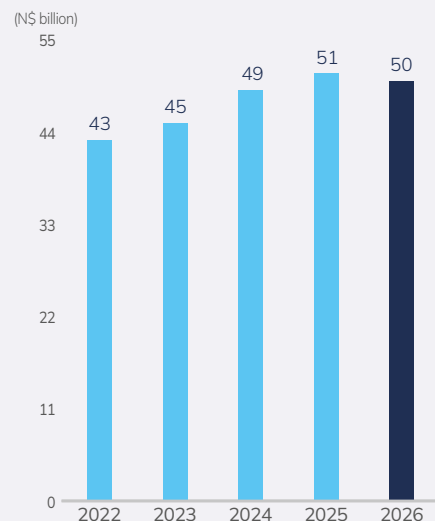
Deposits

Customer savings entrusted to us



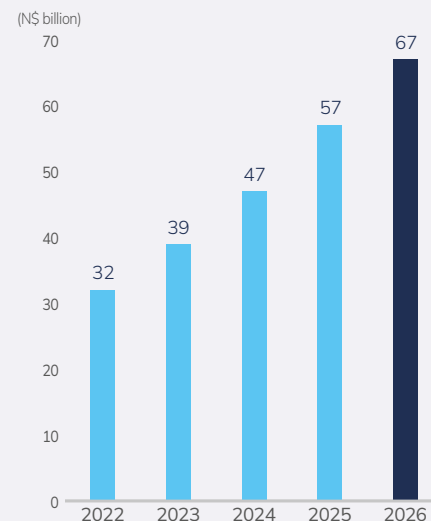
Total advances

The credit we provide to customers



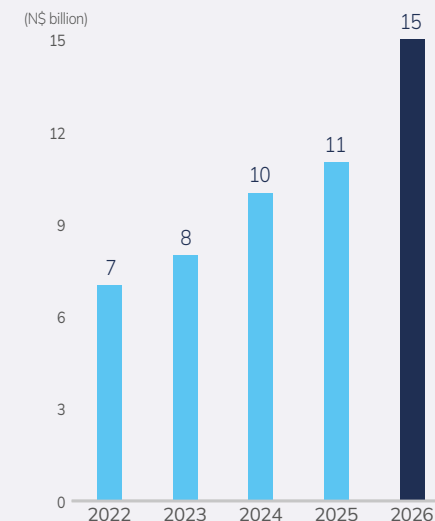
CAM assets under management ("AUM")

The investments we manage for customers



Market capitalisation

The value of the Group as a company on the NSX



Credit ratings by GCR Ratings (2025)

Bank Windhoek Ltd

- > Namibian long-term issuer rating upgraded from AA(NA) to AA+(NA)
- > Namibian short-term issuer rating was affirmed at A1+(NA)
- > South African national-scale long-term issuer rating upgraded from A(ZA) to A+(ZA)

Capricorn Group Limited

- > Namibian long-term issuer rating upgraded from AA-(NA) to AA(NA)
- > Namibian short-term issuer rating was affirmed at A1+(NA)
- > Outlook: Stable for all ratings.

These ratings confirm the Group's strong and well-established position in the financial services sector.

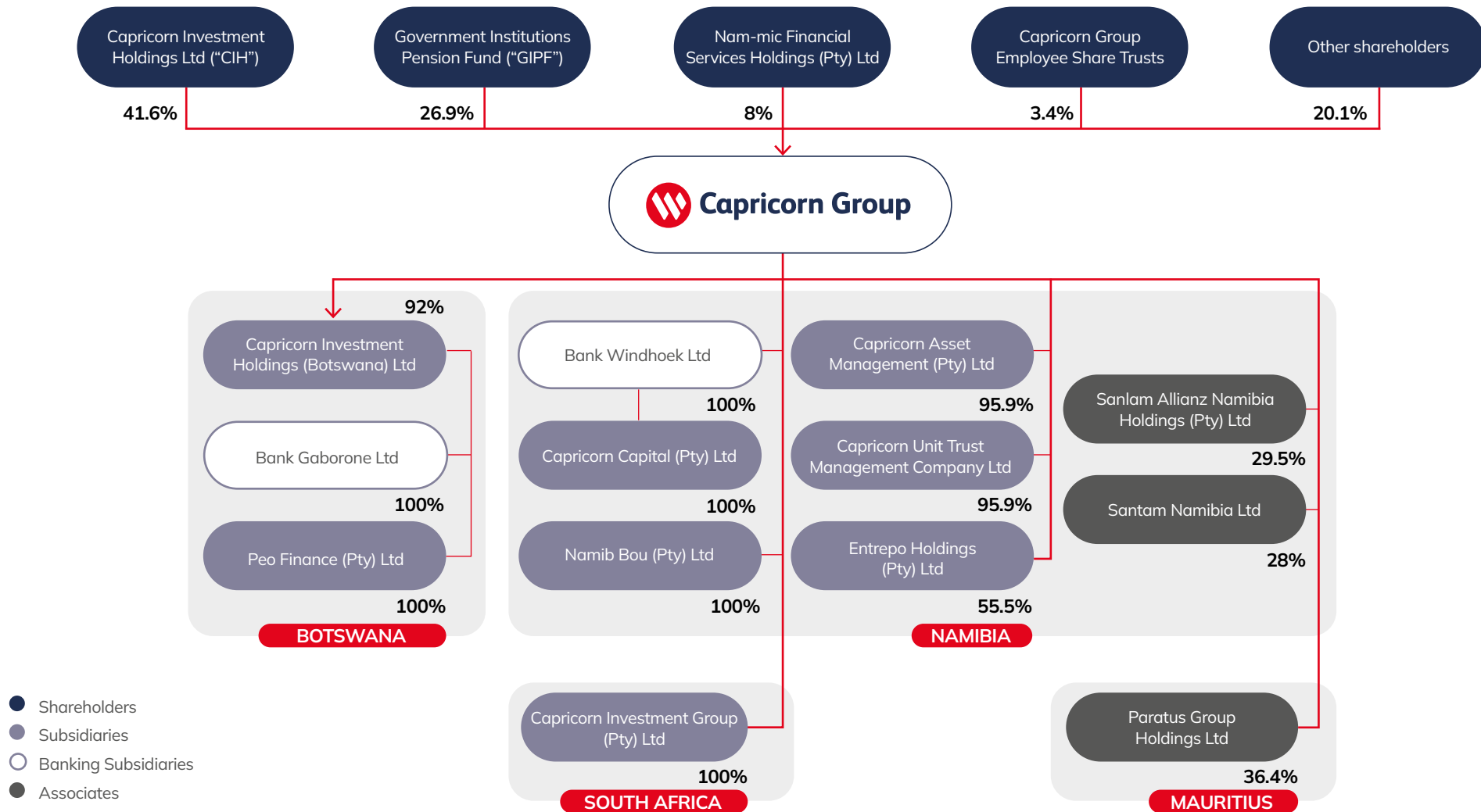




What we do

Capricorn Group operating subsidiaries and associates

Group structure



Through our diversified portfolio of subsidiaries and associates, Capricorn Group delivers a broad range of financial services in Namibia and Botswana. Each business contributes distinct capabilities and market expertise, while benefiting from the Group's strategic guidance, governance and support.

Bank Windhoek

Overview

Bank Windhoek is Namibia's largest lender and Capricorn Group's flagship banking brand.

Bank Windhoek is a registered commercial bank licensed by the Bank of Namibia. The bank operates a national network of branches, agencies, ATMs, Cash Express ATMs at merchant locations and self-service kiosks, as well as digital and electronic banking channels.

Key facts

Head office: Windhoek, Namibia

MD: James Chapman

Established: 1982

Website: www.bankwindhoek.com.na

Branches: 52 (2025: 51)

ATMs: 202 (2025: 186)

Core capabilities

- > Delivers corporate and business banking services, including project finance, structured finance, working capital solutions and investment banking services
- > Offers treasury services, including money market and foreign exchange offerings
- > Facilitates international banking services, including foreign payments, trade finance and foreign currency accounts
- > Delivers private banking and wealth management services through Capricorn Private Wealth
- > Provides bancassurance solutions, including life, short-term, travel and commercial insurance and guarantees



Overview

Bank Gaborone is a Botswana-based commercial bank serving retail, SME, business and corporate customers.

Bank Gaborone is licensed by the Bank of Botswana and provides banking and treasury services through a national network of branches and ATMs, supported by digital banking channels.

Key facts

Head office: Gaborone, Botswana

MD: Olebile Makhupe (outgoing),

Tsaone Raboloko (acting)

Established: 2006

Website: www.bankgaborone.co.bw

Branches: 12 (2025: 12)

ATMs: 27 (2025: 25)

Core capabilities

- > Provides transactional banking services
- > Offers savings and investment products
- > Delivers lending solutions
- > Provides foreign exchange services
- > Offers treasury services

20 years of serving Botswana

Bank Gaborone has supported Botswana's economy for two decades while building trusted relationships with individuals and businesses. The bank has evolved from a locally focused challenger into an established financial institution with a national footprint, serving retail, SME, business and corporate customers through a combination of branch, digital and relationship-based banking.

This journey has been enabled by a customer-centric approach and prudent risk management. By expanding its branch network and digital capabilities and broadening its products and services, the bank has evolved in response to customer needs and the operating environment, while maintaining a focus on operational excellence.

Beyond banking, Bank Gaborone has sought to contribute to Botswana's socioeconomic development by expanding access to financial services, supporting enterprise development, creating employment opportunities and investing in education, community initiatives and strategic partnerships. As it marks this milestone, the bank is committed to creating long-term value and supporting a more resilient and prosperous Botswana.

"Joining Bank Gaborone before it officially opened gave me the opportunity to be part of the bank's journey from the very beginning. From helping establish operations at the first branch to supporting digital transformation, I have seen the bank grow while remaining committed to serving our customers and communities. After 20 years, it is more than a workplace – it is family."

– Akanyang Mokokonyane, Channel and Support Administrator: IT and Operations Department

"I remember when Bank Gaborone operated from a single branch with a small team and was still establishing itself in the market. Looking back, it is rewarding to have witnessed its evolution into an established financial institution while contributing to its journey and to Botswana's economy over the past 20 years."

– Paul Kebakile, Operations Support Disbursement: Central Administration Branch

"My journey with Bank Gaborone has been shaped by opportunities to learn and grow with the bank. Through every stage of change, our commitment to serving customers has remained constant. It has been rewarding to be part of a team that continues to evolve while staying true to its values."

– Console Ramotlhwa, Manager: Treasury Back Office, Finance Department

"Being one of the pioneer employees and helping open Bank Gaborone gave me the opportunity to contribute to the Bank's foundations. Looking back, it is rewarding to see how the Bank has kept serving customers in Botswana. After 20 years, it is still a place of purpose and lasting relationships."

– Gabanapelo Pinkie Letsholo, Manager: Reconciliations, Finance Department

"Being part of the opening of the Main Mall Branch, and later another branch, are milestones that stand out in my career. Looking back at the Bank's journey from a team of 10 employees to more than 300, I am proud to have contributed to its development while growing professionally through the opportunities it has provided."

– Thato Lennwe, Sales and Service Coordinator: Main Mall Branch





Capricorn Asset Management

Overview

CAM is Namibia's largest unit trust manager, providing investment management and administration services to retail, wealth, corporate and institutional investors.

CAM operates under various licences registered with the Namibia Financial Institutions Supervisory Authority ("NAMFISA"). Capricorn Unit Trust Management Company ("CUTM") manages the Capricorn Unit Trust range for major asset classes, including cash, bonds, property, local equities and international equities.

Key facts

Head office: Windhoek, Namibia

MD: Tertius Liebenberg

Established: CUTM – 2000, CAM – 2006

Website: www.cam.com.na

Core capabilities

- > Provides investment management and administration services to retail, wealth, corporate and institutional investors
- > Offers investment products and services across the risk spectrum
- > Manages the Capricorn Unit Trust range
- > Enables access to the Capricorn Investment Platform, including unit trusts, third-party funds, government bonds and Treasury Bills
- > Provides digital investment management through Capricorn Online
- > Manages Caliber Capital Trust as a NAMFISA-approved unlisted investment vehicle

"I have had the privilege of growing with CAM from a five-person team working with largely manual processes into a leading asset manager. What makes this 25-year milestone particularly meaningful to me is not only the growth of the business, but the people, client trust and strong culture that have remained at its heart."

– Pearl Ndeipanda, Chief Risk Officer

"CAM's 25-year journey is a testament to what can be built through local expertise, entrepreneurial thinking and a long-term commitment to clients. I am proud of how a small Namibian investment business has grown into a market leader while contributing to the development of the country's capital markets."

– Tertius Liebenberg, Managing Director

Celebrating 25 years of CAM

CAM's 25-year journey reflects the steady building of trust and local expertise into Namibia's leading unit trust manager. What began as a small, locally rooted investment capability evolved into a fully licensed asset management business in 2006 with just seven people and has since grown into a market leader managing N\$67 billion in assets and holding a 40.2% market share.

This growth has been driven by a clear focus on disciplined decision-making and long-term client outcomes, as well as continuous innovation across funds, private wealth, digital platforms and unlisted investments. From early unit trust funds to a diversified multi-asset and institutional offering, the business has consistently expanded its capabilities in response to client needs and market development.

Beyond investment performance, CAM has played a broader role in developing Namibia's capital markets and economy through funding government and banking institutions, supporting infrastructure and development projects, and contributing to national initiatives and job creation.

"My journey started on the very same day the first unit trust fund was launched, in a very hands-on environment where we were building processes and laying the operational foundation for what would become Capricorn Asset Management. Looking back, it is special to have been part of the business from the very beginning as it developed its identity, built trust with customers and grew into a respected asset manager in Namibia."

– Andre Pretorius, Head: Digital Transformation

"This 25-year milestone is significant well beyond our own walls. It is a milestone for every customer who entrusted us with their savings and for the broader Namibian capital market that we have helped deepen. It is our people and the loyalty they have shown over many years and through tough times that made this possible. Becoming Namibia's largest asset management company was a position earned, not given."

– Fouché Brand, Executive Officer: Private Wealth



Overview

Entrepo is a Namibian financial services provider focused on lending and credit protection solutions for government employees.

Its operations are conducted through two NAMFISA-regulated entities: Entrepo Finance, a registered microlender and Entrepo Life, a registered long-term insurer.

Core capabilities

- > Provides lending solutions through Entrepo Finance
- > Applies responsible lending based on affordability assessments and minimum take-home pay requirements
- > Provides credit protection products through Entrepo Life
- > Offers cover including death, disability, funeral and job-loss protection

Key facts

Head office: Windhoek, Namibia

MD: Leonard Louw

Established: 2014 (acquired by Capricorn Group in 2018)

Website: www.entreponamibia.com



Overview

Peo Finance is a Botswana-based microlender providing lending solutions to central government employees and pensioners.

The business operates independently while leveraging Bank Gaborone's brand, distribution channels and funding support.

Core capabilities

- > Provides lending products to central government employees and pensioners
- > Leverages Bank Gaborone distribution channels for customer acquisition
- > Supports cross-selling and joint marketing initiatives with Bank Gaborone

Key facts

Head office: Gaborone, Botswana

MD: Joachim Klitzke

Established: 2021

Website: www.peofinance.co.bw

Associates



Paratus Group Holdings Ltd

Paratus is a pan-African telecommunications and network services provider.

Website: www.paratus.africa



Sanlam Allianz Namibia Holdings (Pty) Ltd

Sanlam Allianz Namibia is a diversified financial services group providing insurance, investment, employee benefits and wealth management solutions.

Website: www.sanlamallianz.com.na



Santam Namibia Ltd

Santam Namibia is a short-term insurer providing personal, commercial and specialist insurance solutions.

Website: www.santam.na



How we create value

Our business model

Capricorn Group's business model is designed to consistently deliver quality financial services, products and advice that help our customers thrive.

Inputs

Financial capital

Enables financial robustness, liquidity and sustainable growth.

- > Retained income of N\$10.8 billion (2025: N\$10.1 billion)
- > Total assets of N\$75.4 billion (2025: N\$72.5 billion)
- > Total loans and advances of N\$49.6 billion (2025: N\$50.6 billion)
- > Total deposits of N\$56.2 billion (2025: N\$52.9 billion)
- > CAM AUM of N\$67 billion (2025: N\$57.1 billion)
- > Capital base supporting lending, investment and growth

Human capital

Enables skilled, ethical and high-performance execution.

- > Workforce comprising 2,242 permanent employees (2025: 2,161)
- > Attrition rate of 7.74% (2025: 6.78%)
- > Training investment of N\$18.9 million (2025: N\$16.4 million)
- > Skilled workforce in most financial services disciplines
- > Leadership capability embedded in subsidiaries
- > Training and development programmes enabling capability growth
- > Employee value proposition initiatives that promote engagement and retention
- > Organisational culture reinforcing ethical conduct and performance

Manufactured capital

Enables physical and digital access to financial services.

- > Bank Windhoek: 52 branches/agencies (2025: 51), 202 ATMs (including self-service ATMs) (2025: 186), 4,778 merchants (plus 247 e-commerce merchants and 6,741 POS devices) (2025: 5,962)
- > Bank Gaborone: 12 branches/agencies (2025: 12), 27 ATMs (including self-service ATMs) (2025: 25), 1,578 merchants (2025: 1,198) and 2,420 POS devices (2025: 2,021)
- > Integrated physical and digital channels enabling customer access
- > Digital banking platforms, mobile applications and online channels enabling service delivery
- > IT systems and business continuity infrastructure enabling operational resilience
- > Contact centre services providing 24-hour customer support

Social and relationship capital

Enables trusted relationships with customers, partners and communities.

- > Diversified customer base across retail, business and institutional segments
- > Established supplier and partner ecosystem supporting operations
- > Long-term customer relationships supported by strong retention
- > Regional brand appeal and stakeholder trust
- > Participation in industry bodies and financial sector initiatives
- > Community investment through Capricorn Foundation and Changemaker initiatives
- > Strategic partnerships enabling service delivery and market access
- > Community engagement initiatives supporting social development and inclusion

Intellectual capital

Enables governance, strategy execution and risk-managed decision-making.

- > Principal risk framework covering 15 identified risks
- > Governance structures operating through boards and committees
- > Strategy framework aligned across businesses
- > Enterprise risk and compliance frameworks promoting controlled operations
- > Ethics framework supported by a Code of Ethics and Supplier Code of Conduct
- > Technology and security architecture supporting operational integrity
- > Organisational structure enabling value creation through synergies
- > Decision-making framework integrating governance, risk and compliance
- > Technology environment allowing for scalable service delivery

Natural capital

Enables responsible use of environmental resources.

- > Consumption of renewable resources including energy, water and paper
- > Use of non-renewable materials embedded in infrastructure and equipment
- > Resource inputs sustaining operational infrastructure
- > Environmental management practices promoting efficient resource use
- > Operational dependency on material and energy inputs

Business activities

Transactions

We facilitate payments

Loans, credit and deposits

We provide credit, loans and savings or investment products

Asset management

We invest and manage assets on behalf of customers

Advisory

We provide investment banking and advisory services

Bancassurance

We provide short and long-term insurance products

Foreign exchange and trade finance

We provide currency access to global markets

Outputs

Products and services

- > Banking
- > Specialised finance
- > Foreign exchange and trade finance
- > Lending
- > Wealth management
- > Asset management
- > Unit trust management
- > Bancassurance
- > Property development and evaluation
- > Microlending
- > Insurance
- > Telecommunications

Waste

- > Customer waiting time
- > Losses due to internal errors
- > Paper, plastic and technology hardware waste
- > Excess use of water, electricity and fuel
- > Operational carbon emissions



Outcomes

Financial capital

Financial capital remained robust, supported by strong capital adequacy, disciplined capital allocation and healthy liquidity buffers. The Group delivered a resilient performance in a normalised earnings environment. While profitability moderated due to margin compression and higher impairments, financial strength was maintained, enabling continued strategic investment.

Manufactured capital

Manufactured capital was improved through continued investment in digital and physical infrastructure. We expanded and enhanced digital banking platforms, self-service capabilities and payment systems, while continuing the rollout of the #gobeyond branch network to improve efficiency and customer experience.

Intellectual capital

Intellectual capital advanced through accelerated digital transformation and AI adoption. We enhanced data capabilities, cybersecurity and risk and compliance systems, while embedding a more integrated approach to decision-making across the businesses. These capabilities improved operational efficiency and positioned the Group for future innovation-led growth.

Human capital

Human capital is a key enabler of execution and is strongly supported by investment in leadership development and capability building. While costs increased due to strategic investment in skills and talent, particularly the Future Fluent leadership journey, the Group strengthened its leadership pipeline and reinforced a culture aligned with the Capricorn Way.

Social and relationship capital

Social and relationship capital remained strong, underpinned by trusted relationships with customers and stakeholders and by brand strength. The Group maintained a disciplined approach to ethics and governance, while the Capricorn Foundation and broader community initiatives continued to deliver meaningful socio-economic impact.

Natural capital

Natural capital considerations became increasingly material, particularly in sectors exposed to climate and environmental volatility. The Group continued to strengthen environmental risk management, expand sustainable finance initiatives and support climate resilience across our lending portfolio. Progress was made in integrating sustainability into decision-making.



Trade-off decisions

Strengthening financial capital to support long-term value creation

Following an exceptionally strong 2025, we prioritised balance sheet strength, capital discipline and continued investment in strategic capabilities. While this resulted in the moderation of profitability and returns, it strengthened our financial capital and positioned the Group to create sustainable value over the long term.

Protecting financial and relationship capital through liquidity resilience

In Botswana, we absorbed higher funding costs to maintain liquidity and funding stability during a period of significant economic pressure. This protected depositor confidence, strengthened stakeholder trust and ensured the business's resilience despite short-term pressure on profitability and margins.

Building intellectual and human capital through strategic investment

We continued to invest in technology, digital transformation, AI and leadership development, accepting higher operating costs in the short term to strengthen our intellectual capital and improve our ability to serve customers in the future.

Preserving financial capital through disciplined risk management

We maintained conservative provisioning and strong capital buffers in a challenging credit environment. While this constrained short-term earnings growth, it protected asset quality, strengthened the balance sheet and safeguarded long-term financial resilience.

Enhancing relationship capital through customer-led portfolio value creation

We refined our strategic choices by elevating customer-led portfolio value creation and technology at the core while repositioning sustainability and DE&I as strategic enablers. This sharper focus supports greater collaboration across the Group and more effective execution of opportunities that create value for all stakeholders.



Who we connect with

Our stakeholders

Effective stakeholder engagement and management are vital to our sustainability and long-term success.

Our stakeholders are those impacted by Capricorn Group's activities and who have an interest in our performance. Through our stakeholder-inclusive approach, we consider their concerns and offer solutions that build support for our activities and growth plans. This helps create and preserve value for all stakeholders. Our interactions are guided by The Capricorn Way and our purpose to be Connectors of Positive Change.

We govern our stakeholder relationships in line with King IV™ principles. We also meet regulatory requirements under Basel II, where stakeholder interaction, both formal and informal, is a key element of risk management.

Responsibility for stakeholder management



Stakeholder management matrix

We categorise our key material stakeholders based on their influence and interest in our Group. We evaluate the quality of our relationships to pinpoint opportunities and allocate resources when planning stakeholder events or contributions. We use the matrix below to categorise our key stakeholders.

High	High-power, low-interest stakeholders have a significant influence on the Group but show little interest in it. We aim to keep them satisfied.	High-power, high-interest stakeholders have a great influence on and a significant interest in the Group. We aim to fully engage and satisfy these stakeholders.
Low	Low-power, low-interest stakeholders have little influence on the Group and little interest in its activities. We monitor them.	Low-power, high-interest stakeholders have little influence but are interested in the Group. We keep them adequately informed.
		High

Tools and directives

The Group Stakeholder Relationship Management Policy reflects our values and beliefs, supporting management's commitment to creating an enabling business environment. The policy emphasises the importance of responding to evolving stakeholder expectations and promotes open, honest communication to build trust and cooperation.

The Capricorn Stakeholder Relationship Management Guide explains why stakeholder relationships are critical to our success. The guide identifies and maps stakeholder groups, sharing tools and templates to capture stakeholder information and engagement activities. This guide also provides for a continuous feedback loop.

Our stakeholder engagement plans are developed to proactively respond to material matters and align with the Group's strategy. Entity plans include specific activities, channels and desired outcomes and are submitted to the BSEC quarterly, which reviews and monitors stakeholder issues.



Stakeholder mapping summary

Shareholders

Our 3,708 shareholders hold shares in the entity listed on the NSX. We communicate with shareholders through stock exchange announcements, results presentations, reports and our annual AGM, where they vote on resolutions and elect board members. Our shareholder analysis is on page 82.

2

Employees

Capricorn Group employs 2,242 permanent employees across Namibia, Botswana and South Africa. Our employees perform defined roles in executing the Group's strategic choices, underpinned by structured employment frameworks and remuneration practices. In Namibia, 61% of employees are unionised, while in Botswana the figure is 43%.

2

Customers

Our customers span individuals, businesses and institutions across Namibia and Botswana. We engage through digital and physical channels, supported by call centres and escalation processes, including referral to the Ombudsman where required. Our Customer Service Charter defines the service standards we commit to.

3

During the year, we supported customers through a range of financial solutions, including new home loans of N\$3.6 billion, vehicle and asset finance of N\$4.7 billion, sustainability-linked lending of N\$145 million, SME lending of N\$9.5 billion and business loans of N\$6.9 billion.

Communities

Communities include non-profit organisations and broader social groups with shared interests or development priorities. Engagement takes place through structured partnerships, public initiatives and support requests managed through Group entities and the Capricorn Foundation.

2

Suppliers

Our supplier base includes providers of goods and services ranging from branch consumables to complex technology and infrastructure solutions. Supplier relationships are governed through contractual arrangements, including service-level agreements and confidentiality provisions, ensuring service quality, compliance and operational continuity.

3

Media

We engage with media stakeholders through a mix of traditional and digital channels, including press releases, interviews, media engagements and social media platforms. These interactions support transparency and ensure consistent communication of Group developments.

2

Government and regulators

We engage with governments and regulatory authorities in Namibia and Botswana, including the Bank of Namibia, Bank of Botswana and NAMFISA. These institutions define and enforce the regulatory frameworks within which we operate. Engagement is structured, ongoing and focused on compliance, transparency and constructive policy dialogue.

2

Strategic alliance partners

We maintain strategic partnerships with selected organisations and associates that enable shared value creation. These include relationships with Sanlam Allianz and Santam, which support our bancassurance offering and enhance product diversification for customers.

2

In 2026, we focused on:

- > Refining our stakeholder engagement and communication strategy, incorporating insights from the dipstick brand audit concluded in 2025
- > Strengthening internal capacity on stakeholder management to enhance the effectiveness and consistency of engagement across the Group
- > Further enhancing collaboration between Capricorn Group and its subsidiaries to ensure more coordinated and impactful stakeholder engagement across key stakeholder groups

In 2027, we will focus on:

- > Strengthening Capricorn Group's relationships with existing and potential international investors through planned strategic engagements
- > Enhancing the coordination of strategic stakeholder engagements with shared stakeholders between the Group and its subsidiaries

Specific 2026 stakeholder engagement and communication milestones are outlined under the strategic choices presented in the strategy execution section of the strategic direction chapter, starting on page 56.

Relationship quality legend:

- ① Strong relationship of trust and mutual understanding
- ② Good-quality, value-adding relationship
- ③ Good relationship but needs to improve to add value



Creating shared financial value

The Group's performance allowed us to create value for our major stakeholders and contribute to the socioeconomic development of Namibia and Botswana.

Our stakeholders shared in the Group's total value creation of N\$5.8 billion (2025: N\$5.7 billion).

↓ -1.3%

Employees

N\$1.4 billion

In addition to remuneration, employees receive rewards and recognition, as well as opportunities for career and personal development.

↑ 20.0%

Suppliers

N\$1.3 billion

Suppliers have a market for their products and services and opportunities to expand the range and nature of their contracts with the Group. The Group is committed to procuring goods and services from local suppliers, including small and SMEs.

↓ -7.7%

Direct and indirect taxes

N\$1.3 billion

The Group pays taxes, duties and licence fees in the territories where we operate. This enables governments to deliver on their national development plans, improve and maintain public infrastructure and fund public services such as health, education and welfare.

↓ -26.0%

Retained for future growth

N\$868 million

We retain sufficient financial reserves to fund our #gobeyond digital transformation programme and other growth opportunities.

↑ 11.0%

Communities

N\$29.7 million

The Capricorn Foundation is the Group's primary CSI vehicle in Namibia and is funded by our subsidiaries. Subsidiaries also run their own CSI initiatives.

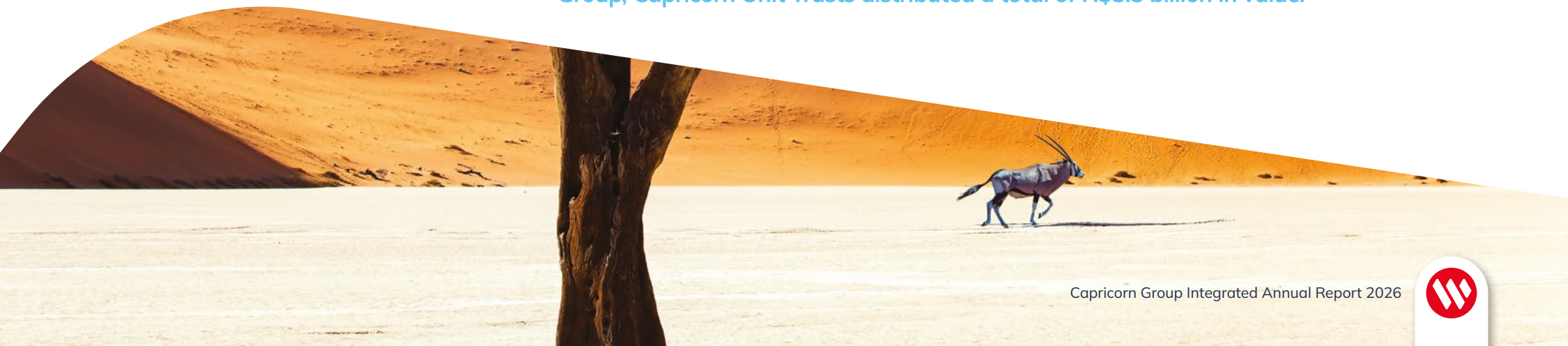
↑ 38.0%

Shareholders

N\$857 million

Shareholders receive dividends and long-term capital growth benefits from funds retained for future growth opportunities.

86% (2025: 88%) of our total operating expenses were paid to suppliers and employees located in the regions where we operate. In addition to the value created directly by the Group, Capricorn Unit Trusts distributed a total of N\$3.3 billion in value.





How we are led

Governing for value creation

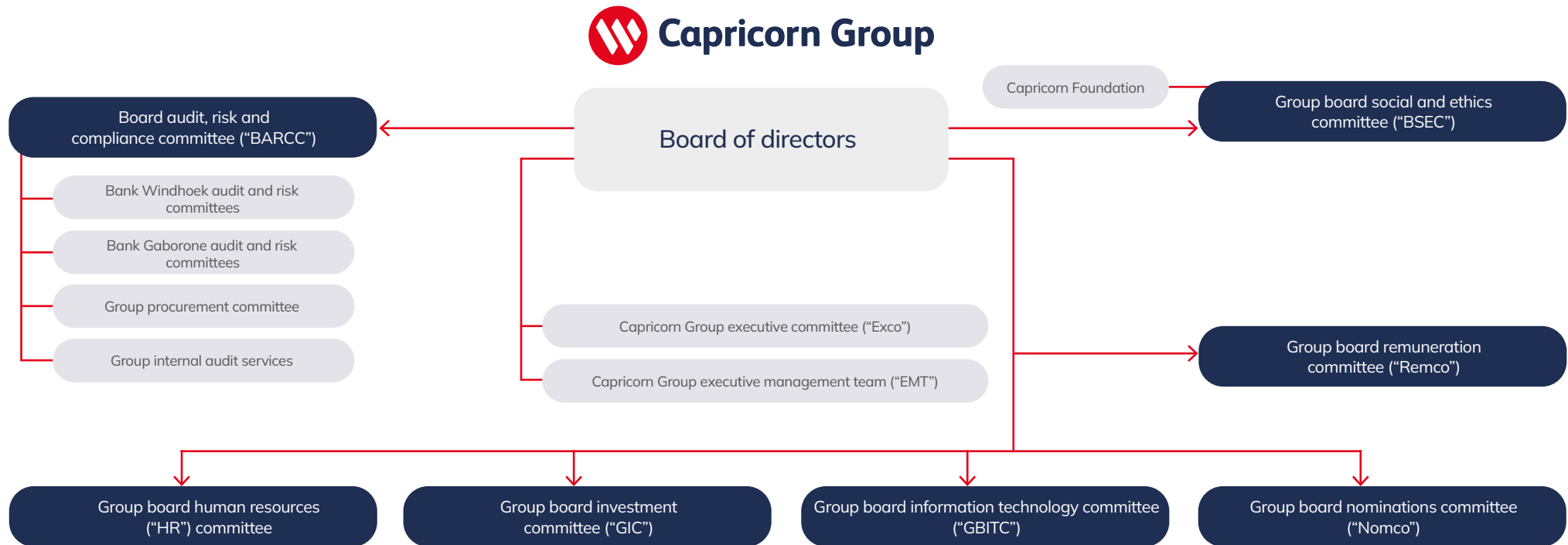
The board and its committees are responsible for ethical leadership and sound corporate governance. We support the principles of transparency, discipline, independence, accountability, fairness and social conscience.

We recognise that leadership tone is set from the top. Embedding The Capricorn Way helps entrench an ethical culture based on shared values, protecting stakeholder interests and long-term sustainability. Board practices and activities focus on:

- > Open and rigorous discussion
- > Active participation
- > Consensus in decision-making
- > Independent thinking and alternate views
- > Reliable and timely information

More detailed information about the Group's practices can be found in the 2026 governance report available online.

Our governance system



Our board of directors

Summary board member profiles

Full board member profiles are available in the governance report.



HR

Remco

Nomco (Chair)

GIC

Daniel Gerhardus Fourie (68)

BCom (Hons), CA(SA), CA(Nam)

Independent non-executive chairperson
Appointed to the board in 2015
Appointed as board chairperson with effect from 1 January 2022



Remco (Chair)

BSEC (Chair)

Nomco

Daniel Teodor Kali (57)

BA, MPhil

Lead independent non-executive director
Appointed to the board in 2021



HR (Chair)

GIC

BSEC

GBITC

David Nuyoma (63)

MA, BA (Hons)

Group CEO and executive director
Appointed to the board in 2024



GBITC

GIC

Johan Maass (39)

BCom (Hons), CA(Nam)

Group Financial Director
Appointed to the board in 2024



GBITC (Chair)

BARCC

Erna Solomon (64)

BSc (Ed), BSc (Hons), MSc, Global Executive Development Programme

Independent non-executive director
Appointed to the board in 2019



GIC (Chair)

Jacobus Wynand Brandt (45)

BCom

Non-executive director
Appointed to the board in 2024



Elize Fahl (66)
Certificates in Human Resources Management, Management Development Programme
 Independent non-executive director
 Appointed to the board in 2021
 Resigned from the board effective 1 July 2026

HR



Onno Amutenya (58)
BA (Computer Science), Diploma in Financial Economics, MSc (Financial Economics)
 Non-executive director
 Appointed to the board in 2024

GBITC
 BARCC



Marthinus Johannes Prinsloo (55)
BCompt (Hons), CA(SA) Cert.Dir.
 Non-executive director
 Appointed to the board in 2013

GIC
 GBITC
 HR



Dirk Johannes Reyneke (64)
BCom, BCompt (Hons), CA(SA), NDip in Advanced Banking
 Independent non-executive director
 Appointed to the board in 2017

BARCC (Chair)
 GBITC



Roswitha Mildred Melina Gomachas (44)
B.Juris, LLB, LLM
 Non-executive director
 Appointed to the board in 2024

BSEC



Louis van der Riet (65)
BCom (Hons) (Accounting), CA(SA), CA(Nam)
 Non-executive director
 Appointed to the board in 2025

GIC

Board leadership, composition and diversity

Capricorn Group has a 12-member unitary board with an appropriate mix of executive, non-executive and independent directors. The size of the board is dictated by the company's articles of association, which require a minimum of five and a maximum of 12 directors.



Status



Age



Race



The board aims for a PDI ratio of 50%.



Tenure



Gender



Nomco assessed the independence of the non-executive directors classified as independent and confirmed their continued classification as independent. Gerhard Fourie, Thinus Prinsloo and Dirk Reyneke have served more than nine years. Thinus Prinsloo is not classified as independent. The independent classification for Gerhard Fourie and Dirk Reyneke was reassessed and confirmed.

The board aims for a female component of at least 30%.

The board is satisfied that its composition reflects the appropriate mix of knowledge, skills, experience, diversity and independence, but keeps an eye on enhancing the appropriate mix.



Roles of board committees

To effectively discharge its responsibilities, the board delegates certain functions to committees. All committees are properly constituted, chaired by a non-executive director and act within agreed written terms of reference that meet best practice standards authorised by the board.

BARCC

Oversees risk management, including risk appetite and compliance. Responsibilities include:

- > Reviewing internal risk reports and escalating any material concerns to the board
- > Reviewing the adequacy and effectiveness of the Group's risk management frameworks and policies
- > Monitoring and recommending to the board the Group's risk appetite as part of the entity's risk capacity, appetite and tolerance ("RCAT") statement
- > Monitoring compliance with any legal, regulatory and ethical expectations related to risk
- > Reviewing the results of environmental risk stress testing and scenario analysis and assessing the appropriateness of actions proposed in response

BSEC

Oversees the Group's sustainability strategy, environmental, social and governance philosophy, good corporate citizenship and ethics. Responsibilities include:

- > Considering and approving the Group sustainability strategy, corporate citizenship and ethics framework
- > Promoting equality, preventing unfair discrimination and reducing corruption
- > Monitoring social and economic development activities
- > Monitoring environmental, health and public safety matters
- > Monitoring consumer relationships and public relations
- > Monitoring compliance with human rights conventions and ethical conduct internally and externally

Remco

Provides oversight of the Group's Remuneration Framework and executive talent management. Responsibilities include:

- > Reviewing the Group's remuneration philosophy, principles and frameworks
- > Reviewing and recommending directors' fees to the board
- > Overseeing executive incentive schemes, including short- and long-term incentives
- > Overseeing executive succession and talent development

HR

Oversees employee-related policies and practices across the Group. Responsibilities include:

- > Reviewing and approving human resources policies
- > Overseeing the remuneration of non-management employees
- > Monitoring recruitment and employment equity
- > Monitoring performance management frameworks
- > Monitoring workplace health and safety

GIC

Provides oversight for Group investment activities. Responsibilities include:

- > Reviewing and approving prospective investments and disinvestments above an agreed threshold
- > Monitoring the performance of existing investments
- > Reviewing and recommending investment strategies to the board

GBITC

Oversees Group IT governance and risk management. Responsibilities include:

- > Reviewing the Group IT strategy, policies and governance frameworks
- > Overseeing the Group IT reference architecture
- > Monitoring IT risk and compliance, including cybersecurity
- > Reviewing significant IT outsourcing and strategic IT projects
- > Overseeing the stability and resilience of IT systems and infrastructure
- > Serving as the board IT committee for the Group, Bank Windhoek, Bank Gaborone and CAM

Nomco

Oversees board composition, nominations and succession planning. Responsibilities include:

- > Reviewing and recommending the appointment of directors
- > Monitoring board composition and skills
- > Overseeing succession planning for the board and key roles
- > Reviewing the performance and effectiveness of directors
- > Ensuring a formal and transparent director nomination process



Meeting attendance

The board follows a structured approach to meetings, supported by a timely flow of documents to ensure that the oversight responsibilities of the boards of subsidiaries and the Group board and its committees are carried out effectively. Board and committee members as at 30 June 2026 and their attendance at these committees' meetings during the year are as follows:

Director	Designation	Board	BARCC	HR	Remco	Nomco	GIC	BSEC	GBITC
	Meetings held	9	6	4	8	6	7	5	4
O Amutenya	Non-executive	8	4						4
J W Brandt	Non-executive	9					7*		
E Fahl	Independent non-executive	9		4					
D G Fourie	Independent non-executive Chairperson	9*		4	8	6*	7		
R M M Gomachas	Non-executive	7						5	
D T Kali	Independent non-executive	9			8*	4		5*	
J Maass	Group financial director	9					7		4
D Nuyoma	Group CEO and executive director	9		4*			7	5	4
M J Prinsloo	Non-executive	9		4			5		4
D J Reyneke	Independent non-executive	9	6*						4
E Solomon	Independent non-executive	9	5						4*
L van der Riet ¹	Non-executive	8					5		

* Chairperson

¹ Appointed 4 November 2025



Why we are a good choice

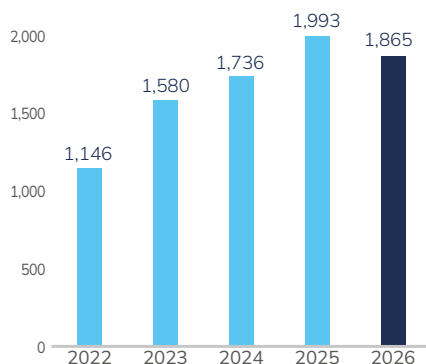
Our investment case and five-year review

Our strong financial position, diversified operations and deep local knowledge position the Group for sustained growth and quality earnings.

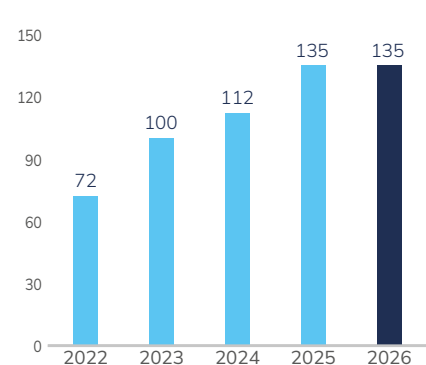
1. Resilient financial performance

We deliver resilient profit growth, supported by disciplined capital allocation and a diversified business model. While 2026 reflects a moderation from prior exceptional performance, underlying earnings remain robust and resilient across economic cycles.

Profit after tax (N\$' millions)



Normal dividends per share (cents)



2. Diversified portfolio across markets and segments

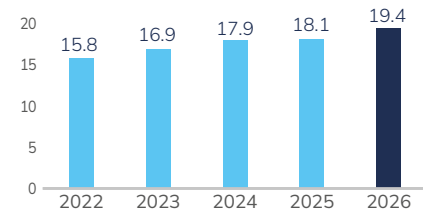
Our operations span Namibia and Botswana, with a balanced presence across retail, corporate, SME and specialised financial services. This diversification continues to support earnings stability in a more uneven operating environment.

We are well-positioned to capture emerging opportunities in both Namibia and Botswana, including long-term structural themes such as energy transition and resource-led investment.

3. Solid balance sheet and liquidity

We maintain strong capital and liquidity positions, enabling sustainable growth and supporting continued investment in strategic priorities. This strength provides resilience in periods of funding volatility and macroeconomic uncertainty.

Total risk-based capital ratio (%)



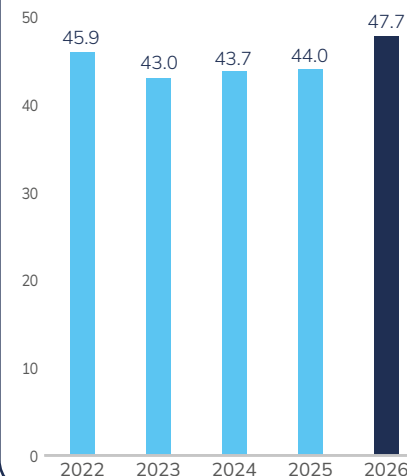
Access to capital

Capricorn Group has two shareholders of reference – the GIPF, the largest institutional investor in Namibia, and CIH, the founding holding company of Bank Windhoek. They provide long-term stability, liquidity support and confidence in access to capital.

4. Proven ability to innovate and scale

We continue to invest in digital transformation to improve customer experience, expand access and drive operational efficiency. Innovation remains central to enabling scalable growth and maintaining relevance in an evolving financial services landscape.

Non-interest income as % of operating income



5. Driven by purpose, committed to sustainable impact

Our purpose informs strategic decision-making across the Group. Sustainability considerations are integrated into entity strategies, governance, risk management and operations, supporting responsible business practices and long-term value for customers, communities and other stakeholders.



Our refined strategy will enable our future success





Five-year review

	2026	2025	2024	2023	2022
Statement of Comprehensive Income (N\$' millions)					
Total income	5,957	5,821	5,229	4,594	4,006
Operating profit	2,228	2,466	2,158	1,914	1,508
Profit after tax	1,865	1,993	1,736	1,580	1,146
Total comprehensive income	1,719	1,903	1,706	1,617	1,129
Earnings per share (cents)	343.7	367.3	319.6	292.0	204.9
Headline earnings per share (cents)	343.7	369.7	320.7	300.4	205.4
Normal dividends per share (cents)	135	135	112	100	72
Special dividends per share (cents)	–	36	–	–	–
Statement of financial position					
Total assets	75,376	72,522	70,584	63,773	60,440
Total loans and advances to customers	49,594	50,621	48,794	45,397	43,226
Total deposits	56,220	52,899	51,851	45,785	43,647
Net asset value per share (cents)	2,277	2,135	1,896	1,683	1,427
Performance indicators (%)					
Return on average equity	15.6	18.2	17.9	18.7	15.0
Return on average assets	2.5	2.8	2.6	2.5	2.0
Impairment charges to average gross loans and advances	0.88	0.61	0.67	0.51	0.85
Non-interest income as % of operating income	47.7	44.0	43.7	43.0	45.9
Cost to income ratio	52.0	49.5	50.0	51.0	51.1
Closing share price (cents) at 30 June	2,812	2,164	1,930	1,465	1,330
Price to book ratio at closing price per share	1.2	1.0	1.0	0.9	0.9
Price earnings ratio at closing price per share	8.2	5.9	6.0	5.0	6.5
Total risk-based capital ratio	19.4	18.2	17.9	16.9	15.8
	2026	2025	2024	2023	2022
Number of employees	2,242	2,161	1,998	2,226	2,152
Number of branches	64	63	65	67	66
Assets under management (N\$ billion)	67.0	57.1	46.6	38.6	32.1





A path to growth

Our strategic direction



Strategic context

The macroeconomic picture

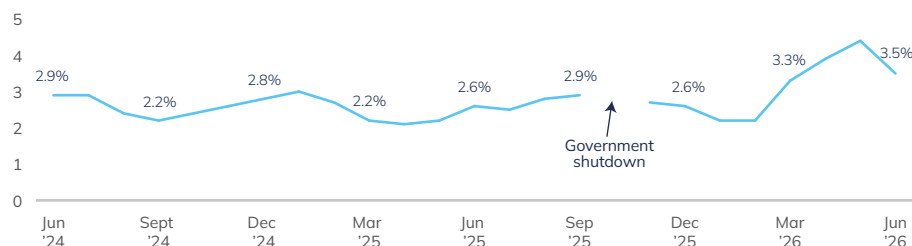
The financial year kicked off amid global tariff turmoil and ended amid turmoil in the Middle East. This resulted in a tale of two halves.

As the worst of the tariff-driven fears abated over the first half to the end of 2025, a widespread expectation took hold that monetary policy would be eased further as several Central Banks embarked on a cautious cycle of rate cuts. In the second half to June 2026, most Central Banks went into a holding pattern and then the war in the Middle East and its concomitant oil shock prompted several to hike. This represented a clear pivot between the two halves.

The global real economy continued to display resilience in key centres but was buffeted by renewed volatility in energy markets, the lagged effects of earlier policy tightening, and ongoing trade and geopolitical frictions. However, in the wake of the pivot, growth expectations have been shaved back from around 3.5% to 3.0% for 2026. The United States economy has proven more durable than many anticipated, supported by fiscal impulses and a tight labour market. Growth in China remains subdued amid structural challenges, while Europe continues to grapple with its own headwinds.

Inflation has turned into a headache for the Federal Reserve (see chart). Nevertheless, the Federal Open Market Committee has maintained a steady approach, keeping the policy rate within a restrictive range longer than previously expected. Geopolitical tensions, particularly developments in the Middle East, have contributed to periodic spikes in energy prices, adding to the inflation impulse observed across many economies.

USA inflation YoY



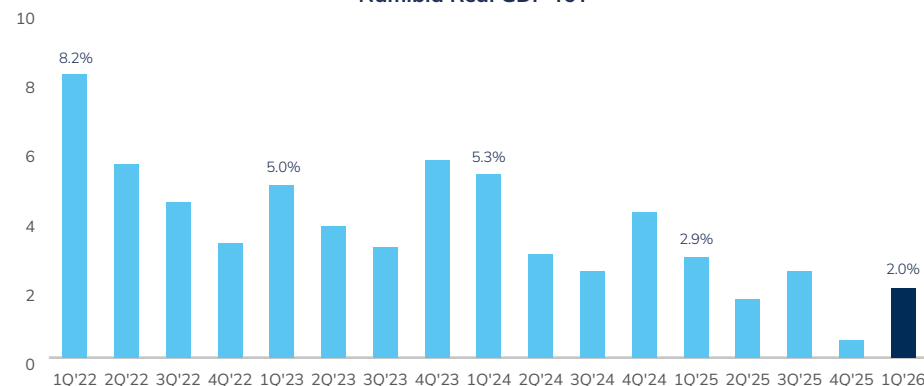
Commodity markets were mixed. Oil, gold and silver prices have surged to eye-watering levels, but have recently plummeted again. Copper has maintained firm levels, which augurs well for Namibia's copper prospects. The diamond market, however, has continued to face structural challenges, with prices and demand remaining weak due to competition from lab-grown stones and softer consumer spending in major markets. This has had pronounced and ongoing effects on Botswana's economy.

Our group operates in three jurisdictions with distinct exchange rate regimes that impact monetary policy greatly:

- > Namibia maintains a fixed exchange rate regime to ZAR. This is the main aim, but financial stability and inflation considerations play important roles. As Governor Ebson Uanguta noted in the recent Monetary Policy Statement, safeguarding the peg and anchoring inflation expectations remain central to the Bank's mandate in the current environment.
- > Botswana maintains a crawling peg policy. It aims at exchange rate stability while allowing flexibility in setting targets. It also has an official inflation target band of 3% to 6% with a midpoint of 4.5%.
- > South Africa maintains a free float exchange rate regime, but with some capital controls, combined with an inflation targeting framework. The band was recently lowered and tightened to 2% to 4%, with a 3.0% midpoint as the official target.

Namibia's economic growth momentum, which had been relatively firm in the preceding periods, slowed noticeably as the mining sector faced headwinds and inflationary pressures emerged in the latter part of the financial year due to the fuel price shocks. In Namibia, real GDP growth is estimated to have moderated to approximately 1.6% for the financial year, down from the stronger rates recorded in 2024 and 2025. The mining and quarrying sector experienced contractions in diamond and certain base-metal outputs, weighing on primary-sector performance. Agricultural output has shown tentative signs of recovery following the previous drought, although the sector remains vulnerable. In contrast, the tertiary sector has provided important support, with wholesale and retail trade, information and communication, and financial services registering positive contributions. Construction activity has also been relatively firm in places, linked to ongoing project development.

Namibia Real GDP YoY



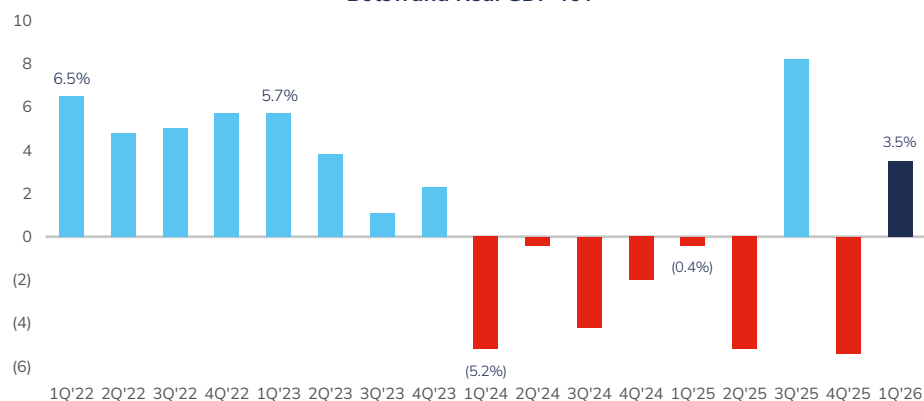


Inflation, which had been relatively contained earlier in the period, rose to 4.4% year-on-year by June 2026, the highest reading in over a year. The increase was driven predominantly by transport costs associated with higher fuel prices. In response, the Monetary Policy Committee of the Bank of Namibia raised the repo rate by 25 basis points to 6.75% in June 2026. The decision was taken to anchor inflation expectations, mitigate second-round effects, and safeguard the peg.

Private sector credit demand has remained subdued, consistent with the moderation in economic activity and higher borrowing costs in certain segments. The banking sector continues to maintain strong capital and liquidity buffers, with a notable portion of assets held in government securities. Non-performing loans have remained manageable, although close monitoring is warranted given the economic slowdown.

On the fiscal front, revenues have come under pressure from weaker performance in the mining sector and, at times, lower Southern African Customs Union receipts. Nevertheless, the debt-to-GDP ratio remains on a broadly manageable trajectory, and authorities have maintained a commitment to fiscal discipline. Borrowing requirements have been met through a combination of domestic issuance and external sources. The successful execution of infrastructure and energy projects will be critical to supporting both near-term activity and longer-term fiscal sustainability.

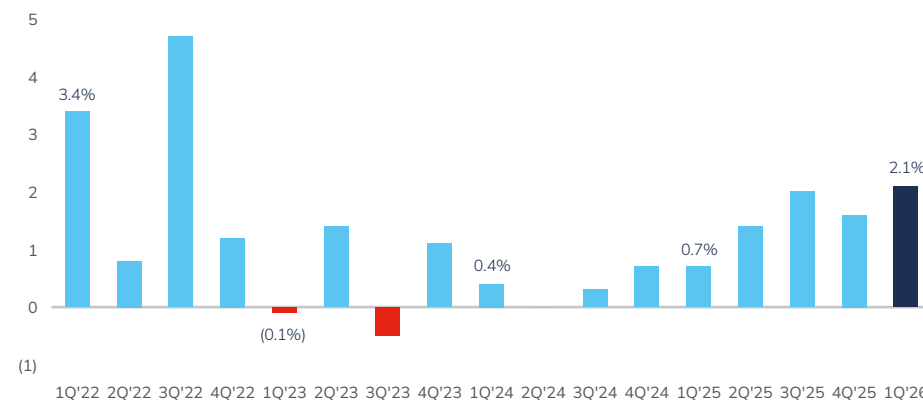
Botswana Real GDP YoY



Botswana's economy has continued to face significant headwinds from the prolonged weakness in the global diamond market. GDP is estimated to have contracted again in calendar 2025, with only a modest recovery expected in 2026. The fiscal position has deteriorated materially, with the deficit widening and public debt rising as a share of GDP. Foreign exchange reserves have declined, and liquidity conditions in the banking system have been strained. The Bank of Botswana has hiked its Monetary Policy Rate steeply from 1.90% seven months ago to 5.50%, although the transmission mechanism has been complicated by liquidity dynamics and the need to manage exchange rate pressures.

In South Africa, the economy recorded modest growth of around 1.3% in 2025, with a similar or slightly lower pace expected for 2026. The Government of National Unity has provided a measure of political stability and begun delivering incremental progress on energy and logistics reforms. However, structural constraints continue to limit faster growth, and consumer and business confidence remains low and has weakened once more.

South Africa Real GDP YoY



Inflationary impacts from oil and fuel, combined with second-round risks, moved the South African Reserve Bank to lift rates in May. The new inflation-targeting framework, with its focus on a three percentage-point target, will have important implications for monetary policy coordination across the Common Monetary Area.

Looking ahead, Namibia's medium-term prospects remain positive, anchored by ongoing and prospective investments in the mining, energy, and green hydrogen sectors. The successful implementation of these projects, alongside continued agricultural recovery and broader diversification efforts, could lift potential growth above current rates. Risks include further weakness in commodity prices, escalation of geopolitical tensions, adverse weather conditions, and a slower-than-expected global growth environment. On the policy front, the recent rate hike by the Bank of Namibia underscores the primacy of maintaining price stability and currency credibility. A return to a more accommodative stance will depend on inflation moderating sustainably and global conditions permitting.

For the region, the importance of structural reforms, fiscal prudence, and concerted efforts to diversify economies away from excessive reliance on single commodities cannot be overstated. The current environment serves as a timely reminder that while external conditions matter greatly for small open economies, domestic policy choices and implementation capacity remain decisive in shaping outcomes.

Floris Bergh
Chief economist
Capricorn Asset Management





Regulatory developments

Regulatory reforms are reinforcing oversight and consumer protection in the financial sector.

Financial inclusion is a national priority in Namibia and Botswana, as many individuals and small businesses, particularly in rural and underserved communities, still have limited access to affordable financial services. Access is being expanded through digital and mobile banking and simpler product offerings. At the same time, regulators are advancing consumer protection to ensure responsible lending and safeguard against over-indebtedness. While this increases compliance and reporting requirements for Capricorn Group, it supports a more inclusive and trusted financial system for customers.

Namibia

Namibia's Financial Sector Transformation Strategy

In June 2025, the Namibian Cabinet approved the Namibia Financial Sector Transformation Strategy 2025–2035 as the new national framework for financial sector development and inclusion.¹ The strategy replaces the Namibia Financial Sector Strategy 2011–2021 and sets out a long-term vision for a more inclusive and innovative financial system.

The strategy places particular emphasis on financial inclusion, digital transformation, consumer protection, financial literacy and financial sector stability. It also supports the development of digital financial services and creates a more enabling environment for fintech innovation and broader participation in the formal financial system.

The strategy aligns closely with the digital banking and financial inclusion objectives of Bank Windhoek and Bank Gaborone and supports the continued expansion of digital customer channels and data-driven financial services.

Refer to the strategy section from page 54 for more detail.

Financial Institutions and Markets Act ("FIMA") and NAMFISA Act

The FIMA Act and the revised NAMFISA Act came into force in May 2026.²

The reforms materially reshape Namibia's non-bank financial regulatory framework by consolidating supervision of insurers, retirement funds, investment managers and other non-bank financial institutions under NAMFISA. Oversight is increased through expanded supervisory and enforcement powers and a more integrated regulatory structure.

The acts introduce risk-based supervision, enhanced governance and conduct requirements and improved prudential standards. These changes align Namibia more closely with international regulatory practices.

This directly affects Bank Windhoek, CAM, Entrepo and insurance-related partnerships with Santam Namibia and Sanlam Allianz Namibia. It increases expectations for product governance and affordability assessments of lending, insurance and investment products.

Instant payment revolution in Namibia

The Bank of Namibia is advancing the development of instant payments as part of the modernisation of Namibia's national payments system. The emerging instant payment platform enables real-time, 24/7 transfers between banks and payment service providers, improving the speed, certainty and efficiency of payments across the financial system.

This shift supports greater financial inclusion by enabling faster and more accessible payment options for individuals, businesses and underserved segments, while strengthening interoperability and operational resilience across the payments ecosystem.

Our IPP enables real-time, 24/7 money movement and has been completed ahead of the regulatory requirement.

Government Payroll Deduction Management System ("PDMS") reform

The Government Payroll Deduction Management System ("PDMS") remains under policy review and is not yet finalised. The Ministry of Finance is reviewing how salary-linked deductions are structured, prioritising affordability assessments, over-indebtedness risks and consumer protection. The system is in a transitional state pending final policy decisions.

For Entrepo in particular, any tightening of payroll deduction rules may affect origination volumes for government employee lending. It may also require changes to credit assessment models, pricing structures and underwriting standards in microlending and retail lending portfolios.

Refer to the Group CEO's report on page 10 for further context.

ISO 20022 payments modernisation

Namibia has implemented ISO 20022 messaging standards within the Namibia Interbank Settlement System ("NISS").

This standardises payment messaging and improves interoperability between financial institutions to improve transparency and efficiency in the national payments system.³

This benefits our subsidiaries by improving settlement efficiency and data quality. It also enhances digital banking capability and supports more efficient integration with treasury, investment and third-party payment ecosystems.

Anti-money laundering and counter-financing of terrorism ("AML/CFT") enhancements

Namibia was grey listed in 2024 by the FATF due to 13 deficiencies in its AML/CFT regime. Namibia remediated all of its strategic deficiencies ahead of the May 2026 deadline. AML/CFT supervision was aligned with international standards, with increased emphasis on risk-based supervision, beneficial ownership transparency and enforcement effectiveness.⁴

This applied across the Group, as it increased obligations related to customer due diligence, transaction monitoring, onboarding controls and suspicious transaction reporting. It also required stronger Group-wide governance and consistent application of financial crime controls.

At the FATF Plenary held in Paris from 17 to 19 June 2026, the FATF removed Namibia from its list of jurisdictions under increased monitoring.

¹ <https://www.bon.com.na/Informations/Media/Media-Releases/2025-Media-Releases/Articles/Launch-of-the-Namibia-Financial-Sector-Transformat.aspx>

² <https://www.namfisa.com.na/regulatory-frameworks/>

³ <https://www.bon.com.na/Informations/Media/Media-Releases/2025-Media-Releases/Articles/Migration-of-NISS-to-ISO-20022.aspx>

⁴ <https://economist.com.na/106421/headlines/namibia-moving-closer-to-removal-from-fatf-grey-list/>





Botswana

Banking Act, 2023 (Act No. 8 of 2023)

The updated Banking Act was promulgated and came into force on 15 August 2025.¹

The Act modernises Botswana's banking regulatory framework and broadens the supervisory mandate of the Bank of Botswana. It expands regulatory coverage to a wider range of deposit-taking and cross-border institutions and introduces enhanced governance requirements for boards and senior management.

It also expands prudential supervision through a more risk-sensitive framework, including early intervention tools, recovery planning requirements and enhanced resolution mechanisms for distressed institutions.

For Bank Gaborone, it increases supervisory intensity in governance, capital management, liquidity risk and recovery planning. It also requires stronger internal risk monitoring and more structured regulatory reporting.

Financial services and AML/CFT regulatory updates

The Bank of Botswana has issued updated supervisory guidance that reinforces expectations for governance, risk management and AML/CFT compliance.

This increases compliance obligations for Bank Gaborone and Peo Finance, particularly in customer onboarding, transaction monitoring and ongoing risk profiling.

Payment system and financial inclusion reforms

As part of the updated Banking Act, the Bank of Botswana is advancing payment system reforms aimed at interoperability between banks and electronic money issuers and broader financial inclusion through simplified account structures.

This supports our operations by reducing transaction friction. It also supports growth in lower-income and previously underbanked customer segments.

The trends shaping our world of work

In response to increased regulatory expectations, compliance and financial crime prevention skills are becoming embedded in broader operational teams, not only specialist functions.

Automation and AI are reshaping how work is performed across financial services. Routine transactional tasks are being automated, while roles are being redesigned to focus more on analysis, judgement, customer engagement and oversight of automated processes. See page 57.

Financial institutions are experiencing strong demand for skills in data analytics, AI, cybersecurity and financial risk management.

Structural youth unemployment remains a challenge, driven largely by misalignment between education outcomes and workplace requirements. Training, internships and entry-level development programmes aim to bridge this gap. See page 63.

There is increased focus on employee wellbeing, including financial wellness, mental health support and more flexible working arrangements. See page 62.

Employees increasingly expect employers to demonstrate purpose beyond financial performance. This includes visible commitments to sustainability, social impact, ethical conduct and inclusive growth, which are becoming important factors in attracting and retaining talent. See page 62.

¹ <https://www.bankofbotswana.bw/sites/default/files/Banking%20Act%2C%202023.pdf>



Risk management

Our risk management approach helps Capricorn Group operate in a dynamic environment where risk and opportunity are closely linked.

Risk management supports the execution of our strategy, while our material matters highlight the most significant issues shaping performance and reporting.

We apply an enterprise risk management approach guided by the Group Risk, Internal Control and Assurance Framework ("GRICAF"). The GRICAF aligns risk management with strategic priorities and ensures that risk appetite, controls and capability development support long-term objectives.

The 2026 operating environment reinforced the importance of disciplined risk appetite, early warning indicators and forward-looking risk management. We continuously test and improve our frameworks through internal and independent reviews. In 2026, we conducted a review of the Operational Risk Management ("ORM") Policy to ensure alignment with best practice and evolving regulatory expectations.

Cyber risk is a priority, particularly threats such as phishing, malware, ransomware, and denial-of-service attacks, and we continue to improve detection and response capabilities. As our digital and AI capabilities expand, we are also strengthening governance over data quality, model use, operational resilience and the ethical deployment of technology.

To reinforce risk culture, we run a voluntary eight- to nine-month certification programme. In 2026, 36 employees from Namibia completed the Capricorn Group risk culture builder certification.

Combined assurance

Risks are managed through defined ownership and reporting lines across the Group, forming the foundation for our assurance approach.

We operate a combined assurance model that integrates management controls, compliance monitoring and internal audit to provide coordinated oversight across the first, second and third lines. This ensures a structured view of control effectiveness, regulatory compliance and emerging risk areas.

Compliance forms part of the assurance framework. Non-compliance is addressed through formal issue-tracking and remediation processes, supported by a Compliance Monitoring Plan now in its fifth year, which continues to expand in scope and operates as a shared service across the Group to improve the consistency and efficiency of oversight.

Responding to evolving risks

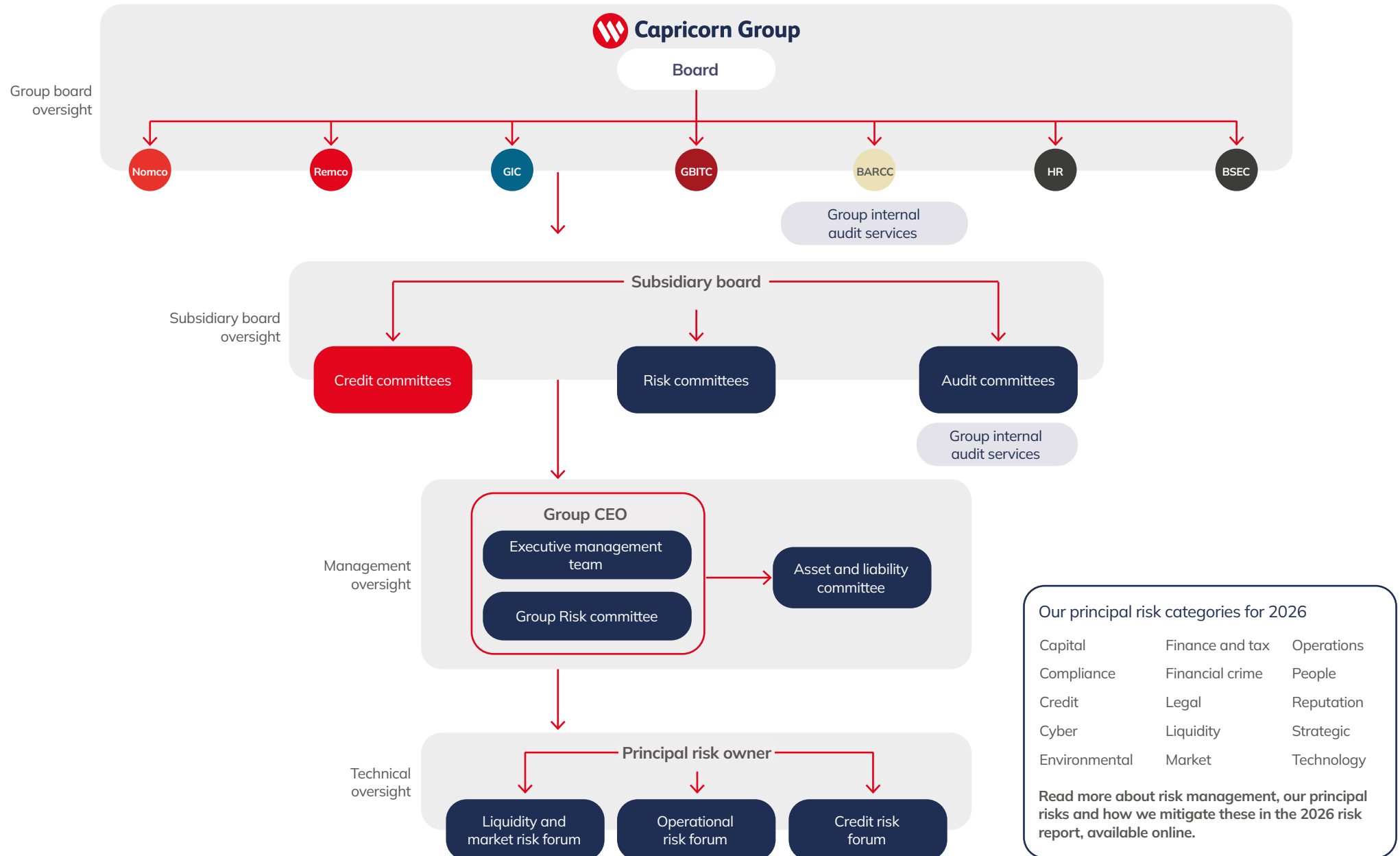
Capricorn Group is well-positioned to respond to evolving risks and increasing regulatory requirements in Namibia and Botswana. Our enterprise risk management systems support the board in setting the risk appetite and assessing risks associated with strategic decisions, investments and portfolio changes.

This enables disciplined capital allocation and oversight of capital and liquidity. We improve transparency through Group-wide reporting standards and through subsidiary governance structures, which enable consolidated risk reporting to BARCC.

BARCC oversees compliance with legislation and monitors regulatory developments through environmental scanning.



Governance and management of risk



Material matters

Our material matters shape our strategy and guide the selection of material information included in this report.

We review these matters annually to reflect changes in the operating environment and stakeholder expectations. While our material matters have remained largely unchanged over the past three years, we are reviewing and refining our approach to materiality, including a potential transition from a primarily financial lens to a double materiality approach.

Determining our material matters

1

Our material matters were confirmed as part of our annual strategy review involving the Capricorn Group Exco and board, considering:

Strategic context

The Capricorn Group's purpose and ambition and the broader operating context, including macroeconomic trends, the political landscape and developments in financial inclusion, emerging technologies, innovation and regulation, as outlined on pages 44 to 66.

Principal risks and opportunities

Material matters are informed by our principal risks, which are overseen by the Group principal risk officer. These are detailed in our online risk report, which highlights the role of risk management to sustain long-term performance and value creation.

Related opportunities are also considered.

2

The draft list of material matters was then confirmed through:

Stakeholder views

Our most recent stakeholder engagement audit in 2024 included in-depth interviews with stakeholders of the Group, Bank Windhoek, Bank Gaborone and CAM and a quantitative survey of the media, community organisations and suppliers. The survey response rate was 73% (up from 61% in 2021). Stakeholders associate the Group with national pride, report positive employee interactions and view the Group as community-focused through the Capricorn Foundation.

Reference and research

We reference peer financial institutions and consult global risk reports and sector research to refine our view.

Feedback on material matters is reported to the Group board quarterly.

Our material matters for 2026



Delivering value to stakeholders



Managing our risks well, including increased regulation, cyber and ESG risk and opportunities



Conducting business in the right way



Fostering a positive employee experience across the employee lifecycle to ensure high engagement that leads to sustainable business performance



Position ourselves to take advantage of the opportunities emerging from AI, data and digitisation



Embedding a customer-centric service culture

Responses to our material matters are embedded in the leadership messages and strategic execution sections of this report.



Delivering value to stakeholders

We create long-term value by fulfilling our purpose as Connectors of Positive Change.

This purpose guides how we engage with stakeholders and balance the interests of customers, employees, shareholders, regulators, government and society. Through our inclusive financial services model, we expand access to financial solutions and support economic participation.

Our ability to meet evolving stakeholder expectations is underpinned by strong competitive capabilities, disciplined execution, deep local market insight and robust capital and liquidity positions.

These stakeholder relationships help shape our material matters and inform a strategy focused on sustainable, responsible growth.

Board committee oversight	Time horizon	Strategic response	Read more
Board, BSEC	Short, medium and long term	    	Our stakeholders, page 32 Our investment case, page 41 Perspectives on 2026, from page 5



Managing our risks well, including increased regulation, cyber and sustainability-related risks and opportunities

A disciplined and forward-looking approach to risk is central to how we operate and create value in a dynamic environment.

As risks grow more complex and interconnected, we rely on clearly defined risk capacity, appetite and tolerance levels to guide sound decision-making and protect long-term value.

The GRICAF aligns risk management with our strategic objectives and is supported by data-driven insights. We embed controls into core business processes and apply consistent risk management standards across the Group, informed by regulatory requirements and best practice.

Board committee oversight	Time horizon	Strategic response	Read more
BARCC	Short, medium and long term	   	Risk management, page 48 2026 risk report, available online

Outlook

We expect to build on our track record of stakeholder value delivery as we execute our AsOne2030 strategy. Our strong brand and trusted relationships place us in a solid position to navigate change, capture emerging opportunities and sustain earnings momentum.

Outlook

We expect the risk landscape to become increasingly complex and fast-moving. To remain resilient, we will further expand our risk management capabilities, with a focus on emerging risks, enhanced data use and evolving regulatory expectations.





Conducting business in the right way

We uphold high ethical standards and a culture of integrity supported by clear policies and visible leadership.

Our stakeholders, particularly shareholders and employees, expect responsible leadership, fair conduct and ethical decision-making.

We promote a culture of openness and accountability through our Code of Ethics and Conduct. Ethics champions, including senior leaders, help embed these principles. The Capricorn Way defines our values and the behaviours that bring them to life in day-to-day work. The Connector Programme reinforces this by creating shared opportunities for teams to reflect and align on how they work together.

The BSEC reviews progress quarterly to ensure accountability and continuous improvement

Board committee oversight

Time horizon

Strategic response

Read more

BSEC

Short, medium and long term



BSEC report, page 76
2026 governance report, available online



Maintaining a positive employee experience across the employee lifecycle to ensure high engagement that leads to sustainable business performance

We have created a constructive working environment with high levels of employee engagement and a strong track record of attracting, developing and retaining talent in a scarce-skills market.

Retaining adaptable, highly skilled people is essential to our long-term value creation and competitiveness, particularly given the small pool of specialised talent in Namibia and Botswana and growing competition for these skills.

Our people strategy is guided by The Capricorn Way, which supports individual and collective growth. We invest in leadership and culture initiatives to ensure our people are equipped to deliver on our strategic objectives.

Board committee oversight

Time horizon

Strategic response

Read more

HR committee, Remco

Short and medium term



Our stakeholders, page 32
Remuneration report, page 67

Outlook

We expect growing scrutiny of ethical conduct and governance standards. In response, we will further develop our culture to ensure it supports responsible leadership and stakeholder trust.

Outlook

Talent is expected to remain scarce in the short, medium and long term, with competition for critical skills likely to intensify. In response, we are enhancing our employee value proposition ("EVP") and increasing investment in training, development and retention. Leadership development and DE&I are strategic priorities within this focus area.





Positioning ourselves to take advantage of the opportunities emerging from AI, data and digitisation

We are harnessing the potential of data and digital technologies, including AI, to modernise our systems and build scalable competitive advantages.

This is central to how we differentiate ourselves in a rapidly evolving environment. Our ability to adopt and deploy these technologies will determine how we achieve our ambition of evolving into a significant financial services group in Africa, with technology embedded at the core of our forward-looking strategy.

Recent innovations, including advanced data analytics and expanded self-service capabilities, have reduced cost-to-serve while improving customer convenience.

As usage expands, we engage with policymakers to support responsible and transparent application, while addressing related regulatory, ethical and cybersecurity risks.

Board committee oversight	Time horizon	Strategic response	Read more
GBITC	Short, medium and long term	  	Group CEO's report, page 10 Strategic evolution, page 66



Embedding a customer-centric service culture

Our differentiation lies in a distinctive service offering and customer experience, supported by a strong customer-centric culture and strategy.

As expectations grow more sophisticated, customers seek financial services that are safe, reliable and convenient and that adapt to their evolving needs.

We aim to provide a seamless and intuitive experience across all channels. To do so, we segment our customer base to better understand their specific needs and tailor our approach accordingly. We develop targeted value propositions for customer segments, including salaried individuals, high-income earners, SMEs and rural customers, and tailor our engagement strategies accordingly.

Board committee oversight	Time horizon	Strategic response	Read more
BSEC, GBITC	Short and medium term	  	Group CEO's report, page 10 Our stakeholders, page 32 Strategic evolution, page 66

Outlook

We are integrating data and AI applications more deeply into our operations, and we expect adoption to accelerate as these technologies mature and demonstrate clear value.

Outlook

We attract new customers and grow market share by improving customer service and continuously enhancing our offering. This is central to the evolution of our AsOne2030 strategy.

Strategy overview

In 2026, our five strategic choices set the direction for our strategy.



We believe in the power of collective value creation.



Our purpose

Being Connectors of Positive Change.



Our ambition

We will continue our journey towards being a significant African financial services group by leveraging our core competitive capabilities, technology, value networks and sustainable practices to drive inclusive growth and long-term stakeholder value.

We will grow a sustainable, profitable, thriving organisation that delivers a sustained 20% ROE.

Our strategic choices enable our purpose and ambition.



Choice 1: Deliberate portfolio action for growth and value creation – We aim to deliberately draw on our ecosystem of capabilities and respond to opportunities as a coordinated and unified collective.



Choice 2: Data and digital – We aim to reduce our cost-to-serve while delivering superior, personalised experiences for both customers and employees.



Choice 3: Sustainability – We will integrate sustainability in a manner that will create a business advantage, while conserving the environment, increasing our social contribution and maintaining sound governance.



Choice 4: DE&I – We are committed to achieving our DE&I goals across the Group so that workforce diversity drives the success of our portfolio of businesses.



Choice 5: Leadership – We champion a purpose-driven culture that inspires leadership mindsets of curiosity, collaboration and growth.

Our focus

1

Customers

Our unique service offering and customer experiences are driven by a customer-centric strategy and culture.

2

Sustainability

We transform sustainability into a competitive advantage while generating positive environmental and social impacts.

3

Employees

Success depends on good leadership, culture, the skills and support of our people and the handshake between the company and employees to achieve superior performance.

4

Data and digital

We use new technologies and data capabilities such as microservices, AI and machine learning to transform our business and customer experience.

5

Value creation

We have rigorous processes to determine how we invest in new businesses, and the infrastructure to develop an opportunity from concept to investment.

6

Brand management

We leverage a single unified and powerful brand to realise our ambition.

Our enabling themes

Risk and compliance

We have a well-developed risk control, compliance and assurance programme.

Stakeholder engagement and communication

We have a stakeholder-inclusive approach and consult widely when developing our strategy.

Business development

We have rigorous internal processes for determining how we invest in new businesses. We also have the infrastructure to develop an opportunity from concept to actual investment.

Capital and portfolio focus

We allocate capital efficiently by developing business cases for investments and evaluating them against our Group-wide targets.

Operating model and collaboration

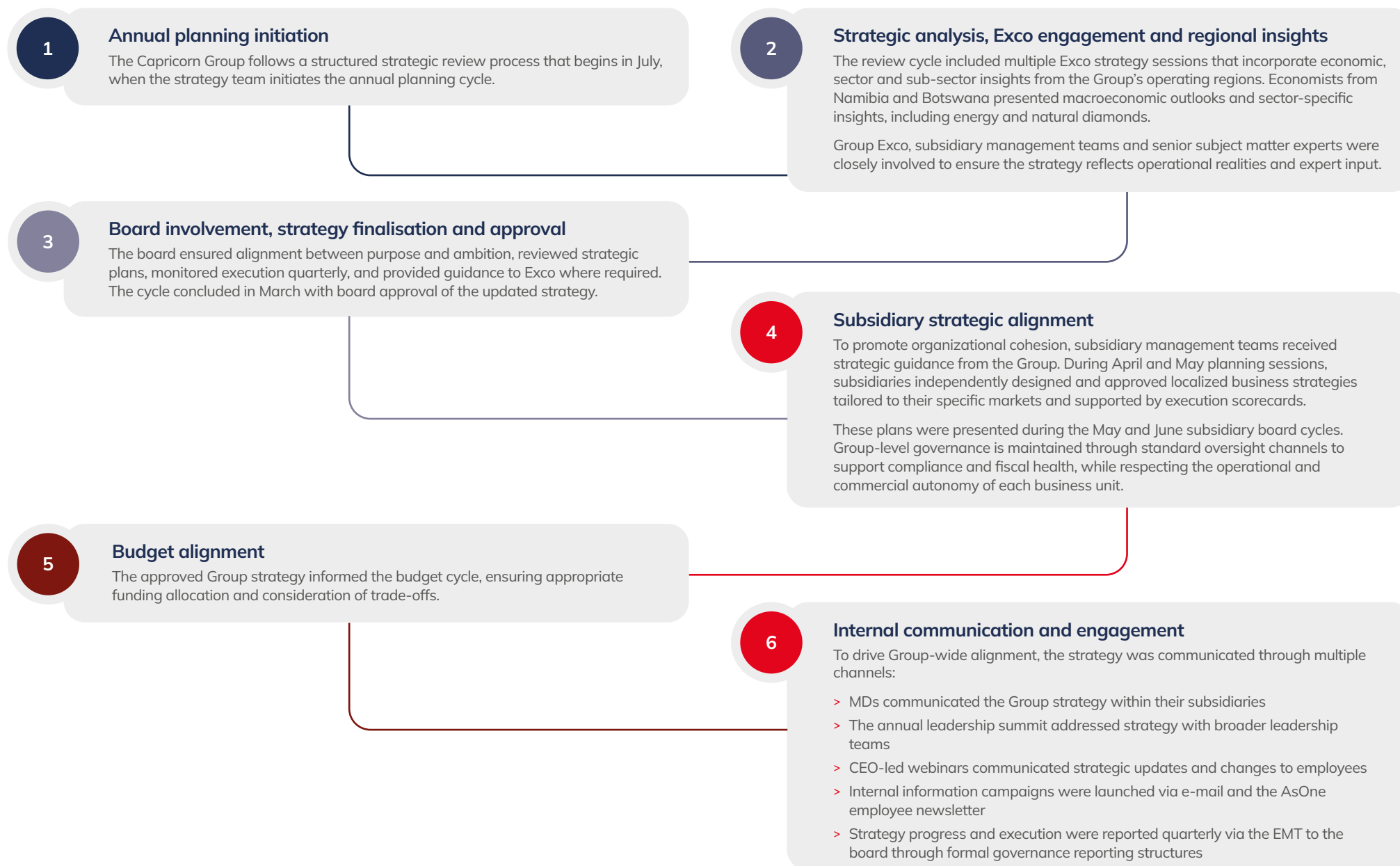
Our operating model ensures the Group is structured effectively to execute strategy. Each entity competes in its own market while benefiting from and serving common goals.

Business platform execution engine

Our business evolution is supported by our IT platform engine and informed by our data and analytics capabilities.



Developing our strategy





Strategy execution



Choice 1: Deliberate portfolio action for growth and value creation

We aim to deliberately draw on the ecosystem we deliver to the market and our stakeholders by responding to opportunities as a unified collective.

We have strong individual businesses, many of which are market leaders. This strategic choice positions us as a portfolio of financial services and related businesses, with clear advantages that enable us to capture a greater share of customer spend through a broad offering, shared knowledge and resources and lower costs.

We unlock synergies across entities, with due regard for customer privacy and regulatory requirements. It is anchored on three objectives:

- > We will drive growth in our existing businesses
- > We will evolve our offering of products and services around the needs of our shared customers
- > We will explore new and innovative options for enterprise-wide growth and long-term sustainability

Choice 1: Strategic milestones

Integrated wealth model deepening client relationships

Capricorn Private Wealth operates as a cross-divisional platform that identifies and onboards high-net-worth clients who require both banking and investment solutions. Clients are then referred and transitioned into CAM as a seamless end-to-end wealth offering.

In 2026, 188 client relationships were transitioned into CAM, contributing N\$1.1 billion in new AUM.

The business outcomes we seek

- > Increased value unlocked for shareholders through the deliberate management of our corporate portfolio
- > Enhanced competitiveness through a diverse, integrated offering to customers
- > Long-term sustainability through continuous strategic innovation and business development



Pulling on these levers

- > Responding to our shared customer needs
- > Harnessing the potential benefits from synergies in the group
- > Communicating the value that we create for shareholders



Key results we are tracking

- > Explored attractive growth opportunities in the region which are aligned to our ambition and strategy.
- > Transitioned from a growth strategy to a value-preservation stance for our portfolio in Botswana
- > Remained keenly aware of emerging opportunities in the microlending space in Namibia
- > Identified boundaries and opportunities for collaboration around a common customer



Choice 2: Data and digital

We aim to reduce our cost-to-serve while delivering superior, personalised experiences for both customers and employees. This is enabled by scalable, replicable technology that provides a competitive advantage.

Improving our digital and data capabilities has been a strategic focus for several years and is becoming even more deeply embedded in how we operate.

We are steadily moving towards a point where routine customer interactions are seamless and fully enabled by technology, reducing the need for branch visits.

For more complex and tailored needs, our relationship-led service will always be central, because we never lose sight of the importance of the human element. To support this, employees are equipped with advanced tools and data-driven insights that enable better advice and a more consistent, high-quality service at scale.

The business outcomes we seek

- > Improved customer and employee experience
- > Reduced cost to serve customers
- > An increased number of customers, contribution per customer and share of wallet
- > Replicability and scalability of our technology stack



Pulling on these levers

- > Omni-channel solutions for sales and service activities
- > Incentivising customers to migrate to the most appropriate channels



Key results we are tracking

- > Cost-per-volume transaction targets
- > Revenue growth targets
- > Value proposition differentiation and shared deployment of digital solutions for Bank Windhoek and Bank Gaborone as measured by the number of shared solutions

Progress in 2026

- > New branch model refined and implemented across 16 branches
- > Multiple enhancements made to Bank Windhoek and Bank Gaborone mobile apps
- > Bank Windhoek: 38% increase in mobile app transaction volumes (57% increase in values)
- > Bank Gaborone: 5.25% increase in digital transaction volumes
- > Implementation of SmartHR (e-recruitment, e-learning, and talent management modules) has digitised the employee journey to improve data integrity and internal service quality
- > Deepened the use of AI to improve customer experience and reduce costs
- > Improved cybersecurity and fraud prevention capabilities
- > Advanced financial well-being initiatives through behavioural nudges
- > Participated in the Namibian national IPP to enable account and wallet interoperability

Future strategic priorities

- > We have reinforced this strategic choice by placing technology at the core, recognising it as Capricorn Group's operating backbone and the primary enabler of customer and employee experience and competitive advantage. See page 66.



Choice 2: Implementation overview

Improving customer service through technology

The #gobeyond programme enhances customer value by shifting high-volume, low-value transactions to digital channels. This frees up branch capacity for meaningful advice and relationship-building. The programme also focuses on digitising routine enquiries and developing tools to support better sales engagement.

#gobeyond phase two focus areas (2024 – 2026)

Deploying a new branch model

The rollout of the new branch model in Namibia and Botswana continues to deliver a more consistent, customer-centric service experience. This includes supporting employees through change management initiatives and equipping them with the skills needed to adopt new technologies and ways of working.

Building modern data capabilities

We invest in modern data infrastructure and capabilities to fine-tune how data is managed, analysed and applied across the Group. We are enhancing our data architecture and developing practical use cases that support better decision-making and more effective customer engagement.

Exploring AI and other emerging technologies

Building on the technologies already implemented, we continue to explore how AI and other emerging technologies can create additional value. A particular area of focus is the use of technology to encourage healthier financial behaviours. Customers who manage their finances responsibly are more likely to achieve positive financial outcomes and support the long-term sustainability of the banking sector. We are therefore exploring ways to use behavioural insights and incentives to encourage positive financial habits.

Sharing knowledge with subsidiaries

While #gobeyond has primarily focused on our banking operations, other subsidiaries are beginning their own digital transformation journeys. These businesses can draw on the experience and lessons gained through #gobeyond to accelerate progress and build digital maturity across the Group.

Choice 2: Strategic milestones

Progress on modernising the operating model through #gobeyond

Customers are increasingly adopting Bank Windhoek's digital channels, with the mobile app now overtaking iBank as the primary digital interface. At the same time, customers benefit from a more accessible, modernised branch network, with three additional branches rolled out in 2026 and learnings from each being incorporated into the ongoing rollout process.

In addition, Bank Windhoek refined its integrated physical and digital ("phygital") model, where branch-based and digital interactions are designed to work seamlessly together as part of a single customer journey. In this way, we are building a more resilient service model grounded in greater customer choice.

Our transformation programme is also evolving the balance between digital channels and physical presence in Botswana. Bank Gaborone customers are now able to open accounts remotely via the website.

AI-driven automation is improving efficiency and accuracy

We have successfully piloted the use of AI to reduce manual processes and improve compliance and customer experience.

In early 2026, the Group began piloting AI-enabled KYC verification into production, enabling automated review and validation of customer information in support of regulatory requirements. Building on this, Bank Windhoek piloted a digital overdraft process that uses automated checks to assess potentially eligible customers and reduce reliance on manual documentation and intervention.

These enhancements have the potential to make KYC processing faster and more consistent and to improve compliance controls. They also have the potential to improve the customer experience through a more seamless, less paper-intensive process and reduced turnaround times.

Biometric security is increasing safe access

As digital adoption increases, we are developing robust security frameworks to ensure safe and trusted access to our services.

Bank Windhoek introduced AI-powered facial biometrics for secure authentication and remote onboarding, as well as a trusted-device authentication framework that provides secure code-based access comparable to leading global authentication solutions. More than 110,000 customers are already enrolled in biometric authentication.

Shared digital infrastructure is accelerating market capability

We unlock value by reusing and scaling shared technology and capabilities across markets.

Bank Gaborone adopted selected microservices and API-based solutions developed within Bank Windhoek's more mature digital environment as part of its transformation programme.

This enabled Bank Gaborone to accelerate the rollout of digital channels and transactional banking services, including its 24/7 contact centre. It also reduced development time and costs.



Choice 3: Sustainability

We integrate sustainability to build business advantages while protecting the environment, increasing our social impact and maintaining strong governance. We aim to show the tangible impact of commercial sustainability opportunities across the Group's portfolio, in service of our shared customers.

Capricorn Group has recognised sustainability as a strategic theme and long-term value driver since 2014. In 2023, it was elevated to a formal Group priority and incorporated as one of the Group's strategic choices, resulting in the launch of a Group-wide Sustainability Integration Programme. Having sufficiently embedded foundational practices the choice has been graduated to a standing operational practice and key enabler.

The business outcomes we seek

Position Capricorn Group for a distinct and sustainable competitive advantage by leveraging shared capabilities and building a recognised reputation as a leader in sustainability-driven innovation and impact.

Pulling on these levers

- > Engage deeply with stakeholder priorities to understand and respond to commercial opportunities and ensure the Group remains relevant and trusted in society
- > Proactively align with emerging market trends and regulatory expectations to stay ahead of compliance requirements and industry shifts
- > Strengthen risk management practices to build resilience and support long-term value creation

Key results we are tracking

We track our results against the Sustainability Integration Programme focus areas:

- > Environmental and climate risk management
- > Sustainability opportunities and growth
- > Decarbonisation
- > Own environmental footprint and culture
- > Shared infrastructure

Future strategic priorities

- > Strengthening alignment with applicable global, regional and local sustainability disclosure requirements, guidance and evolving regulatory expectations. Deepening our impact on priority SDGs while remaining agile to broader sustainability imperatives
- > Strengthening our culture of shared accountability, innovation, and transparency
- > Delivering measurable progress, from reducing our environmental footprint to unlocking new opportunities for growth and resilience

Progress in 2026

- > Expanded community investment impact through the Capricorn Foundation and subsidiary CSI programmes, supporting over 40 projects focused on education, health, food security and economic inclusion
- > Delivered strong fiscal contribution to host economies through taxes, duties and licence fees, supporting national development priorities and public service delivery
- > Strengthened workforce profile, with continued progress on diversity, localisation and employment stability across the Group
- > Advanced sustainable finance activity, including Bank Windhoek's sustainability-linked bond and green financing initiatives supporting renewable energy, clean transport and agricultural development, alongside new concessional funding approvals in Botswana
- > Strengthened environmental footprint management through reduced waste generation, higher recycling rates, increased solar energy utilisation and improved resource monitoring through smart metering
- > Established a formal carbon accounting baseline across Scope 1, 2 and 3 emissions, supported by automation of financed emissions reporting and enhanced climate risk analytics within credit processes
- > Progressed regulatory and strategic readiness through revision of the Environmental Risk Management Framework aligned to climate risk disclosure expectations and development of internal sustainability reporting aligned to IFRS S1 and S2 readiness
- > Enhanced climate governance and external positioning through participation in COP30 and engagement at the Global African Hydrogen Summit, supporting Namibia's transition to a lower-carbon economy

Our responsibilities to employees are addressed separately under Choice 4: DE&I (page 61), and Choice 5: Leadership (page 64).





From programme to embedded execution

Environmental risk management

- > The Group Environmental Risk Management Framework (ERMF) was reviewed and updated to align with evolving international standards and local regulatory requirements
- > Comprehensive training has strengthened awareness and built capability for effective environmental risk management across the Group

Decarbonisation

- > Baseline carbon footprint calculations (Scope 1, 2, and 3) completed for the Group and subsidiaries, laying the foundation for annual replication and continuous improvement
- > Carbon footprint calculations for financed emissions have been automated, supported by enhanced data systems and internal expertise
- > Carbon emission calculation process and procedure manual developed

Sustainability opportunities

- > The Sustainability-related Opportunity Management working group has been operationalised, ensuring structured execution and monitoring of sustainability-linked initiatives
- > Key milestones include:
 - Launch of Namibia's first sustainability-linked bond by Bank Windhoek (N\$250.5 million issued) on 19 August 2025, setting a national benchmark for sustainable finance
 - Bank Gaborone's partnership with AgriVolt, advancing clean energy and sustainable agriculture solutions
 - Bank Windhoek facilitated N\$145 million in sustainability loans

Own environmental footprint

- > **Employee engagement and culture shift:** The 4R Campaign (Rethink, Reduce, Reuse, Recycle) launched in 2025 drove strong employee engagement across all entities, with the Connector Programme culture and values initiative and sustainability survey results reflecting a noticeable shift in attitudes and behaviours.
- > **Impact:** Since January 2025, the Group has achieved a 25.4% waste diversion rate across its Windhoek-based buildings through improved waste segregation and recycling practices.
- > **Employee survey insight:** The Group Sustainability Survey found that 76.0% of respondents said sustainability influences how they think or act outside work, while 68.2% identified employee engagement and culture as a Group strength. These results support the shift from broad awareness to practical application.

Sustainability is no longer managed as a central programme. It is now a standing strategic and operational capability, executed through existing governance structures, entity accountability and business processes.

How our approach evolved in 2026

- > **Embedded accountability:** Sustainability moved from central programme management into existing executive, entity and governance structures
- > **Risk integration:** Environmental and climate related risks are increasingly incorporated into existing risk management processes
- > **Commercial integration:** Sustainable finance and advisory are increasingly focused on originating opportunities and generating measurable financial and developmental outcomes
- > **Improved information:** Data, carbon accounting and internal reporting capabilities continue to improve to support management decisions and evolving disclosure expectations

What this progress demonstrates

- > Sustainability is increasingly embedded in existing business and governance processes
- > Management attention is shifting from programme activity towards measurable risk, financial, environmental and social outcomes
- > The next phase will focus on execution discipline, better data and converting sustainability opportunities into measurable value

Contributing to the SDGs

Capricorn Group supports three priority SDGs, which reflect our commitment to addressing major local challenges that closely align with our purpose, operational values, and capabilities.



We are enhancing our focus and impact across the Group and subsidiaries by prioritising eight SDG targets.

Capricorn Group prioritises eight targets across SDG 2, Zero Hunger, SDG 4, Quality Education, and SDG 8, Decent Work and Economic Growth. These priorities reflect key social and economic challenges in the markets we serve and guide the social investment activities of the Group and the Capricorn Group Foundation.

Through the Foundation, our high-level commitments are to improve food security and sustainable agriculture, expand access to quality education and skills development, and promote inclusive economic growth through entrepreneurship, employment and sustainable livelihoods.

While these targets represent our primary areas of focus, we recognise the interconnected nature of all 17 SDGs. Group entities may support additional SDGs where they can contribute to meaningful and lasting impact in the communities they serve.

The 2026 Social Value Report provides further information on the Capricorn Group Foundation's programmes, objectives, 2030 targets and progress.





Choice 4: DE&I

We are committed to achieving our DE&I goals across the Group so that workforce diversity drives the success of our portfolio of businesses.

We strive to build a workplace that reflects the demographics of the countries where we operate, helping us attract top talent. DE&I encompasses not only race and gender, but also age, perspectives, and differing abilities. Inclusivity promotes empathy, awareness, collaboration, and a psychologically safe environment.

From an equity perspective, several policies promote fairer treatment, including those relating to performance reviews, reward practices and learning and development spend. Our key goals are to:

- > Implement and execute transformational initiatives focused on race, gender, ability and age
- > Ensure that practices are equitable and inclusive for both customers and employees
- > Ensure no one feels left behind at work

The Group has prioritised transformation targets for several years and actively incorporates them into recruitment.

The business outcomes we seek

- > A unified people experience across entities and geographies
- > Engaged, collaborative and sustainable culture with digital ways of competing at the core
- > Continue to thrive financially while improving society



Pulling on these levers

- > Ensure sufficient representation across the determined domains of diversity
- > Use data, employee feedback, our stated corporate culture aspirations and our leadership mindset framework to inform our actions and initiatives



Key results we are tracking

- > (Regrettable) attrition rates among employees within the selected domains of diversity relative to those not within those domains
- > Performance, reward, and training spend rates among staff within the defined domains of diversity relative to those not within those domains
- > "Inclusion" indicators in our employee feedback surveys and engagements
- > Diversity of new hires going forward

Progress in 2026

- > Maintained diversity in leadership and improved the representation of previously disadvantaged groups overall
- > Enabled leaders and managers with practical tools and frameworks to support inclusive leadership across the organisation
- > Strengthened education, awareness and community engagement initiatives to advance DE&I objectives across the Group
- > Established and supported internal diverse talent pipelines through a structured mentorship programme

Future strategic priorities

- > Shift DE&I from a programme-led strategic choice to "everyday way of doing and being"
- > Embed DE&I across people, leadership, and governance systems
- > Strengthen inclusive leadership skills across the organisation to enable leaders to take accountability for psychological safety, champion belonging, and safeguard equity through fair and inclusive practices that drive positive employee experiences and outcomes



Choice 4: Implementation overview

Group workforce profile

We monitor our workforce profile as we work towards our diversity goals. Our voluntary and involuntary turnover rate for employees is 7.74%.

Capricorn Group employee profile	Permanent employees	% male	% female	% permanent of total employees	% contract	Total 2026	Total 2025	Total 2024
Namibia	1,848	38	62	85	15	2,163	2,077	1,979
Botswana	369	35	65	89	11	416	397	341
South Africa	9	56	44	28	72	32	11	38
Total	2,226	38	62	85	15	2,611	2,485	2,358

Group indicator	2026	2025	2024
Female permanent employees	62%	62%	64%
Racially disadvantaged permanent employees	82%	80%	80%
Women in senior management	37%	37%	38%
Women in middle management	61%	61%	60%
Racially disadvantaged employees in senior management	34%	36%	33%
Racially disadvantaged employees in middle management	72%	73%	72%
Non-Namibian workforce*	1%	2%	2%
New employees aged <24 (%)	2%	9%	19%
New employees aged 25 – 35	43%	62%	62%
New employees aged 36 – 45	32%	19%	12%
New employees aged 46 – 55	18%	10%	7%
Employee turnover annualised	8%	7%	7%
Training hours Bank Windhoek, CAM and Namib Bou (hours)	56,906	90,064	144,248
Training hours Bank Gaborone (hours)	4,117	2,589	12,821
Total investment in training (N\$'million)	18.9	16.4	17.1
Diversity score from the Namibia Preferential Procurement Corporation (%)	97.78	98.80	98.8

* Namibia only indicator.

We continue to emphasise diversity in terms of race and gender through our recruitment, talent development and retention strategies. We have a disability strategy to promote the appointment of disabled employees. In 2026 we had in our employment 17 employees who listed having a disability.

Human rights

Human rights are protected by the constitutions of both Namibia and Botswana. Capricorn Group is committed to upholding these rights and complying with the laws of every country in which we operate. Our internal policies and procedures are designed to protect employee rights and identify and address any violations.

We also expect our suppliers to meet high standards. The Group's Suppliers' Code of Conduct, enforced by our procurement teams, includes supplier due diligence processes that cover human rights, labour and ethics.

Labour

Capricorn Group does not employ forced, migratory, or child labour. Our labour practices, guided by internal rules and jurisdiction-specific regulations, uphold workers' rights. Employees have the legal right to organise through unions and we provide mechanisms for reporting labour-related violations anonymously. Reported cases are handled through independent, formal processes, supported by a structured grievance procedure.

Labour matters are overseen by the Group board HR committee, which is responsible for the Group's labour policies and frameworks. All new employees are introduced to these policies during induction and updates are communicated to all employees as needed.

Employee wellness

Wellness is a key element of our human capital strategy, recognising the link between employee well-being, engagement and business performance. We take an integrated approach to employee wellness, addressing mental, physical, social and financial well-being. Our wellness offering includes webinars, motivational content and facilitated sessions. Ergonomic principles are applied in the workplace to support comfort and long-term health.

Group employee wellness services

Mental well-being

We refer mental health matters to psychologists, counsellors and psychiatrists.



Physical well-being

A general practitioner and nurse visit the head office weekly and offer flu vaccines, vitamin injections, family planning advice and medical consultations.



Social and financial well-being

Coaches and specialised trainers offer life coaching and team wellness engagement sessions, while financial experts provide financial wellness coaching and advice.





Choice 4: Strategic milestones

Data-driven inclusive leadership: DE&I surveys and capability building

The 2025 DE&I survey reflected increased participation and improved sentiment across key inclusion metrics, including diversity and inclusion indices, signalling stronger employee engagement and advocacy.

Through the Future Fluent leadership journey, more than 400 leaders have been equipped with tools to build culturally intelligent, inclusive teams and to better leverage diversity as a performance driver.

This has been complemented by phased rollout of DE&I training for middle managers, focusing on unconscious bias, fair decision-making and inclusive people practices in recruitment and performance management.

Diverse talent pipelines: young talent and emerging bankers

The Group invests in structured talent development programmes designed to expand access to opportunities and strengthen long-term succession capability.

The Bank Windhoek Emerging Bankers Programme, supported by the Capricorn Foundation, focuses on school leavers from rural and underserved communities, providing them with early exposure to employment pathways and foundational workplace skills.

In parallel, CAM runs a Young Talent Development Programme that provides graduates with rotational exposure across key business areas, including portfolio management and risk. This bridges the gap between academic learning and practical experience.

Together, these initiatives are building a sustainable pipeline of future professionals, while strengthening institutional capability through structured mentorship and skills transfer.

Breaking communication barriers: sign language and deaf awareness

Bank Gaborone continues to embed inclusion into daily practice by actively removing communication barriers and strengthening awareness of different abilities across the organisation.

September 2025 was marked as Deaf Awareness Month, reinforcing the importance of accessibility and inclusive communication in the workplace. The initiative was used to deepen understanding of deaf culture and encourage more intentional engagement across teams.

To sustain momentum, the Group has introduced ongoing sign language learning sessions for employees, reinforcing a practical commitment to ensuring that all voices are heard and understood in the workplace.



Choice 5: Leadership

We champion a purpose-driven culture that inspires leadership mindsets of curiosity, collaboration, and growth. We leverage talent and embrace DE&I to deliver a meaningful employee experience and sustainable business impact. We will develop and lead a portfolio of individually and collectively competitive businesses with strong team members.

We recognise the power of cultivating leadership mindsets and creating collaboration platforms throughout the Group. This requires building an understanding of leadership mindsets and how they contribute to effective strategy execution. While the Group's overarching practices will guide and govern the initiatives, operating units will ensure that they are locally relevant and supportive of entity goals.

The business outcomes we seek

- > A unified people experience across entities and geographies
- > Continue to thrive financially while improving society



Pulling on these levers

- > Developing leadership mindsets that support Group strategy creation and execution
- > Increase collaboration internally and externally
- > Continued learning to secure new capabilities and mindsets



Key results we are tracking

- > A variety of leadership and cultural development indicators and artefacts

Progress in 2026

- > Rolled out a leadership development programme designed to equip leaders with the skills, mindset and tools required to lead effectively in a rapidly changing environment
- > Piloted AI-enabled tools within HR, including a policy navigation chatbot to improve access to information and enhance employee experience
- > 76 employees participated in focus groups across entities to provide input on The Capricorn Way
- > EMT sessions were conducted with 43 representatives from all entities to share The Capricorn Way reimagined outcomes

Future strategic priorities

- > Establishment of the Capricorn Academy
- > Mentorship programme to be established to enhance leadership pipeline and succession

Choice 5: Implementation overview

Building a high-performing, people-centred organisation

Our people strategy is anchored in four integrated focus areas: attracting and acquiring talent, optimising talent deployment, developing talent, and retaining talent. These are supported by targeted programmes and policies aligned to the Group's strategic choices and informed by the broader business landscape.

Attracting and attaining talent

Employer brand and recruitment

We continue to strengthen our employer brand, particularly to attract scarce skills in middle and senior management. Our hybrid working model, total rewards philosophy and emphasis on professional growth support this goal.

Strategic partnerships

To address critical skill shortages, particularly in IT, financial risk, and data, we have partnered with external service providers across borders and enhanced capacity within our South African talent team.

Young talent pipeline

Our Young Talent Programme nurtures future leaders, with initiatives such as the Emerging Bankers Programme, aimed at recruiting and developing school leavers in remote areas.

Optimising and developing talent

Talent planning and deployment

We conduct regular talent reviews, succession planning, and workforce planning to ensure we deploy the right talent in the right roles. Data-driven insights and assessments guide gap analyses and targeted development.

Development and learning

We support employee growth through functional and leadership development, mentoring, and coaching. Programmes include career conversations, a high-potential programme. Internal bursaries are also available to support formal learning.

Leadership development

Leadership capability is central to business performance. We promote a human-centric approach to leadership, balancing results with empathy and self-awareness.





Retention and rewards

Our Remuneration Policy ensures fair and equitable pay, supported by regular equity analyses.

Employee engagement

We measure and respond to employee sentiment through our annual engagement survey. Since implementation, results have consistently exceeded benchmarks, reflecting improved engagement levels across the Group.

Strengthening culture and performance

The Capricorn Way reimagined

The Capricorn Way, launched in 2017, is our cultural guide, uniting our purpose, values and behaviours into a shared philosophy that defines how we think, act and lead as a Group. In 2025, we reimagined The Capricorn Way to better reflect our business strategy, growth ambitions and a more human-centred approach, while staying true to its original spirit. In 2026, we made use of the Connector Programme to embed The Capricorn Way across the Group. Capricorn Group launched the Connector Programme in 2017 with a clear and meaningful purpose: to create an employee-led platform through which our purpose, values, strategy and shared culture could be brought to life across our Group. It served as a practical tool for change and transformation, a way to translate our values of being Open, Dedicated and Inspired into everyday conversations, behaviours and actions.

In a world of shifting priorities and rising expectations, how we show up matters. The Capricorn Way anchors our daily actions in our purpose of Being Connectors of Positive Change and in the values that guide us: Open. Dedicated. Inspired.

Performance management

Our performance management system remains robust and well-integrated. It includes twice-yearly formal reviews, 360-degree feedback, consistency checks, and continuous feedback cycles. Upcoming enhancements include new HR system modules to support integration and ease of use.

Choice 5: Strategic milestones

The Future Fluent leadership journey

The Future Fluent leadership journey is the Group's flagship leadership development initiative, designed to strengthen leadership capability through applied, business-relevant learning rather than traditional classroom training.

The journey began with a comprehensive leadership culture audit, including one-on-one interviews with more than 240 senior leaders and structured focus groups involving over 500 leaders across Namibia and Botswana. This provided a clear baseline of leadership strengths and development areas across the Group.

At the core of the leadership journey is the Super Leaders initiative, which has trained 411 leaders across 24 cohorts in Namibia, Botswana and South Africa. The programme has demonstrated strong impact, with a 96.4% job impact rating and a 94.8% participant NPS, reflecting its relevance and practical application.

The Capricorn Academy – building future leaders

The Capricorn Academy was launched as part of the Future Fluent leadership journey to fine-tune how we lead, learn and grow. It builds on a year of engagement with leaders through interviews, focus groups and the Super Leaders programme, which helped define the capabilities required for the future.

The Academy provides a structured platform for executive leadership development, combining internal expertise with external faculty to ensure global insight and practical relevance to the Group. The curriculum focuses on capabilities critical to the future, including data and AI, financial acumen, customer experience, strategic thinking, macroeconomics, digital innovation and finance.

A key feature of the programme is applied learning, supported by executive coaching and structured development to strengthen decision-making, accountability and leadership impact in day-to-day roles.

The Academy integrates mentorship and executive technical development to broaden strategic perspective and build leadership confidence in a fast-changing environment. It also serves as a strategic capability hub, strengthening banking, digital and sector-specific expertise across the Group.

Over time, the Capricorn Academy is expected to improve leadership capability and deepen the leadership pipeline.

Action learning projects: turning ideas into execution

As part of the Super Leaders programme, participants developed action learning projects focused on real business challenges affecting the Group.

These projects were structured around four priority themes: AI, customer experience, leadership culture and innovation. This ensured alignment between leadership development and strategic priorities.

High-quality outputs from these cohorts are now being assessed for potential integration into Group-wide initiatives, ensuring that employee-generated insights contribute directly to execution and strategic refinement.



Strategic evolution

We are advancing our evolution into a leading African financial services group. Following the 2026 strategic review, the Group board approved a refined set of strategic choices for 2027, proposed by Exco. These updates sharpen the focus on execution and reflect the maturation of several initiatives.

Our refined 2027 strategic choices:

Within the deliberate portfolio action for growth and value creation choice, we will follow through on the identified opportunities in the microlending industry in Namibia. We will also continue to work to preserve portfolio value in Botswana.

Customer-led portfolio value creation has been elevated as a standalone strategic choice. It moves beyond a narrow digital integration focus to a broader, structured customer-centric portfolio approach. The emphasis is on coordinated execution across the Group to unlock value for both customers and the portfolio, while maintaining clear accountability and decision rights across entities.

Technology at the core, evolved from data and digital, positions technology as the Group's operating backbone to enable customer and employee experience, driving competitive advantage. Priorities include improving the idea-to-value lifecycle, building scalable digital products, embedding data-led intelligence, including AI, and accelerating technology-led innovation.

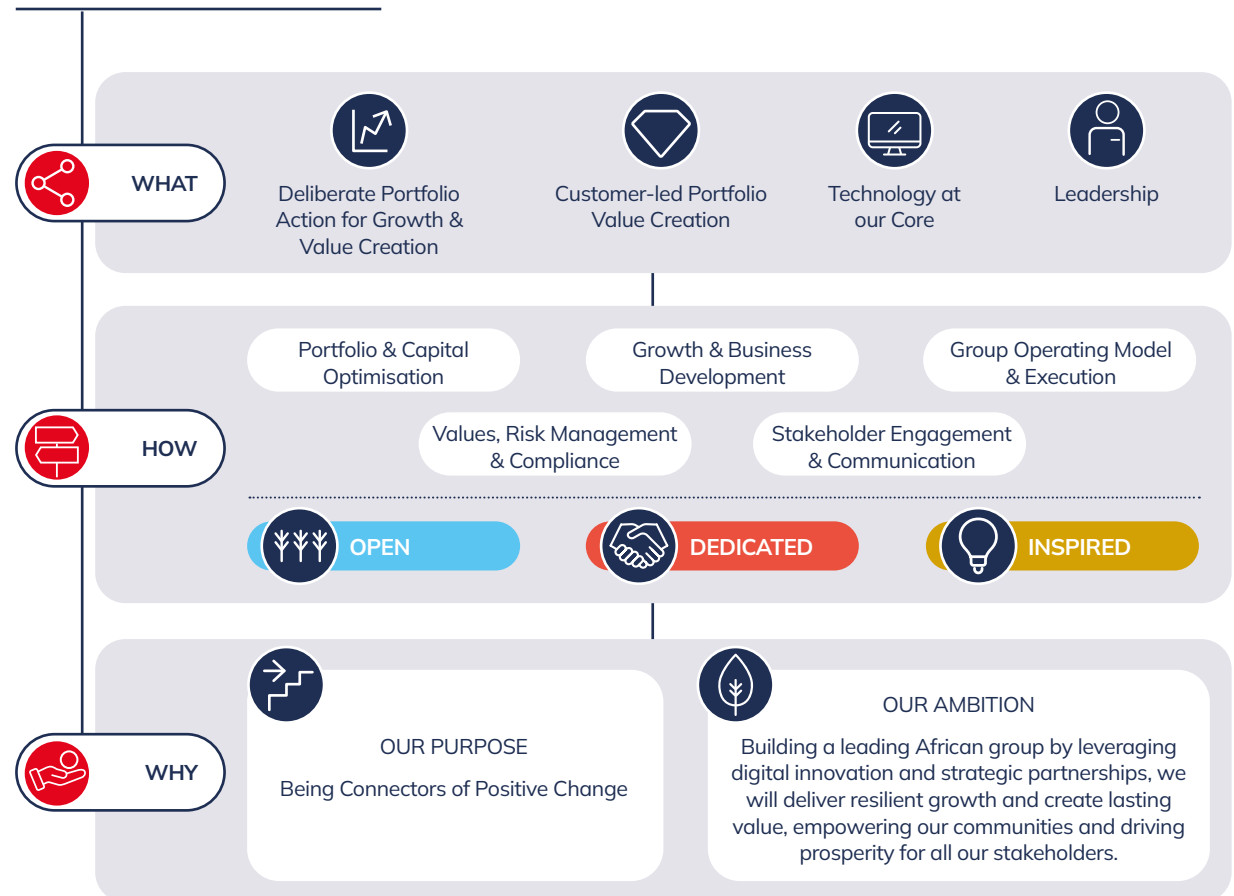
Leadership remains a strategic choice with an increased focus on integrating people practices into leadership development. This includes strengthening a purpose-driven culture, embedding The Capricorn Way, improving succession depth, enabling continuous learning, supporting cross-entity collaboration, strengthening recruitment and retention and elevating DE&I as a core leadership accountability.

Sustainability and DE&I have transitioned from strategic choices into strategic enablers. Sustainability is now positioned as a value-led, CEO-sponsored discipline, embedded in business-as-usual activities and increasingly aligned to portfolio-led growth opportunities. DE&I has matured into a core governance and culture enabler, supporting talent management, succession planning and inclusive practices across the Group.

These refinements reflect lessons learned from execution to date, a sharper focus on customer-centricity and technology as differentiators, and a more streamlined strategic architecture that embeds mature initiatives as enablers while concentrating effort on the highest-impact choices. We will be reporting against the refined strategy from 2027.

Capricorn Group Strategy

A Structured Approach to Our Future





Reward and recognition

Our Remuneration Framework is founded on fairness, market competitiveness and performance alignment. It supports responsible corporate governance, advances the Group's strategic priorities and promotes alignment in how remuneration outcomes are implemented.



Remuneration report

This section of the integrated report presents a comprehensive overview of our remuneration practices and policy, which are designed to attract, motivate, and retain the talent necessary to achieve our strategic objectives and create long-term value for our stakeholders.

Our Remuneration Framework is founded on fairness, market competitiveness and performance alignment. It supports responsible corporate governance, advances the Group's strategic priorities and promotes alignment in how remuneration outcomes are implemented.

The report sets out the key components of remuneration, including fixed pay, variable incentives, benefits and long-term incentives, and explains how these elements support performance, retention and sustainable value creation within an appropriate governance framework.

The report also highlights the link between human capital priorities and remuneration, including the people practices, culture and reward considerations that support the Group's strategy.

We further highlight human capital practices and how they relate to the Group's remuneration practices. It will include a future view of initiatives planned within the people space, specifically related to remuneration.

Its purpose is to demonstrate how remuneration practices support strategic execution, reinforce accountability for performance, and align with the Group's values and stakeholder expectations.

The report is structured in four parts:

- > Part one: Organisational alignment to remuneration practices
- > Part two: Remuneration governance.
- > Part three: Overview of the Group Remuneration Policy.
- > Part four: Future considerations for human capital and remuneration practices.

Part one: Organisational alignment to remuneration practices

The reimagined The Capricorn Way was launched in 2025 and centres on the values of Open, Dedicated and Inspired. Each value is supported by behaviours that give practical effect to the Group's purpose and reinforce the culture required to deliver on its strategy.

As the cultural foundation of the Group, The Capricorn Way connects our entities through a shared purpose, "Being Connectors of Positive Change", and guides how we work, lead and engage. In this way, culture, strategy and people practices remain closely aligned over the long term.

The Group's reward philosophy is holistic, encompassing both monetary and non-monetary elements within a total reward framework.

This framework is supported by remuneration practices that are designed to be fair and market-relevant, while reinforcing performance, retention and employee value.

The Remuneration Framework incorporates the principles of King IV™ and seeks to balance performance, risk and responsible governance. The Remuneration Policy is reviewed regularly to ensure that it remains effective, competitive and compliant with applicable regulatory requirements.

Effective remuneration and reward practices support the attraction and retention of talent, reinforce accountability for performance, and contribute to employee engagement and a strong employer value proposition.

The key focus areas of the Group's remuneration practices

Talent investment

We refined our holistic EVP to better support the attraction, engagement, and retention of talent. It provides an integrated approach to understanding employee needs and enhances the overall employee experience. Retention efforts are supported through targeted development initiatives informed by talent reviews and assessment outcomes, with a focus on building capability and supporting long-term career growth.

Motivation and productivity

Remuneration packages are linked to performance. An effective remuneration model encourages productivity, enhances performance, and fosters talent retention. The model is informed by Group, business unit, and individual performance data and is further supported by talent and equity information.

Brand reputation

Our reward philosophy is an element of our EVP supported by our strong brand. The Capricorn Way, the EVP and brand are closely aligned and integrated, both from an internal and external perspective.

Employee engagement

Engaged employees are more productive, which impacts business performance. Since the implementation of the Mirror survey in 2017, employee engagement levels have continued to improve. Read more on page 61.



The human capital strategy and link to remuneration and reward

Apart from the abovementioned elements, we ensure that our human capital strategy is fit for purpose and central to our Group strategy. Acknowledging that human capital practices are part of a larger ecosystem is important. Remuneration and reward practices are essential anchoring points. These practices are embedded in the Group's human capital strategy. The following highlights the key strategic human capital focus areas related to remuneration practices for the past year:

Strategy: Business and individual performance

Understanding the Group's strategic direction and focus areas is key for each employee. We continue to ensure that employees understand the strategic choices, how they translate into objectives and their role in accomplishing the set targets. The success of this is evident in the feedback from the employee engagement survey. We continue to foster a strong connection between business and individual performance objectives, which has been a priority as part of strategy execution. This involves evaluating individuals' financial and non-financial contributions and setting targets for each employee based on the strategic objectives.

We continue to embed robust practices to drive performance. Performance objectives are aligned with the Group and business unit strategic initiatives and business plans. Consistency checks are performed to enhance fairness and to ensure contracted objectives are achieved. Performance is centred around achieving business objectives and fostering the Group's values. The overall performance rating of an individual is influenced by behaviour measured through a 360-degree process. The values, as captured in The Capricorn Way, form the core of how behaviour is measured.

The table below sets out the Group's embedded Five C's Performance Framework, which structures performance contracts and supports a balanced assessment of the key value drivers underpinning sustainable business performance.

Customer

We are committed to excellent customer experiences. This implies maintaining and enhancing good service, relationships, and experiences with internal customers, external customers and suppliers.

Company

We drive operational excellence and create sustainable returns for all stakeholders.

Colleague

Being Connectors of Positive Change demonstrates how we behave as leaders, employees, and colleagues.

Citizenship

We positively impact our communities and drive collaboration in whatever we do.

Conduct

We conduct our business sustainably and responsibly. We ensure that we embrace ethical practices and foster a risk culture.

Diversity, equity and inclusion

DE&I principles are embedded in our culture and people practices, with a focus on equitable opportunities, fair remuneration and an inclusive employee experience across the Group. During the year, representation targets across selected diversity areas were achieved, while focus remained on strengthening representation at senior management and executive levels. Inclusion indicators improved, reflecting progress towards a more inclusive and psychologically safe workplace. Targeted development initiatives, informed by talent reviews and assessment outcomes, continue to strengthen capability and support long-term career growth, enhancing employee engagement, retention and organisational inclusivity.

As part of our people practices, we scrutinise remuneration data, including salary adjustments, promotions and turnover through an equity lens to ensure alignment with strategic objectives.

Our DE&I progress is assessed through our annual engagement survey, and a dedicated DE&I survey. In 2026, both our diversity and inclusivity scores improved. More detail around the DE&I survey can be found on page 63.

Talent investment approach

Our talent investment strategy continues to evolve as it is consistently aligned to the employee lifecycle to support a positive employee experience. This integration connects talent practices with remuneration, development, growth and succession through our Talent Investment Framework, strengthening how talent is identified, developed and retained.

Ongoing talent reviews and assessment processes are enabling more targeted development interventions aligned to organisational needs and succession priorities. Work is also underway to further refine the competency framework to ensure greater alignment between capability requirements, performance expectations and future business needs.

Future share award considerations will focus on increasingly reflect a holistic talent assessment of participants, including performance, potential (including succession planning), key skills and diversity objectives.

Market relevance

We must ensure that the Group remains relevant from a market pay parity perspective. The Group regularly conducts a benchmarking exercise to assess our remuneration competitiveness. This includes financial and non-financial services industry pay points across the region. The data informs fixed and variable pay adjustments and ensures that practices remain fair and competitive. These practices inform our remuneration philosophy and approach and, in turn, guide policy formation.



Part two: Remuneration governance

Our policies and practices adhere to regional benchmarks and align with the expectations of all stakeholders. The Remco utilises Bowmans, an independent and objective consultancy, to annually review and advise the Group on remuneration practices and principles. Operating guidelines define appropriate performance conditions for all reward elements, including fixed remuneration, short-term incentives ("STI"), and long-term incentives ("LTI").

The Group takes a total reward approach when reviewing individual remuneration. This implies that the mix between total guaranteed pay ("TGP"), STI, and LTI is adequately positioned relative to the benchmark data.

Remco governs remuneration for the Group. The governance chapter on page 35 discusses the committee's roles and responsibilities.

Remco focus areas for 2026

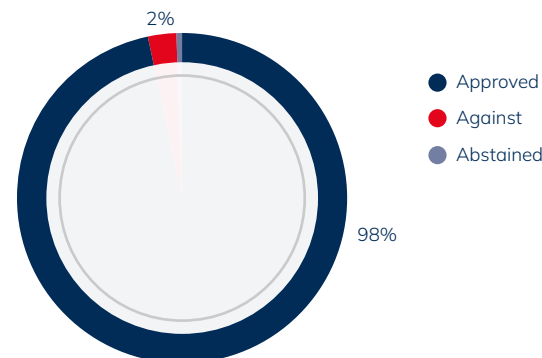
Remco confirms that all stipulated duties have been completed and that it adhered to its terms of reference for the year ending 30 June 2026. The main Remco actions and decisions included:

- > The Remuneration Policy's elements, including the STI and LTI operating guidelines and how these awards are allocated, were consistently applied. The total rewards approach ensured that the practices were fit-for-purpose and adjusted based on market movements to ensure fair and equitable remuneration to support retention.
- > The continued review of the succession across the Group, which profiles both internal and external talent. The aim is to have a talent map that ensures succession depth and will enable us to track internal and external talent, grow and develop internal talent and mitigate risk should vacancies arise.
- > Ongoing support of the DE&I programme and acknowledging the importance of effective remuneration and reward practices to support DE&I. This is further enhanced with a specific focus on equitable pay practices across all employee groups. This annual review is carried out across the Group.
- > Several key subsidiary executives were appointed during 2025 and 2026 with the involvement and approval of Remco. These appointments were essential to ensure the delivery of the Group's strategy.
- > Following a strategic review of the overall group Remuneration Framework, the STI and LTI operating guidelines were reviewed and updated. This will inform the review of the remuneration policy.

Non-binding advisory vote

At the AGM on 5 November 2025, shareholders were requested to cast a non-binding advisory vote on the Remuneration Policy and the remuneration of the non-executive directors for the 2026 financial year.

Remuneration policy voting results (% of issued shares)



The voting results indicate support for the Remuneration Policy. Therefore, no major changes were made to the policy.

Part three of this report reflects the policy implementation for the financial year, allowing shareholders to observe how the Group's stated policies translate into actual outcomes for senior management and executives. As in previous years, shareholders will be requested to cast a non-binding advisory vote at the forthcoming AGM on the Remuneration Policy contained in part three of this report.



Part three: Group Remuneration Policy

The Group's remuneration philosophy ensures that all employees are rewarded fairly and appropriately. In determining remuneration, Remco and the HR committee consider relevant market benchmarks while ensuring sufficient emphasis is placed on pay-for-performance.

Our human capital practices are supported by a comprehensive remuneration philosophy summarised in our Remuneration Policy. The policy is reviewed biennially to ensure it remains relevant and market-related.

The following remuneration guiding principles apply.

All Group entities have consistently applied the policy, with country and sector-specific adjustments where required. We aim to give stakeholders an understanding of how our practices translate into policy and actual outcomes for executives and senior management.

Remuneration guiding principles

The Group's guiding principles for managing remuneration are as follows:

Total reward: The Group takes a total reward approach to reviewing individual remuneration. This implies that the TGP, STI, and LTI mix is adequately positioned relative to the benchmark data, as highlighted in part one of this report.

Pay-for-performance: Fair pay linked to performance is the cornerstone of the remuneration philosophy. All remuneration practices are structured to clearly differentiate between individuals based on performance.

Variable pay: The variable pay component of total reward aligns with seniority (organisational level), as the ability to impact business results increases with seniority. This is reflected in the higher quantum of STI and LTI opportunities at more senior levels compared to junior employees. Benchmark data is obtained on a regular basis, and where appropriate, the STI and LTI operating guidelines are updated to reflect market movements relative to variable pay at all levels of the organisation. Variable pay takes performance and talent data into consideration.

Risk Culture: Reward plans are structured to discourage excessive risk-taking. Being aware of risks is critical for all employees and is contained in each employee's performance contract. The reward philosophy encourages risk management within the risk appetite set by the board through key risk indicators, policies and procedures. The policy, consequently, provides for malus and clawback pertaining to these risk elements.

Consistency and fairness: The reward philosophy provides a framework that encourages consistency, allows for differentiation where it is fair, rational and explicable, and applies an equity lens to the process. Benchmarking is conducted annually using consistent, recognised methodologies to inform remuneration decisions.

Communication and transparency: The remuneration philosophy, policy, practices, and processes for determining individual pay levels are transparent and communicated to all employees. Further work is underway to ensure a thorough understanding of pay practices, as this has been highlighted as a priority.

Malus and clawback: Where defined events occur, redress against remuneration is provided through either malus (pre-vesting forfeiture) or clawback (post-vesting forfeiture) of STI and LTI. Malus and clawback provisions and their application are captured in the Remuneration Policy and executed by Remco. In 2026, no instances of malus or clawback were instituted.

The above principles are implemented through various elements of pay to ensure a holistic total reward approach.



Total reward view: Elements of pay

The table below provides an overview of the elements of pay applicable to Group employees.

Element	Detail	Commentary for 2026
Fixed remuneration (basic salary or TGP)	This is reviewed annually based on performance against contracted output, and we use benchmark data to ensure market-aligned pay. At the senior and executive levels, the Group focuses on a pay progression model in which talent is also considered when determining an individual's fixed pay position. The Group focuses on paying between 80%-120% of market compensation, calculated at the midpoint of the pay range per job level. The pay range of job levels is adjusted yearly based on external market movements and the consumer price inflation index. Employees can structure a portion of their basic pay to suit their circumstances.	Annual remuneration adjustments are applied on 1 September every year, and a rigorous process is followed to determine the quantum of individual increases and variable pay components. During this process, remuneration structures and pay ranges are evaluated and adjusted, as necessary, in line with market movements. The Group granted employees in Namibia a 5.5% annual increase for 2026 and 5.0% in Botswana.
Benefits	Benefits include pension, Group life fund, and medical aid membership. Contributions are made by the employee and the employer for pension funds and Group life benefits. In addition, the Group contributes 100% towards medical aid for non-managerial employees. Benefits may include mortgage bond interest subsidies, housing, car or other allowances, depending on the employee's job level. Company contributions are calculated as part of the employee's basic salary.	The Group introduced the following benefits: > A long service recognition of 25 years' service > Paternity leave addition of one extra day > Group Life cover level 1 premium paid by the employer for non-managerial employees > Housing subsidy thresholds were increased for non-managerial employees
Variable Remuneration: STI	The STI is a cash-based scheme open to all employees. It aims to align employees' performance with the Group's strategy and motivate and reward employees who outperform the agreed performance measures. The policy further makes provision for including both Group and business unit performance as a factor in determining pay-out. The allocation of individual pay-outs is based on different levels and predetermined performance hurdles for the Group, each business unit, and individuals. A detailed model governs the pay-out thresholds per job level as contained in the STI operating guidelines. Remco is mandated to apply certain deferral principles, which were not applied for this financial year. The design and quantum of the annual performance bonus are regularly reviewed against best market practices. The bonus pool is calculated based on consolidated Group profit. The percentage of profit is modified according to Group performance during the year, relative to profit before tax and annual ROE targets. Where company performance is below the threshold level, no bonus pool will accrue for senior management and executives.	An external review was conducted to ensure that the model used and the allocations per job level were still competitive. The following updates were made to the STI operating guidelines: 1. Updating of on-target STI percentages based on market research 2. The revision of the maximum STI awards per job level
Variable Remuneration: LTI	A key element of talent retention is the LTI awards. These include share appreciation rights, conditional shares, or a combination. In instances where retention is required, LTIs are awarded, subject to a vesting condition of continued tenure within the Group. In addition, employees from a specified grade level may participate in the Group's share purchase scheme to purchase Capricorn Group shares at the volume-weighted average price over the previous 12 months, with the option of an interest-free loan repayable over nine years. Full ownership of these shares vests after three to five years.	In 2026, an external review was conducted to ensure that the job-level allocations remained market-relevant. No material adjustments were made to the LTI operating guidelines.



Share Appreciation Reward (“SAR”) plan

The Group has a formal SAR plan in place as part of the LTI process. No SAR awards were issued in 2026.

Terms	Detail
Purpose	The SAR plan aims to attract, retain, and reward selected employees who can contribute to the Group's future success and strategy. It also stimulates employees' personal commitment and continued service. In addition, the plan promotes and aligns employee interests with the company's shareholders.
Operation	Participants receive conditional SARs, which vest after three years, subject to the satisfaction of the performance condition and continued employment of the participant. After vesting, the SARs may be exercised up to five years after the award date.
Participants	Executive directors, executive managers and selected members of senior and middle management.
Performance period	Three years.
Plan limits	An aggregate limit for the SAR plan, the conditional share plan (“CSP”), and the share purchase scheme: 7.5% of the company's issued shares.
Performance conditions	The performance condition applicable to all awards is the achievement of budgeted cumulative profit after tax and ROE over the performance period. The budget, in turn, reflects the expected outcome of the strategic plans and actions. The vesting period is three years.

Conditional Share Plan (“CSP”)

Terms	Detail
Purpose	To attract, retain and reward selected employees who can contribute to the Group's future and stimulate their involvement, encouraging continued service. Under the CSP, participants receive conditional shares that vest after three years, subject to the satisfaction of the performance conditions over the performance period.
Operation	In some instances, where a retention risk exists, conditional shares that vest after three years and are subject to the participant's continued employment by the Group but are not subject to performance conditions may be awarded.
Participants	Executive directors, executive managers and selected members of senior and middle management.
Performance period	Three years.
Plan limits	An aggregate limit applies between the SAR plan, the CSP, and the share purchase scheme, being 7.5% of the company's issued shares.
Performance conditions	The performance condition applicable to all awards is the achievement of budgeted cumulative profit after tax and ROE over the performance period. The budget, in turn, reflects the expected outcome of the strategic plans and actions.

Share purchase scheme

The Capricorn Group Employee Share Ownership Trust was established in 2000 to help employees buy Capricorn Group shares. Employee share ownership promotes the Group's continued growth and aligns employees' and shareholder interests.

Shares can be purchased annually through a nine-year interest-free loan. The maximum number of shares employees can purchase on loan varies by job grade. Any dividends declared after purchase accrue to the employee, who can receive the dividend in cash or pay it into the loan account.

Share benefit scheme

The Capricorn Group Employee Share Benefit Trust benefits non-managerial employees not at the supervisory level. Since its establishment in 2005, the trust has distributed dividends earned on the shares held by these beneficiaries every year. Almost 300 employees currently benefit from this scheme.

Fair and equitable remuneration

Given the elements highlighted in the remuneration policy, the following indicates the implementation and impact of these policy statements in practice.

Central to pay practices is the principle that employees at the same level, doing the same work at the same level of performance, need to be rewarded equitably. Three years ago, the Group embarked on a specific benchmarking remuneration analysis to ensure equitable pay across all job levels. Where data suggested areas of improvement, these were addressed.

Focusing on the Namibia financial services sector, the Group's mean gender pay gap is 2.30%, compared with the market benchmark of 4.20%. This indicates that the Group's pay gap is narrower than the market average, reflecting a relatively stronger pay equity position. Equity will remain a continuous focus of our remuneration strategy.

Several South African organisations assess the pay ratio between the top 5% and bottom 5% earners. The Group's ratio of the average pay of the top 5% to the bottom 5% is 8.1:1, meaning the top 5% earn 8 times as much as those in the bottom 5%. Based on reported ratios from JSE-listed companies and large South-African organisations, the financial services sector typically reflects pay ratios ranging from approximately 7.5:1 to 15:1. The Group's ratio therefore sits at the lower end of this market range, indicating relatively lower income dispersion and more equitable distribution of remuneration across job levels.

Minimum salaries are continuously reviewed, and salary scales are adjusted accordingly. This is benchmarked to ensure alignment with the market. Salary scales are used to ensure internal parity and are considered as part of the recruitment process.

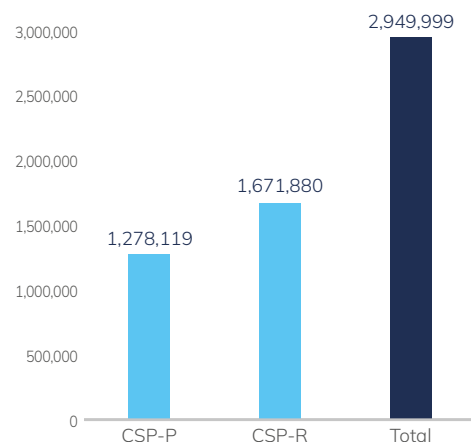
During 2026, non-managerial and managerial employees received an average fixed remuneration increase of 5.50%; this includes structural adjustments linked to performance ratings.



Remuneration paid

Remuneration paid to executive management is disclosed in note 37 to the annual financial statements. This comprises remuneration and other employee benefits to the executive management team, which excludes executive directors' emoluments. The executive directors did not receive additional fees for services as a director or any emoluments other than those disclosed.

CSP awards to the key Group management
Awarded in September 2025



Number of shares acquired under the share purchase scheme

The number of shares acquired by employees in the Group's share purchase scheme in November 2025 was 1,070,432 (November 2024: 1,136,101). All shares awarded to or purchased by employees under the various LTI schemes were acquired from existing shareholders, and no new shares were allotted by the company for this purpose.

Dividends paid under the share benefit scheme.

In October 2025, 271 employees were paid dividends totalling N\$5.8 million (October 2024: N\$3.8 million).

Non-executive directors' fees

Non-executive directors do not participate in any STI or LTI, nor do they have employment contracts with the company. The Group reviews their fees annually and submits the proposed fees to shareholders for approval.

Non-executive director fees reflect the directors' roles and membership of the board and its committees.

The resolution relating to non-executive director fees for the 2027 financial year is in the notice of the AGM, which is available online.

	N\$ annual retainer	NS\$ attendance per meeting	Number of meetings
Board of directors	137,000	28,125	4
BARCC	47,400	31,875	4
Remco	23,200	15,000	4
Nomco	23,200	11,250	4
Group HR committee	23,200	13,125	4
GIC	23,200	15,000	4
BSEC	23,200	15,000	4
GBITC	23,200	15,000	4

A 75% premium is paid to the chairperson of each of the committees and boards. Furthermore, the independent non-executive chairperson of Capricorn Group Ltd is paid an annual chairperson's fee of N\$843,000.

Remco is comfortable with the consistent application of the Remuneration Policy in 2026, without any deviations and with the policy's successful achievement of its objectives. Continually reviewing the policy and practices is vital to ensure alignment with the Group's strategic direction and market best practices.



Part four: Future considerations for human capital and remuneration practices

We need to invest in our people throughout the employee lifecycle by creating an environment that fosters engagement and motivation and contributes to our growth, while aligning our talent investment strategy with the Group strategy.

The human capital ecosystem must consider multiple dimensions to ensure sustainable change and impact. The forward-looking view for remuneration is centred around the following key themes:

Leadership capability investment

One of the Group's strategic choices is leadership. Leaders are key to implementing effective people practices and shaping the organisational culture. We aim to ensure that Capricorn Group's leaders provide a competitive edge in the markets we operate in by making them clear internal and external manifestations of our organisational Purpose, Being Connectors of Positive Change for our employees, customers and communities. Sustained performance and effective risk management are underpinned by strong leadership capability at all levels.

During the year, targeted investment was made in a leadership development programme to strengthen strategic execution, ethical decision-making, and succession depth. Initiatives included structured executive and senior management programmes, coaching and mentoring interventions, and the enhancement of critical leadership capabilities aligned with the Group's values, behaviours and long-term strategy. This investment supports our objective of building a resilient, future-ready leadership pipeline, improving organisational culture, and driving consistent delivery of shareholder value.

We are developing the mindset, skills, and confidence to shape tomorrow's opportunities for the Group as Connectors of Positive Change. Outcomes from these programmes are incorporated into performance assessments and considered when determining variable remuneration, ensuring alignment among leadership behaviour, capability growth, and sustainable business performance.

Strategy integration into performance practices

Incorporating strategy into the performance elements is critical to execution. Work was done to translate strategy into performance objectives, and the impact is evident in the engagement survey, where understanding of strategy scored very highly. When employees understand their role in strategy execution, the link to remuneration and reward is clearer.

Talent investment

We need to invest in our people throughout the employee lifecycle by creating an environment that fosters engagement, motivation, productivity and continuous learning, all of which strengthen our

employee value proposition and contribute to our growth. Aligning our talent investment strategy with the Group strategy is vital to driving sustainable business impact rooted in our organisational culture and leadership focus. An effective remuneration strategy ensures that we have the appropriate reward mechanisms to attract and retain top talent. It is a key element of the employee value proposition.

The Group continues to undertake in-depth stakeholder engagement and comprehensive reviews throughout the year to inform the consideration of potential policy and practice enhancements for implementation in the next period. This approach ensures that attraction and retention initiatives remain visible, relevant and value-adding to employees and critical talent across the Group.

DE&I

DE&I is integrated into the remuneration strategy and built on a foundation of equitable practices and inclusivity, considering various domains of diversity. Moving forward, strengthening remuneration practices from a DE&I perspective will focus on deepening equity, transparency and long-term sustainability. This includes embedding more robust pay equity analytics across gender, age, disability and other relevant diversity dimensions to proactively identify and address gaps.

Additionally, enabling leaders through training and accountability measures on equitable reward and talent decisions further embeds inclusive leadership practices. Continued refinement of the EVP, together with flexible benefits and career development opportunities, will further support an inclusive and differentiated employee experience aligned to evolving workforce expectations.

More detail about our DE&I progress and the DE&I survey can be found on page 61.

A focus on culture

The foundation for all people practices is a human-centric culture that drives purpose and positive change, forming an organisational culture that sets the tone for what is valued (Open, Dedicated and Inspired as critical values). The Group has reviewed The Capricorn Way, first launched in 2017, through extensive research, focus groups and analysis of feedback and outcomes received.

A comprehensive implementation and change approach has been crafted to ensure we adopt a practical, human-centric culture. This will result in a culture that resonates with employees through an

emotional connection, supports inclusivity, creates a positive experience and fosters engagement. It will guide our leadership development programme content, performance contracting, and talent retention and development. When a company's remuneration strategy aligns with its culture, it creates a powerful, self-reinforcing system that drives both performance excellence and sustainability.

Closing remarks

This year's report reflects the continued evolution of Capricorn Group's remuneration approach in a changing operating environment. Remco remained focused on maintaining a Remuneration Framework that is fair, market-relevant and aligned to performance, while supporting the Group's broader strategic and human capital priorities. I wish to express my sincere appreciation to my fellow committee members, management, and the broader human capital teams for the care, rigour, and commitment with which this important work was undertaken.

Particular attention was given to ensuring that our remuneration practices continue to support the attraction and retention of key talent, reinforce accountability for performance, and reflect sound governance. The work undertaken during the year, including the review of selected remuneration structures and incentive guidelines, has strengthened the Group's readiness to respond to future opportunities and challenges. I also wish to acknowledge the dedication of our employees across the Group, whose contribution remains fundamental to our continued progress and long-term success.

As we look ahead, we will continue to refine our remuneration and reward practices to ensure that they remain balanced, fair and fit for purpose. This includes a sustained focus on pay-for-performance, market competitiveness, equitable outcomes, and the effective recognition of the critical skills required to deliver on the Group's strategy. We value the continued confidence and support of our shareholders and stakeholders as we advance this work.

I remain confident that the Group's remuneration philosophy, together with its continued investment in leadership, culture and talent, will support sustainable value creation over the long term. As Chairperson of Remco, I am mindful of the responsibility entrusted to us, and we remain committed to exercising that stewardship with care, sound judgement and integrity, in the best interests of the Group and its stakeholders.

Daniel Kali
Chairperson: Remco





BSEC Chairperson's report

Capricorn Group is a pillar of economic and social stability in Namibia and Botswana. This places a responsibility on the Group to operate sustainably and deliver financial returns while contributing meaningfully to the long-term well-being of the environment and communities we serve.



BSEC provides oversight of the Group's ethical conduct, sustainability integration and social impact. During the year, we observed continued strengthening of the Group's ethical foundation and the further embedding of sustainability into core operations and governance structures. Capricorn Group is a pillar of economic and social stability in Namibia and Botswana. This places a responsibility on the Group to operate sustainably and deliver financial returns while contributing meaningfully to the long-term well-being of the environment and communities we serve.

BSEC focus areas for 2026

The committee's focus shifted from defining frameworks and direction to overseeing implementation, embedding and consistency of execution across the Group and its subsidiaries.

A key area of emphasis remained the strengthening of subsidiary accountability for ethics and sustainability. While the committee retains Group-level oversight, we continued to reinforce the principle that individual businesses must own and embed these responsibilities. Engagement with subsidiaries focused on alignment, consistency and clear expectations for reporting and execution.

Other focus areas included:

- > Maintaining and enhancing the Group's ethics programme, including culture reinforcement, awareness and whistleblowing oversight
- > Monitoring the implementation and embedding of the Sustainability Integration Programme across the Group
- > Implementing the revised Group Environmental Risk Management Framework and strengthening alignment with IFRS S1 and S2 and regulatory requirements
- > Advancing the Group's sustainability reporting approach in line with evolving regulatory expectations and improving data readiness
- > Embedding sustainability into business-as-usual operations through strengthened governance structures across subsidiaries
- > Strengthening stakeholder engagement execution and improving coordination between the Group and subsidiaries
- > Supporting the Capricorn Foundation and wider Group social and community impact initiatives
- > Continuing oversight of diversity, equity and inclusion through leadership development, culture and inclusion initiatives

Promoting an ethical culture

The Group continues to strengthen its ethical culture through the Code of Ethics and Conduct and the behaviours outlined in The Capricorn Way. Several supplementary policies and procedures support lawful behaviour and organisational integrity by providing direction and guardrails that align with sound practices.

Ethics sponsors, including the Group CEO, subsidiary managing directors and ethics coordinators/ethics champions, lead the ethics strategy. Progress is reviewed quarterly by the BSEC to ensure accountability and continuous improvement.

Ethics communication and awareness initiatives were sustained throughout the year.

Communication

Ethics awareness and communication remain key focus areas.

Hotline

The Group's anonymous ethics hotline is available to all employees for reporting unethical behaviour. A summary of reports is submitted to the BSEC as part of its quarterly ethics updates. Building trust in this whistleblowing mechanism remains a priority.

Fraud and corruption

The Group has no appetite for corruption or matters which affect the trust and reputation of the Group, in line with King IV™ and applicable laws, including Namibia's Anti-Corruption Act (No. 8 of 2003). No cases of corruption or bribery were reported or investigated in 2026.

Gifts

The Code discourages the acceptance of gifts, with clear guidance for exceptional cases where refusal would be culturally inappropriate. In such instances, gifts are donated to the Capricorn Foundation.

In its qualitative risk appetite statement, our board has formally stated that it has no appetite for unethical conduct. The BSEC oversees ethics at the Group and reviews the outcomes of matters reported through our anonymous whistleblowing line and management ethics reports.



Diversity, equity and inclusion

The committee is satisfied with the Group's approach to DE&I as outlined from page 61. DE&I has continued to mature across the Group, with a clear shift from standalone initiatives to an embedded enabler of culture, leadership and talent practices.

During the year, we strengthened leadership development and cultural reinforcement initiatives, with targeted interventions to improve psychological safety, representation and inclusive leadership behaviours across the Group. These efforts have supported broader awareness and more consistent engagement across our operating entities.

DE&I is now firmly established as a core governance and culture enabler, supporting succession planning, talent development and inclusive workforce practices.

Sustainability and environmental governance

Sustainability continued to evolve, moving further into full integration within business-as-usual operations.

The Group refined its approach to sustainability reporting, aligning disclosures more closely with regulatory requirements and focusing on data quality and readiness rather than voluntary reporting frameworks.

The Group Environmental Risk Management Framework was revised to strengthen alignment with IFRS S1 and S2 and regulatory expectations. This also supported improved governance of environmental risk at both Group and subsidiary level.

A Group position on carbon emissions and transition considerations was developed to guide the assessment of climate-related risks and opportunities. The approach remains pragmatic and proportionate, with no formal net-zero or financed emissions targets adopted. Instead, emissions and transition considerations are assessed on a case-by-case basis, taking into account regulatory compliance, client transition readiness and broader developmental impact.

Operational sustainability initiatives continued, with ongoing efforts to improve resource efficiency and strengthen environmental awareness across the Group.

Social impact and stakeholder engagement

The Capricorn Foundation continued to play a central role in delivering structured and impactful community investment, supporting both long-term development initiatives and targeted interventions.

Broader CSI activities across the Group were aligned with national development priorities and priority sustainable development goals.

Stakeholder engagement practices were strengthened through improved coordination between the Group and subsidiaries, enhanced internal capability and more consistent execution across stakeholder groups.

Further detail on the Capricorn Foundation and the Group's CSI initiatives is available in the 2026 social value report, published online.

Measurement, reporting and assurance

The Group continued to strengthen its internal capability in non-financial reporting, with a focus on improving data integrity and consistency.

Through its internal sustainability reporting roadmap, the Group has adopted a more structured and disciplined approach to disclosure, prioritising regulatory alignment and reliable reporting outputs, as sustainability and regulatory reporting requirements continue to evolve.

In conclusion

The committee is satisfied that the Group has made meaningful progress in embedding ethics, sustainability and social responsibility into its governance structures and day-to-day operations.

The focus going forward will remain on improving the measurement of outcomes and ensuring that ethical conduct, sustainability integration and stakeholder engagement continue to support long-term value creation.



Daniel Kali
BSEC chairperson

Guidance on where to find more information relating to BSEC oversight themes

The Foundation

Choice 3: Sustainability from page 59
Our 2026 social value report, available online

Ethics and anti-corruption

Material matters: Conducting business in the right way on page 50

Equality and the prevention of unfair discrimination

Choice 4 DE&I from page 61

Social and economic development activities

Choice 3: Sustainability from page 59
Our 2026 social value report, available online

Environment

Choice 3: Sustainability from page 59
Our 2026 social value report, available online

Consumer relationships and public relations

Material matters: Embedding a customer-centric service culture on page 50
Choice 1: Deliberate portfolio action from page 56



How we see the road ahead

Capricorn Group has demonstrated resilient performance through cycles, delivering normalised but solid 2026 results underpinned by strong fundamentals.

Growth that stays depends on looking ahead and planning in ways that adapt as conditions change. By considering global and regional risks and opportunities, as well as developments in our industry and markets, we can understand what may affect us and make the right strategic choices today. This is our integrated outlook.

Strategic context

Our expectations for the external environment shaping our outlook:

Namibia: Stable in the short term, due to progress on key fiscal benchmarks. Medium-term prospects will be shaped by foreign direct investment in oil and gas exploration and development, a rebound in tourism and a policy emphasis on economic diversification beyond mining into broader productive sectors. The outlook depends on the timing and scale of resource-led investment and on the execution of structural reforms.

Botswana: Short-term conditions are expected to remain constrained due to continued pressure in the diamond sector and associated revenue and liquidity challenges. This cyclical downturn will weigh on growth, with the focus therefore on stabilisation.

Global and regional: Ongoing geopolitical tensions and shifting commodity cycles continue to influence capital flows and investor sentiment, necessitating adaptability and capital efficiency to navigate uncertainty.

Material matters

How we expect each material matter, as identified earlier in the report, to evolve:

- > We expect to build on stakeholder value delivery by executing AsOne2030, supported by strong brands and trusted relationships
- > The risk environment will remain complex and fast-moving, requiring continued focus on effective risk management and emerging risks
- > Increasing scrutiny of ethical conduct and governance reinforces the need to sustain a strong, values-driven culture
- > Talent scarcity and competition for critical skills will persist, requiring a compelling employee value proposition and investment in employee and leadership development
- > Data and AI integration will deepen, with faster adoption as value becomes evident
- > Customer growth will be driven by continuous service enhancements, which are central to the refined AsOne2030 strategy

Risks and opportunities

Our approach to managing and leveraging the risks and opportunities that will influence future performance:

Our risk management approach will continue to be anchored in robust risk management and clear mitigating actions, enabled by strong capital and liquidity buffers.

Key opportunities include regional synergies and potential expansion, the acceleration of digital and fintech solutions and growth in sustainable finance, potentially linked to Namibia's participation in the oil and gas sector.

Refer to the 2026 risk report for more detail.

AsOne2030

Our refined forward-looking strategy is focused on delivering sustainable, profitable growth as a significant African financial services group:

- > Deliberate portfolio action for growth and value creation.
- > Customer-led portfolio value creation through a unified ecosystem designed to unlock cross-business opportunities.
- > Technology at the core, building a scalable digital backbone to reduce cost-to-serve and enable personalised experiences through digital and data intelligence.
- > Leadership anchored in The Capricorn Way to drive consistent execution.

Capricorn
AsOne
2030

Why we will remain a good choice

Capricorn Group has demonstrated resilient performance through cycles, delivering solid 2026 results underpinned by strong fundamentals.

Our balance sheet is robust, supported by capital levels well above regulatory requirements and strong liquidity.

We are well-positioned as a diversified and innovative financial services group, with leadership in key segments and strong digital momentum.

With a 44-year track record in Namibia, we are positioned to benefit from long-term opportunities.

As Connectors of Positive Change, we continue to drive purpose-led value creation.

Our value creation targets include a sustained ~20% ROE, non-interest income above 45%, a cost-to-income ratio below 52% and a strong dividend policy. In short:

Growth that stays.



Supporting context

Appendices





Group shareholding

Distribution of shareholding	Number of shareholders	% of shareholders	Number of shares	% of shares
1 – 99	15	0.4%	785	0.0%
100 – 499	173	4.7%	40,640	0.0%
500 – 999	1,021	27.5%	592,464	0.1%
1,000 – 1,999	663	17.9%	785,645	0.2%
2,000 – 2,999	332	8.9%	756,957	0.1%
3,000 – 3,999	150	4.0%	492,321	0.1%
4,000 – 4,999	103	2.8%	442,744	0.1%
5,000 – 9,999	459	12.4%	2,849,741	0.5%
10,000 and above	792	21.4%	512,424,054	98.9%
Total shareholders	3,708	100.0%	518,385,351	100.0%
Namibian residents	3,647	98.4%	515,540,813	99.5%
Non-resident of Namibia	61	1.6%	2,844,538	0.5%
Category				
Corporate bodies	82	2.2%	261,871,139	50.5%
Private individuals	3,455	93.2%	40,748,618	7.9%
Pension funds and medical aid societies	23	0.6%	158,700,292	30.6%
Nominees and trusts	148	4.0%	57,065,302	11.0%

Beneficial shareholding of 5% or more

Capricorn Investment Holdings Ltd	41.6%
Including the effective shareholding of Mr JC Brandt	19.1%
Government Institutions Pension Fund	26.9%
Nam-mic Financial Services Holdings (Pty) Ltd	8.0%

Shareholder structure

	Number of shareholders	% shareholding
Shares held by the public	3,675	27.3%
Directors' direct and indirect shareholding	6	0.4%
Directors of subsidiaries and executive management's direct and indirect shareholding	23	21.2%
Shareholders holding 10% and more, excluding those held by directors	2	48.3%
Capricorn Group Employee Share Ownership Trust, excluding those held by directors and executive management	1	2.1%
Capricorn Group Employee Share Benefit Trust	1	0.7%
Total	3,708	100.0%

Shareholders diary

Financial year-end

30 June 2026

AGM

4 November 2026

Results

Announcement of interim results for the half-year ended
31 December 2026

25 February 2027





Glossary of terms

AGM	Annual general meeting	IPP	Instant Payment Programme
AML	Anti-money laundering	IR Framework	The Integrated Reporting Framework
ATM	Automatic teller machine	IFC	International Finance Corporation
AUM	Assets under management	IT	Information technology
BARCC	Board audit, risk and compliance committee	King IV™	The King IV™ Report on Corporate Governance™ for South Africa, 2016
Board	Board of directors	KYC	Know your customer
BSEC	Group board sustainability and ethics committee	LISP	Linked investment service provider
CAM	Capricorn Asset Management	LTI	Long-term incentive
CEO	Chief executive officer	NAMFISA	Namibia Financial Institutions Supervisory Authority
Companies Act	The Companies Act of Namibia, 28 of 2004	Nasdaq	National Association of Securities Dealers Automated Quotations
CPD	Continuous professional development	NGO	Non-governmental organisation
CSP	Conditional share plan	Nomco	Group board nominations committee
CSI	Corporate social investment	NPL	Non-performing loan
CUTM	Capricorn Unit Trust Management Company	NPS	Net promoter score
DE&I	Diversity, equity and inclusion	NSI	Namibia Standards Institute
DSQ	Determinants of Service Quality	NSX	The Namibian Stock Exchange
Exco	Executive committee	POS	Point-of-sale
EMT	Executive management team	Remco	Group board remuneration committee
Foundation	The Capricorn Foundation	ROE	Return on equity
GBITC	Group board information technology committee	SAR	Share appreciation right
GDP	Gross domestic product	SDGs	United Nations Sustainable Development Goals
GPRO	Group principal risk officer	SME	Small and medium-sized enterprise
HR	Human resources	STI	Short-term incentive
IFRS	International Financial Reporting Standards	TGP	Total guaranteed pay



Notes





**Growth that stays.
Built for the long term.
Growing with confidence.**

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