



XENO INVESTMENT MANAGEMENT

Unit Trust Funds Report

2025

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Corporate Information



TRUSTEE

KCB Bank Uganda Limited
Corporate Suite, Commercial Plaza, 7th Floor
Kampala Road
P.O Box 7399
Kampala, Uganda



FUND MANAGER

XENO Investment Management Limited
Workers House, 1st Floor
Pilkington Road
P.O Box 9831
Kampala, Uganda



CUSTODIAN

Stanbic Bank Uganda Limited
Crested Towers
Plot 17, Hannington Road
Kampala, Uganda



AUDITOR

PricewaterhouseCoopers
Communications House
1 Colville Street,
P O Box 8053
Kampala, Uganda.

Statement of Fund Manager's Responsibilities

The Collective Investment Schemes (Financial and Accounting) Regulations 2003 (“the Regulations”) require the Fund Manager to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Fund as at the end of the year and of the results of its operations. It also requires the Fund Manager to keep proper accounting records that disclose, with reasonable accuracy, the financial position of the Fund.

The Fund Manager accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies in conformity with IFRS Accounting Standards and in the manner required by the Capital Markets Authority Act, the Collective Investment Schemes (Unit Trusts) Regulations 2003, and the Collective Investment Schemes (Financial and Accounting) Regulations, 2003.

The Fund Manager is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Fund and of its profit in accordance with IFRS Accounting Standards and the requirements of the Capital Markets Authority Act, the Collective Investment Schemes (Unit Trusts) Regulations 2003, and the Collective Investment Schemes (Financial and Accounting) Regulations, 2003. The Fund Manager further accepts responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

DECLARATION STATEMENT

- The XENO Uganda Unit Trust Funds are an approved Unit Trust within the meaning of the Act.

The unitholders are not liable for the debts of the Unit Trust; and;

In preparing the financial statements, the Fund Manager has assessed the Fund’s ability to continue as a going concern. The Fund Manager hereby reports that nothing has come to their attention to indicate that the Fund will not remain a going concern for the foreseeable future from the date of this statement.

John Kamara, CFA

COUNTRY MANAGER
XENO Investment Management Limited

Trustee's Report

Dear Unit Holders,

In accordance with section 121(1) and (2) of the Collective Investment Scheme (Unit Trusts) Regulations, 2003, we KCB Bank Uganda Limited in our capacity as Trustee, as part of our fiduciary responsibility and ensuring regulatory compliance we confirm and note the following;

For the XENO Uganda Bond Fund, we noted the fund's exposure to government securities was at 98.8% of the total assets which exceeded the fund specific limit of 90% by 8.8%. The Fund continues to maintain its investment approach of providing a stable level of income while preserving capital for the unitholders.

For the XENO Regional Equity Fund, we noted the fund's exposure was at 15.7% of the total assets, exceeding the fund specific limit of 15% by 0.7%. The Fund continues to focus on providing investors with medium to long term capital growth.

The Manager, XENO Investment Management, is taking all necessary steps to rebalance the portfolio to ensure compliance. We continue to work closely with the Manager to ensure full compliance with all regulatory requirements.

We confirm that there were no other deviations from any of the provisions of the Trust Deed and those of the Regulations.

For and on behalf of the Trustee, KCB Bank Uganda Limited

Sheila Bahemuka Nyerwanire
Manager, Investor Services.
KCB Bank Uganda Limited

Report of The Custodian

In accordance with the Collective Investments Schemes (Unit Trusts) Regulations, 2003 (herein the 'Regulations') and the Custody Agreement between Stanbic Bank Uganda Limited as the Custodian and XENO Investment Management Limited as the Fund Manager, we confirm that we have discharged the duties prescribed for a Custodian under the Regulations and the XENO Uganda Unit Trusts Deed and Rules.

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

We confirm that we effected the sale, redemption and cancellation of units in accordance with the creation and liquidation instructions received from the Fund Manager.

Andrew Omiel

Head, Investor Services & Financial Institutions
Stanbic Bank Uganda Limited

Report of The Auditor

REPORT OF THE INDEPENDENT AUDITOR TO THE
UNITHOLDERS OF XENO UGANDA UNIT TRUST FUNDS.

Report on the audit of the financial statements.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the XENO Uganda Unit Trust Funds (“the Fund”) as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and have been prepared in the manner required by the Collective Investment Schemes (Financial and Accounting) Regulations, 2003.

What we have audited

The Fund’s financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unitholders for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”).

Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report.

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

Independence

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (“the IESBA Code”) together with the ethical requirements that are relevant to our audit of financial statements in Uganda, and we have fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

Other information

The Fund Manager is responsible for the other information. The other information comprises the information in the annual report but does not include the financial statements and our auditor’s report thereon.

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

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

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

Responsibilities of the Fund Manager for the financial statements

The Fund Manager is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and in the manner required by the Collective Investment Schemes (Financial and Accounting) Regulations, 2003, and for such internal control as the Fund Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Fund Manager responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund Manager.
- Conclude on the appropriateness of the Fund Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on other legal and regulatory requirements

The Collective Investment Schemes (Financial and Accounting) Regulations, 2003 require that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the Fund, so far as appears from our examination of those books of account; and
- iii) the Fund's statement of financial position and statement of comprehensive income are in agreement with the books of account. The engagement partner on the audit resulting in this independent auditor's report is CPA Clive Mayombwe - P0349.

CPA Clive Mayombwe
Certified Public Accountants
Kampala

Fund Manager's Report

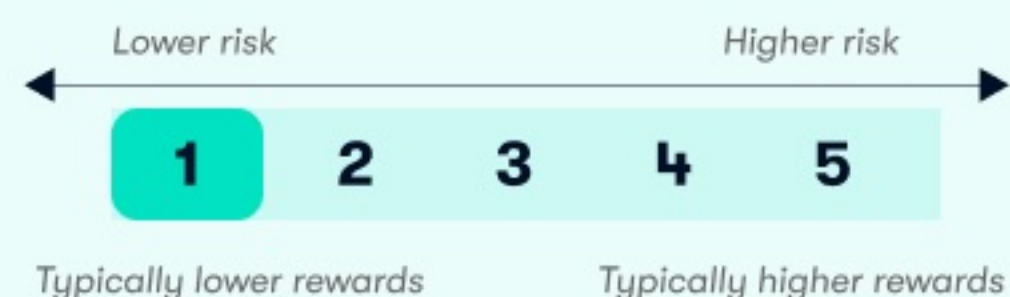
NET ASSET VALUE (UGX '000)	2025	2024	2023
XUMMF	16,828,537	12,929,319	9,503,688
XUBF	76,761,869	60,866,069	48,604,711
XUDEF	1,459,569	1,038,194	869,501
XUREF	2,990,344	1,791,147	1,382,210

NAV Per Unit	2025	2024	2023
XUMMF	201.04	181.56	165.79
XUBF	270.22	238.73	211.17
XUDEF	250.78	185.68	126.88
XUREF	157.92	108.64	76.37

Units Per Fund	2025	2024	2023
XUMMF	83,707,405	71,214,238	57,324,666
XUBF	284,071,754	254,960,840	230,173,522
XUDEF	5,820,115	5,591,424	6,852,868
XUREF	18,935,815	16,486,502	18,098,193

Book Value UGX '000:	XUMMF	Average Yield
UGX 16,828,537 Dec 2025	2022	9.89%
	2023	12.05%
	2024	11.99%
	2025	13.37%

License Category of Fund	The Fund is licensed as a money market fund within the meaning of the Collective Investment Schemes Act 2003.
Investment Objective	The investment objective of the XENO Uganda Money Market Fund is to provide investors with a high level of current income than they would otherwise get on money market instruments of similar duration. The Fund does not invest in equities.
Investment Policy	The Fund Manager achieves the Fund's investment objective by optimizing investments across high-quality short-term debt securities while ensuring the preservation of capital. The returns greatly depend on the levels and movements in short-term interest rates.
Type of Units	The Fund has accumulation units within the meaning of the Collective Investment Schemes Act 2003.
Total Value of the Fund	As at 31 December 2025, the total book value of the Fund is UGX 16,828 million (2024: UGX 12,929 million).
Auditor	The Fund's auditor, PricewaterhouseCoopers Certified Public Accountants, continues in office in accordance with section 88 of the Collective Investment Schemes (Unit Trusts) Regulations 2003.
Risk Profile	The Fund is a low risk fund and it has no exposure to equities. The Fund is particularly suitable for conservative investors with a short-term savings goal who seek a competitive yield.



Income Distribution

The profit realized by the Fund for the year ended 31 December 2025 was UGX 1,661 million (2024: UGX 1,003 million). The profit has been distributed to the unitholders by automatically crediting the capital through reinvesting the profit back into the Fund.

	UGX '000	UGX '-000
STATEMENT OF COMPREHENSIVE INCOME	2025	2024
Total Revenue	1,965,935	1,260,075
Total Expenses	(304,347)	(256,922)
Total comprehensive income for the year	1,661,588	1,003,153
STATEMENT OF FINANCIAL POSITION	2025	2024
Assets		
Investments	15,371,406	12,681,446
Other Assets	1,492,998	262,463
Total Assets	16,864,404	12,943,909
Equity and Liabilities		
Unit holders balances	16,828,537	12,929,319
Current Liabilities	35,867	14,590
Total equity and liabilities	16,864,404	12,943,909

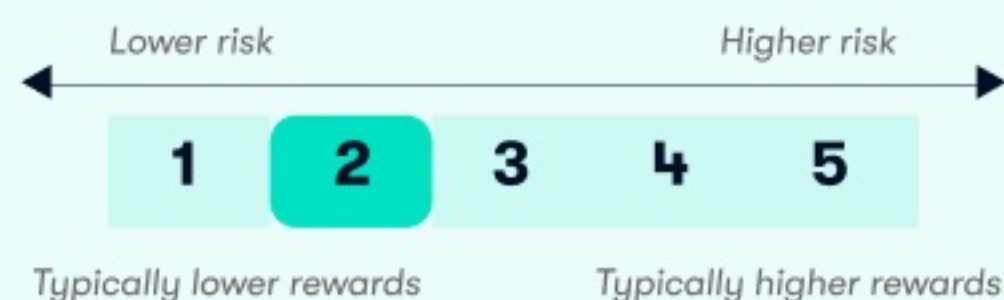
FEES	2025	2024	2023
Initial Fees	0.00%	0.00%	0.00%
Annual Management Fees	1.50%	1.50%	1.50%

Performance

FUND PRICES	2025	2024	2023
Lowest	181.60	165.83	151.45
Highest	201.04	181.56	165.79

Book Value UGX '000:	XUBF	Average Yield
UGX 76,761,869 Dec 2025	2022	15.48%
	2023	15.54%
	2024	15.98%
	2025	16.52%

License Category of Fund	The Fund is licensed as a securities fund within the meaning of the Collective Investment Schemes Act 2003.
Investment Objective	The investment objective of the Fund is to provide investors with a high level of income while preserving their capital. The Fund does not invest in equities.
Investment Policy	The Fund Manager achieves the Fund's investment objective by investing across a range of high-quality medium to long-term government and corporate debt. The returns depend on the levels and movements in the medium to long-term interest rates.
Type of Units	The Fund has accumulation units within the meaning of the Collective Investment Schemes Act 2003.
Total Value of the Fund	As at 31 December 2025, the total book value of the Fund is UGX 76.761 million (2024: UGX 60,866 million).
Auditor	The Fund's auditor, PricewaterhouseCoopers Certified Public Accountants, continues in office in accordance with section 88 of the Collective Investment Schemes (Unit Trusts) Regulations 2003.
Risk Profile	The Fund is a low risk fund and it has no exposure to equities. It is suitable for moderately conservative investors who have a medium to long term investment horizon but seek interest income and can tolerate significant interest rate risk.



Income Distribution

The profit realized by the Fund for the year ended 31 December 2025 is UGX 8,641 million (2023: UGX 6,101 million). The profit has been distributed to the unitholders by automatically crediting the capital through reinvesting the profit back into the Fund.

	UGX '000	UGX '000
STATEMENT OF COMPREHENSIVE INCOME	2025	2024
Total Revenue	10,421,199	7,662,327
Total Expenses	(1,779,576)	(1,560,555)
Total comprehensive income for the year	8,641,623	6,101,772
STATEMENT OF FINANCIAL POSITION	2025	2024
Assets		
Investments	73,260,427	59,730,019
Other Assets	3,651,906	1,184,560
Total Assets	76,912,333	60,914,579
Equity and Liabilities		
Unit holders balances	76,761,869	60,866,069
Current Liabilities	150,464	48,510
Total equity and liabilities	76,912,333	60,914,579

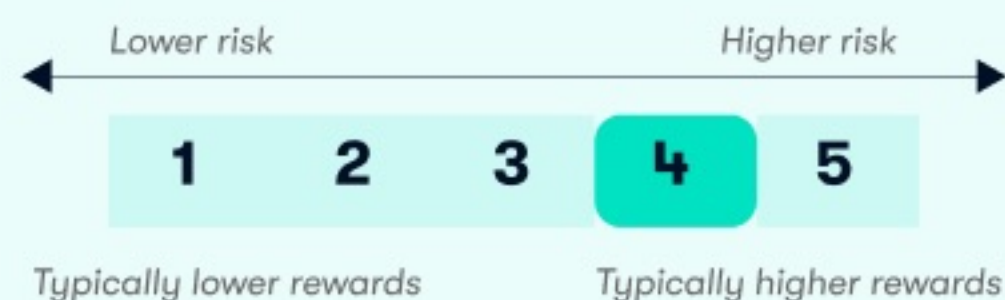
FEES	2025	2024	2023
Initial Fees	0.00%	0.00%	0.00%
Annual Management Fees	2.0%	2.0%	2.0%

Performance

FUND PRICES	2025	2024	2023
Lowest	238.81	211.23	187.62
Highest	270.22	238.73	211.17

Book Value UGX '000:	XUDEF	Annual Return
UGX 1,459,569 Dec 2025	2022	0.86%
	2023	17.40%
	2024	46.34%
	2025	34.58%

License Category of Fund	The Fund is licensed as a securities fund within the meaning of the Collective Investment Schemes Act 2003.
Investment Objective	The investment objective of the XENO Uganda Domestic Equity Fund is to provide investors with medium to long term capital growth.
Investment Policy	The Manager achieves this by optimizing across a range of high-quality companies listed on the Uganda Securities Exchange while minimizing the investors' risk.
Type of Units	The Fund has accumulation units within the meaning of the Collective Investment Schemes Act 2003.
Total Value of the Fund	As at 31 December 2025, the fund was valued at UGX 1,459 million (2024: UGX 1,038 million).
Auditor	The Fund's auditor, PricewaterhouseCoopers Certified Public Accountants, continues in office in accordance with section 88 of the Collective Investment Schemes (Unit Trusts) Regulations 2003.
Risk Profile	The Fund is a medium risk fund with a biased allocation to domestic equities. The Fund's risk arises mainly from the movements in the prices of the underlying stocks held in the Fund's portfolio.



Income Distribution

The profit for the year ended 31 December 2025, UGX 317 million (2023: UGX 333 million) was distributed to the unitholders automatically by debiting the capital.

	UGX '000	UGX '000
STATEMENT OF COMPREHENSIVE INCOME	2025	2024
Total Revenue	383,051	373,116
Total Expenses	(65,485)	(40,268)
Total comprehensive income for the year	317,566	332,848
STATEMENT OF FINANCIAL POSITION	2025	2024
Assets		
Investments	1,455,510	1,242,497
Other Assets	208,024	32,920
Total Assets	1,663,534	1,275,417
Equity and Liabilities		
Unit holders balances	1,459,569	1,038,194
Current Liabilities	203,965	237,223
Total equity and liabilities	1,663,534	1,275,417

FEES	2025	2024	2023
Initial Fees	0.00%	0.00%	0.00%
Annual Management Fees	2.0%	2.0%	2.0%

Performance

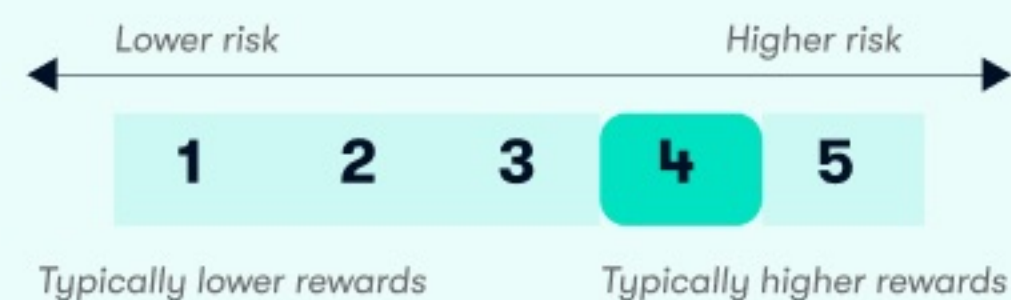
FUND PRICES	2025	2024	2023
Lowest	185.70	126.80	106.76
Highest	251.60	185.68	129.20

XENO UGANDA REGIONAL EQUITIES FUND

31st December 2025

Book Value UGX '000:	XUREF	Annual Return
UGX 2,990,344 Dec 2025	2022	-7.76%
	2023	-37.78%
	2024	42.25%
	2025	45.34%

License Category of Fund	The Fund is licensed as a securities fund within the meaning of the Collective Investment Schemes Act 2003.
Investment Objective	The investment objective of the XENO Uganda Regional Equity Fund is to provide investors with medium to long term capital growth by actively investing in a portfolio that comprises a mix of transferable securities listed on approved securities exchanges in East Africa (excluding Uganda) and tactically allocating to cash or near cash deposits to manage liquidity.
Investment Policy	The Manager achieves the investment objective by investing across a range of value and growth companies listed on securities exchanges in Nairobi, Dar es Salaam, and Kigali.
Type of Units	The Fund has accumulation units within the meaning of the Collective Investment Schemes Act 2003.
Total Value of the Fund	As at 31 December 2025, the total book value of the Fund is UGX 2,990 million (2024: UGX 1,791 million).
Auditor	The Fund's auditor, PricewaterhouseCoopers Certified Public Accountants, continues in office in accordance with section 88 of the Collective Investment Schemes (Unit Trusts) Regulations 2003.
Risk Profile	The Fund is a high-risk fund with a biased allocation to regional equities. The Fund's risk arises mainly from the movements in the prices of the underlying stocks held in the Fund's portfolio and the movements in the exchange rates between the Uganda shilling and other East African currencies.



Income Distribution

The profit realized by the Fund for the year ended 31 December 2025 is UGX 836 million (2024: UGX 506 million). The profit has been distributed to the unitholders by automatically debiting the capital in the Fund.

	UGX '000	UGX '000
STATEMENT OF COMPREHENSIVE INCOME	2025	2024
Total Revenue	930,540	574,432
Total Expenses	(93,778)	(67,925)
Total comprehensive income for the year	836,762	506,507
STATEMENT OF FINANCIAL POSITION	2025	2024
Assets		
Investments	3,157,877	2,211,699
Other Assets	205,431	27,731
Total Assets	3,363,308	2,239,430
Equity and Liabilities		
Unit holders balances	2,990,344	1,791,147
Current Liabilities	372,964	448,283
Total equity and liabilities	3,363,308	2,239,430

FEES	2025	2024	2023
Initial Fees	0.00%	0.00%	0.00%
Annual Management Fees	2.0%	2.0%	2.0%

Performance

FUND PRICES	2025	2024	2023
Lowest	108.66	73.21	71.74
Highest	157.92	112.81	123.87