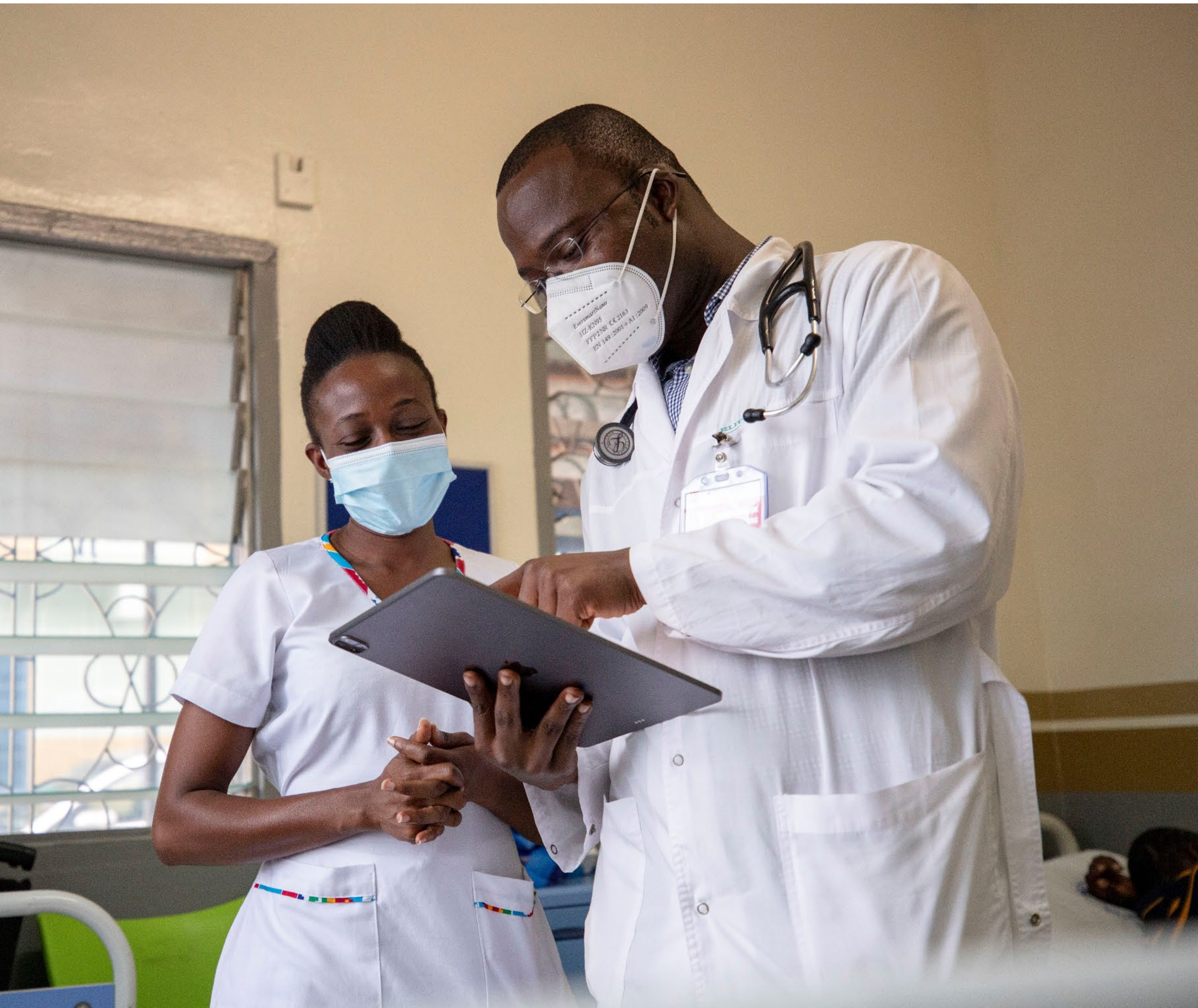
Stichting Medical Credit Fund

Annual Report 2025

31 August 2026 | Amsterdam



Stichting Medical Credit Fund
Annual Report 2025

Amsterdam, 31 August 2026

Managing Director Update

I am proud to present to you the Stichting Medical Credit Fund's (MCF) annual report and financial statements for 2025. Since inception, our mission has been to help small and medium-sized enterprises in the health sector in sub-Saharan Africa strengthen their businesses and improve the quality of care they provide to their communities. We do this with a small, but dedicated MCF team based in Dar es Salaam, Nairobi, Lagos, Accra and Amsterdam. During 2025, MCF managed two funds: MCF1 (integrated in Stichting MCF) and MCF2 (MCF II Cooperative U.A., a separate entity).

In 2025, the focus of Stichting Medical Credit Fund was on winding down the MCF1 portfolio with very few loans still outstanding.

MCF2 started lending in July 2021 and continued in 2025 with lending in Kenya, Tanzania, Uganda and Ghana. As in MCF1, we combine loans with Technical Assistance since we aim for improved quality care. In 2025, due to the high demand for especially working capital, MCF2 disbursed over 1,754 loans, a new record and 6% more than the previous record of 2024. The total loan amount disbursed was EUR 18 million (+2% compared to 2024), mostly in local currency loans. This brought the outstanding loan portfolio to over EUR 18 million, a growth of 50% in 2025.

The future is bright with a strong pipeline of loans and products to be launched in 2026. This will enable us to be much more effective and impactful in these markets.

It has been an exciting year. I would like to thank my fellow MCF colleagues and our partners for their passion and dedication to serving the African health sector.

Arjan Poels
Managing Director

Contents

1. Mobilizing Investments for Health

The Medical Credit Fund (MCF) is the first and only fund dedicated to increasing access to financing for small and medium sized companies in the health sector (health SMEs) in Africa. MCF combines loans with technical assistance (TA) that supports business and quality improvement, so that health SMEs can deliver better services to more customers.

Unique Approach

In sub-Saharan Africa's health systems, more than 50% of healthcare services are provided by the private sector. However, this sector is highly fragmented and most companies in the private health sector are small and medium-sized businesses. The health SMEs that serve lower income groups face intense challenges like sub-standard infrastructure and equipment, a scarcity of skilled medical staff and poor-quality services. Health SMEs have difficulty accessing capital to improve this situation because of their lack of banking history, limited collateral, and the perceived high risk of the sector.

To address this gap, MCF was founded in 2009 as the first and only fund dedicated to increasing access to financing for health SMEs in Africa. Since the beginning, MCF has had a unique approach combining loans with TA. The TA Program is aimed at reducing risk, improving quality, and enhancing the business performance of the health SMEs.

Together with PharmAccess and its local partners, MCF works to mobilize capital for health SMEs and increase their bankability. MCF seeks to achieve impact in three dimensions:

- **Financial**: Demonstrating that the private health sector is bankable and can provide a reasonable return to investors. As trust in the sector increases, local markets start financing health SMEs, and financing becomes more affordable.
- **Developmental**: A stronger and more efficient healthcare value chain will deliver better services to patients.
- **Social**: Better healthcare services will be available to more people, including those in urban slums and rural areas who are currently underserved.

Initially, MCF helped health SMEs access capital through financial partners. The partner program of MCF built on co-financing or guarantee arrangements with banks and non-bank financial institutions in order to provide the necessary comfort to the financial partner to lend to the health SME. In total, MCF worked with 17 financial partners across 6 countries, and disbursed 2,796 loans in cooperation with these financial partners.

From 2017 onwards, MCF transitioned to lending directly to its clients. Direct lending allowed MCF to be more flexible in collateral requirements and repayment schedules. MCF provided two types of direct loans: the more traditional term loans, through which MCF was able to cater to the demand for flexible loans by clients to finance working capital or invest in infrastructure and equipment, and digital loans. In some cases, MCF took the initial risk of directly financing a deal when banks were reluctant to. At a later stage, financial partners would come in and refinance the MCF loan.

The development of digital loan products is an example of how MCF has implemented an unconventional approach to provide innovative, flexible solutions for health SMEs. Based on M-Pesa revenues, the product requires no collateral, allows for a flexible repayment based on actual revenues, and can be deployed quickly to finance working capital and small equipment purchases. It is especially suited for small healthcare companies as well as female entrepreneurs, who often have limited collateral. It allows MCF to reach small and more remote health SMEs that serve lower income groups and need small loans in a cost-efficient way.

Technical Assistance

Offering TA to health SMEs has been an intrinsic part of the Medical Credit Fund's approach since its inception. The TA Program is aimed at reducing risk, improving quality, and enhancing the business performance of the health SMEs.

TA helps the Fund evaluate clinical and financial risks, and to identify requirements for quality improvement before a loan is approved. After a loan has been disbursed, borrowers are supported in their quality and business improvement processes. To support MCF borrowers in their quality improvement, MCF works together with PharmAccess. PharmAccess has, in collaboration with JCI (USA) and COHSASA (South Africa), developed the internationally recognized 'SafeCare methodology' with quality standards that can be used to measure and improve quality at healthcare facilities. The SafeCare quality improvement plan identifies priorities for improvement in healthcare facilities.

MCF is also dedicated to building local capacity and expertise in healthcare management by working with in-country partners to deliver technical assistance. Business training programs have been set up with renowned local education institutes: the Strathmore Business School in Kenya and the Enterprise Development Center of the Pan-Atlantic University in Nigeria. The programs have had more than 300 participants in executive and foundation courses.

Blended Capital Structure

As a blended fund, MCF was financed through a mix of grants and debt from public and private parties. By using public funds to catalyze funding from private sources, MCF has been able to significantly increase its impact. The Fund's capital base of first loss was funded by grants from public and private parties and served as a risk cushion for investors, comprising a mix of private investors and semi-public development finance institutions.

Between 2016 and 2018, MCF raised capital to expand its mandate in response to the market demand for more flexible financing solutions. This has brought the total capital available for lending to more than USD 47.1 million including the first-loss capital which was expanded to USD 5.6m. Investors in this second round were the US Development Finance Corporation, International Finance Corporation, Commonwealth Development Corporation (now British International Investment), Agence Française de Développement, European Investment Bank, Calvert Foundation, Pfizer Foundation, UK Department for International Development, and a number of private investors. All lenders have been repaid.

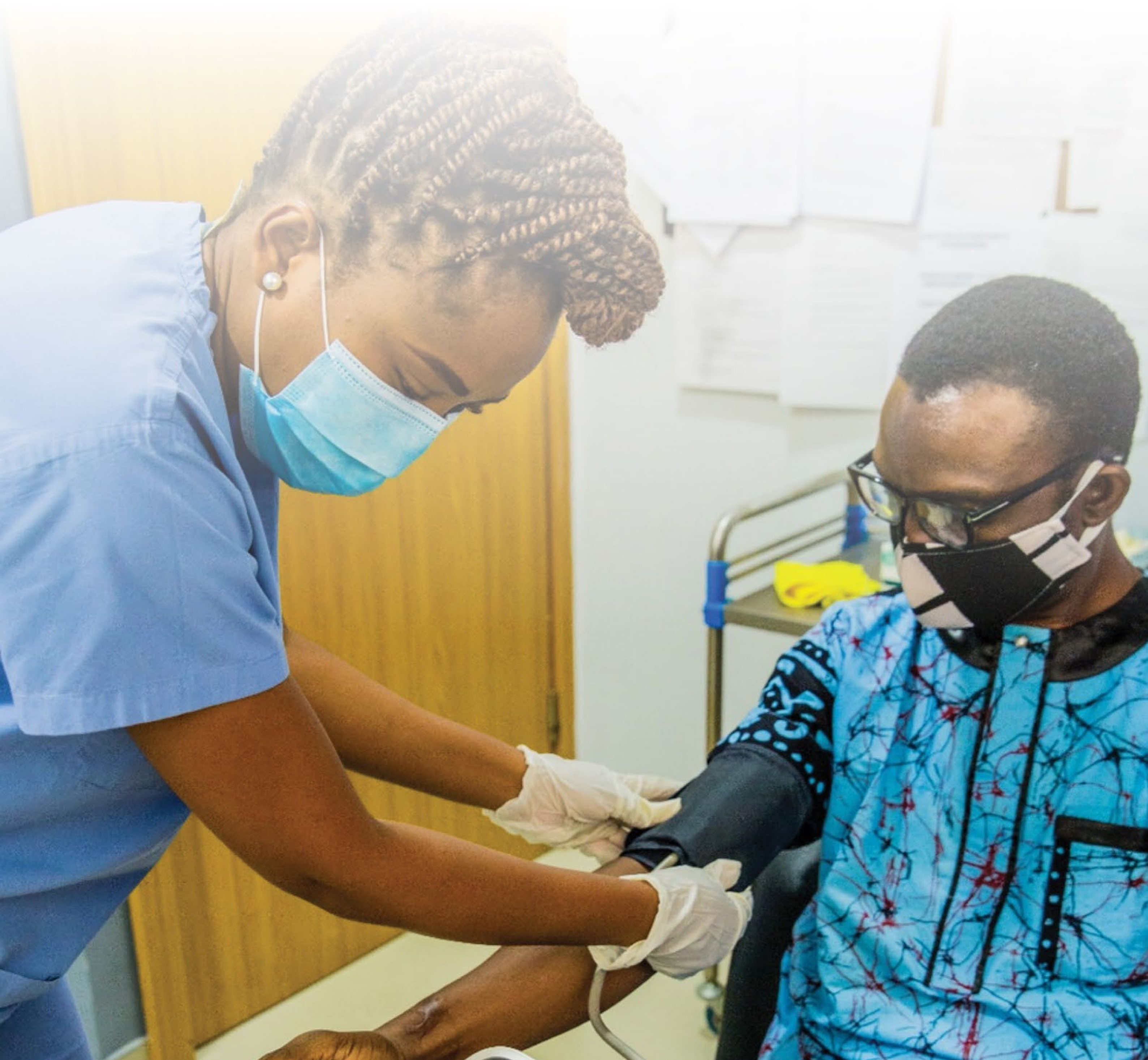
Results & Impact

Since its inception in 2009, MCF 1 has disbursed 6,505 loans totaling an amount of USD 138.5 million. Loan amounts varied from small loans under USD 15,000 to large loans up to USD 2.5 million. Out of the total number of loans, almost 1,100 were disbursed to female health entrepreneurs. MCF clients used their loans for various types of investment: 47% of the loans were used to purchase medical equipment and 36% were used to invest in construction and renovations. The remaining loans were mostly used for working capital. In total, 1,878 health SMEs were reached.

Through its beneficiaries, MCF has had a growing patient reach, starting with 65,000 patient visits in a year in 2011 to over 5 million in 2019. Although a small decrease can be seen in 2020 and 2021 due to the COVID-19 pandemic, respectively 4.3 and 4.6 million patient visits took place thanks to MCF's continuous support throughout the pandemic. 55% of the patients visiting MCF clients were from low to very low-income groups.

MCF is strongly committed to supporting women in their investments as a way to promote women's economic empowerment. MCF has been recognized as a '2X investment' under the 2X Challenge, which aims to advance opportunities for women through enterprise support, leadership and career progression, quality employment, and products/services that enhance women's economic participation. MCF's own staff consists of 50% women, and 17% of the MCF1 loans were disbursed to female health entrepreneurs. The majority of MCF clients are "gender-smart" businesses – providing services that specifically benefit women. The majority of clinics are involved in mother and childcare, while 51% of the patients were women and 19% were children.

In the past year, MCF1 has not disbursed any loans to new customers. Currently, two loans with a total value of USD 155,140 are still outstanding.



MCF1 Impact

6,505
Loans disbursed of which **3,656** digital loans

96%
Loan repayment performance

138.5M
USD Disbursed

1,878
Health SMEs reached

1,086
Loans to female health entrepreneurs

17
Financial partners across 6 countries

2,628
Financial partner staff trained

3,618
Business assessments

5M
Patient visits per year of which **55%** from (very) low income settings

85%
Health SMEs improved in quality

2. Financial Overview: Income, Expenditure and Funding Positions

Loan Portfolio

MCF1 is in the process of winding down its loan portfolio as it transitions into a pure fund manager for MCF2. As of year-end, only two loans remain outstanding, with a net portfolio value of USD 155,140.

The Fund maintains a strong liquidity position, supported by ongoing loan and interest recoveries which continue to replenish cash balances. As of 31 December 2025, the Fund held USD 4.2 million in cash. All lenders have been fully repaid, with the final repayment to BII completed in January 2025. As a result, MCF is no longer subject to lender covenants.

Expenditure

During 2025, core expenditure required to manage the Fund amounted to USD 2.8 million, representing a slight decrease compared to USD 3.03 million in 2024.

Grant Utilization

At the end of 2025, MCF had utilized a total of USD 2.4 million in grant funding (2024: USD 2.6 million).

Debt Position

MCF has fully repaid all its lenders, with the final repayment to British Investment International (BII) completed in January 2025.

2025 USD	Off Balance Sheet (A)	Deferred Income (B)	Grant Position (A+B)
TA	51,064	-	51,064
Management Costs	527,818	(281,568)	246,250
First Loss		774,080	774,080
TOTAL	**578,882**	**492,512**	**1,071,394**

3. Medical Credit Fund II Coöperatief U.A.

In 2020, MCF started preparations for its further growth and launched a second fund, again in a blended structure. This new fund, MCF2, was launched in July 2021 as a Cooperative registered in the Netherlands and had its first close of USD 32.5 million completed in December. Since then, MCF loans are disbursed using MCF2 funds, while the Stichting MCF portfolio is winding down as loans are being repaid. The Dutch government, the Dutch Entrepreneurial Development Bank FMO, British International Investment (BII), Sweden's Development Finance Institution Swedfund and Philips were the first investors to commit.

As the Fund Manager of MCF2, Stichting Medical Credit Fund will continue to stimulate the provision of access to affordable capital to health SMEs across sub-Saharan Africa to improve the quality of the services they provide and strengthen healthcare system across the continent. Since its launch in July 2021, MCF2 has disbursed more than 6,900 loans with a value of EUR 75 million. More than 98% of these loans are digital loans, which will continue to be a strategic priority for MCF moving forward.

Governance

MCF2 falls under the wider governance structure of the PharmAccess Group Foundation (PGF), being the statutory director of Stichting Health Insurance Fund and Stichting Medical Credit Fund, the Members who hold a 99% and 1% interest in MCF2 respectively.

The key features of the governance structure are:

- **Management:** Stichting Medical Credit Fund is the executive Director and Fund Manager of MCFII who has delegated the management of MCF2 to the MCF Management Board. The MCF Management Board is based in Amsterdam and consists of the MCF Managing Director, Finance Director and Investment Director.
- **Supervision:** All entities with the PGF group are supervised by one Supervisory Board. Two members of the Supervisory board have MCF2 as a special responsibility and interest area.

Stichting Medical Credit Fund as the Fund Manager is responsible for the executive day-to-day management and all operations of MCF2 across all countries and jurisdictions for which it is paid a fund management fee. Stichting Medical Credit Fund provides all necessary staff as well as the responsibility for the implementation of the TA activities. In addition, PGF's institutional infrastructure in the areas of human resources, administration, systems, IT support, resource mobilization, marketing and communication has been placed at the disposal of MCF2. MCF2 can therefore fully utilize and reap the benefits of PGF's unique organizational and health sector related assets such as market intelligence, program management skills, quality standard frameworks and investment and support capacities.

Challenges 2025 and Outlook 2026

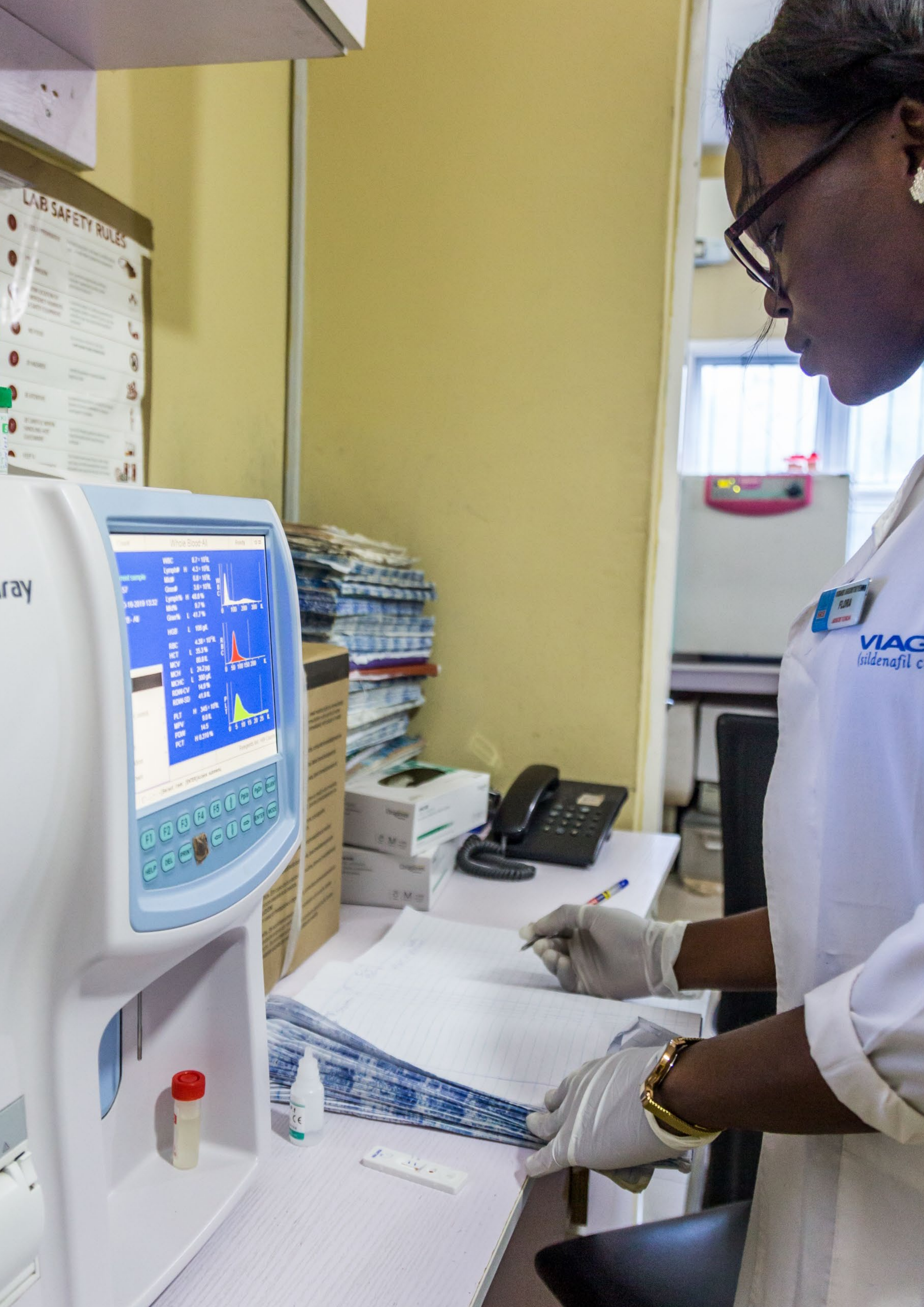
For MCF1, we expect the final 2 loans in our portfolio to wind down.

For MCF2; in 2025, we successfully grew the MCF2 portfolio, maintaining lending activities across Ghana, Kenya, Tanzania, and Uganda, largely driven by the increasing demand for working capital in Kenya and capital investments in Uganda and Ghana.

In 2025, we disbursed 1,754 loans, of which 1,709 were MCF digital loans – primarily in Kenya. To broaden the reach of this product, we have introduced a similar product in Tanzania, a project supported by the Gates Foundation and in partnership with Vodacom. The product has a particular focus on advancing women's financial inclusion.

Looking ahead, MCF remains committed to strengthening its support for female health entrepreneurs and enhancing the quality of care our clients deliver. This includes providing TA to at least 80% of our clients, ensuring support extends beyond financing.

More detailed information on MCF2 is available in the MCF2 Annual Report.


LAB SAFETY RULES

Signing by:

Signed on the original: N. Spieker

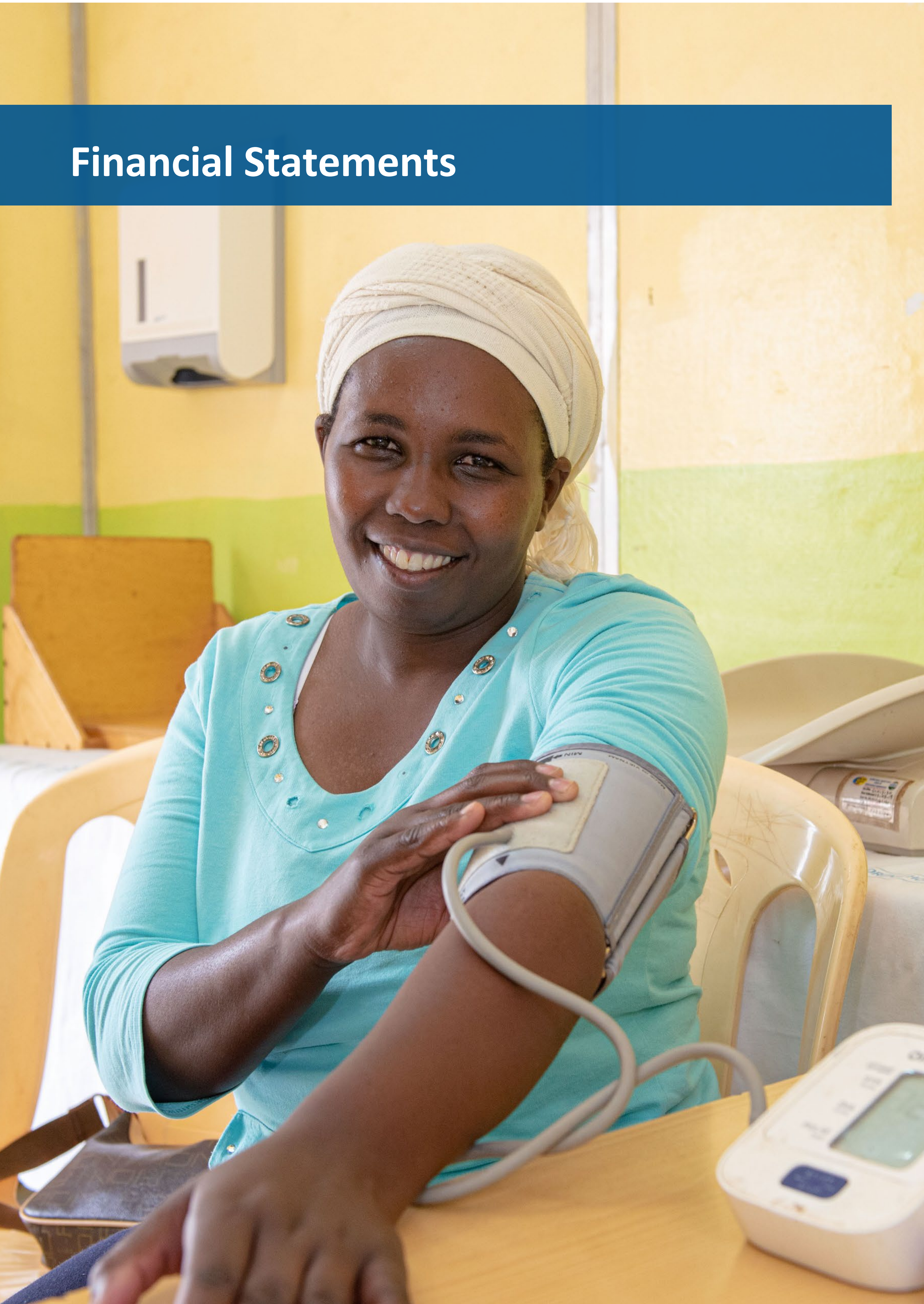
On behalf of Stichting PharmAccess Group Foundation

Signed on the original: A.W. Poels

Director of Stichting Medical Credit Fund and on behalf of Stichting PharmAccess Group Foundation

Amsterdam, The Netherlands, 31 August 2026

Financial Statements



STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 AFTER APPROPRIATION OF THE RESULT

USD	Note	31.12.25	31.12.24
ASSETS			
Non-current assets			
Non-Current Portion of Loan Portfolio	1	48,711	34,157
Deposits non-current	3	19,240	19,238
Property, Plant, Equipment		2,040	3,481
Investment	4	90,556	90,556
Total non-current assets		**160,547**	**147,432**
Current assets			
Current Portion of Loan Portfolio	1	106,429	1,374,099
Other receivables, prepayments and accrued income	5	581,399	408,659
Cash and cash equivalents	6	4,166,164	3,067,129
Total current assets		**4,853,993**	**4,849,887**
TOTAL ASSETS		**5,014,540**	**4,997,318**
CAPITAL AND LIABILITIES			
Total Equity	7	**3,596,913**	**1,162,582**
Current liabilities			
Short-term debt	8	-	2,650,000
Trade creditors		48,383	355,109
Deferred Income Payable	9	492,511	455,965
Taxes and social security contributions		28,166	20,188
Other current liabilities and accruals	10	848,567	353,470
Total current liabilities		**1,417,627**	**3,834,732**
TOTAL EQUITY AND LIABILITIES		**5,014,540**	**4,997,318**

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

USD	Note	2025	2024
Interest income on loan portfolio	11	134,123	127,965
Interest on deposits		9,411	65,429
Interest costs	12	(6,541)	(197,528)
Net interest income		**136,992**	**(4,134)**
Fee Income on Loan portfolio		-	30,995
Guarantee fee Partner Bank		662	4,505
Fund management fee		711,564	546,114
Net fee and commissions income	13	**712,226**	**581,614**
Other portfolio operating income	14	1,898,844	609,964
Guarantee claims Income		-	228,989
Total income		**2,748,062**	**1,416,433**
Impairment of funded loan portfolio	15.1	65,357	(561,877)
Impairment of guarantees	15.2	-	(5,261)
Other loan portfolio costs		(33,116)	25,046)
Salaries and wages	16	(2,114,354)	(1,991,996)
Project costs - Technical Assistance	17	-	(135,344)
Other operating expenses	18.1	(654,362)	(906,593)
Realization of other grants	19	2,422,740	2,579,703
Total expenses		**(313,735)**	**(1,046,413)**
Results before taxation		**2,434,327**	**372,092**
Income tax expense		-	-
Net results after taxation		**2,434,327**	**372,092**
Total other Comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME		**2,434,327**	**372,092**

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

USD	Note	Retained earnings
Balance as at 31 December 2024	6	**1,162,586**
Allocation of result to retained earnings		2,434,327
Balance as at 31 December 2025	6	**3,596,913**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

USD	Note	2025	2024
Cash flows from operating activities			
Net result after taxation		2,434,327	372,092
Adjustments for:			
Depreciation		1,441	1,440
Changes in impairment loss		(177,630)	561,877
Change in accrued interest income		-	(35,474)
Change in accrued interest expense		-	(45,979)
Other non-cash movement		-	-
Movements in working capital:			
(Increase)/decrease in Loan portfolio		1,430,746	706,776
(Increase)/decrease in Other receivables and prepayments		(172,740)	884,276
Increase/(decrease) in Other current liabilities		232,895	(354,043)
Net cash generated by (used in) operating activities		**3,749,039**	**2,235,009**
Cash flows from financing activities			
Borrowings Repaid		(2,650,000)	(4,851,832)
Net cash generated by (used in) financing activities		**(2,650,000)**	**(4,851,832)**
Cash flows from financing activities			
Net cash generated by (used in) investing activities		-	-
Net increase / (decrease) in cash and cash equivalents		**1,195,830**	**(2,616,823)**
Changes in FX on cash balances		(96,745)	(144,044)
Cash and cash equivalents as at January 1		3,067,129	5,827,995
Cash and cash equivalents as at December 31		**4,166,164**	**3,067,129**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

General information

Foundation

"Stichting Medical Credit Fund", with its registered address at AHTC, Tower C4, Paasheuvelweg 25, 1105 BP Amsterdam, the Netherlands, hereinafter "MCF" or "the Fund", was founded on 13 July 2009 as a Stichting (not-for-profit organization) in accordance with Dutch law. MCF has a subsidiary, Stichting MCF Kenya Limited, which has not been consolidated in these financial statements as it holds no assets and liabilities.

Objectives

MCF was established in 2009 as the first fund in the world to provide a financing mechanism to private health care providers, such as clinics, hospitals, laboratories and pharmacies, in Africa.

The Fund aims to reduce the unknown risks of investing in primary healthcare, leading to increased transparency and trust so that the lower end of the health market becomes financeable and scalable. The Fund offers loans directly or through local financial institutions to private primary healthcare providers serving low-income MCFs, combined with internationally certified clinical and business performance programs. The loans and Technical Assistance (TA) will be used to improve the quality of the health clinics, which will lead to expanded and improved healthcare services for more people.

Since August 2021, all lending under the MCF lending program transitioned to Medical Credit Fund II Coöperatief (MCF II), established in the Netherlands as the follow-up fund. Stichting Medical Credit Fund has been appointed as the Fund Manager of MCF II and holds a 1% participating interest in the new Fund. Given this transition, the balance sheet of Stichting Medical Credit Fund is gradually declining over time as the outstanding loan portfolio is repaid, and the external debt is repaid.

Summary of significant accounting principles

General

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

Basis of presentation

These financial statements are prepared in accordance with IFRS as adopted by the EU.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying MCF’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the summary of significant accounting policies.

Application of new and revised IFRS Accounting Standards

MCF applied all new and amended standards and interpretations issued by the IASB and adopted by the European Union that are effective for annual periods beginning on or after 1 January 2025.

Effect of new or amended financial reporting standards

The Effects of Changes in Foreign Exchange Rates (Amendment - Lack of Exchangeability): The amendment provides guidance on determining the exchange rate when a currency is not exchangeable and introduces additional disclosure requirements. MCF assessed the impact of this amendment and concluded that it does not have a material impact, as MCF does not operate in environments where currencies are not exchangeable.

New Standards, Amendments, and Interpretations Not Yet Adopted

The following new and amended standards and interpretations have been issued by the International Accounting Standards Board (IASB) but are not yet effective for the current reporting period.

MCF is in the process of assessing full impact of these standards, however, the impact is not expected to be material.

1. Effective for annual periods beginning on or after January 1, 2026

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

Description: This amendment clarifies the accounting treatment for the derecognition of financial liabilities settled via electronic payment systems and establishes new criteria for evaluating financial assets with sustainability-linked features.

Contracts Referencing Nature-Dependent Electricity (Amendments to IFRS 9 and IFRS 7)

Description: This amendment provides specific guidance on how to account for virtual power purchase agreements (VPPAs) and contracts for electricity whose pricing is directly determined by nature-dependent conditions like wind or solar volume.

Annual Improvements to IFRS Accounting Standards – Volume 11 (Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7)

Description: This collection consists of minor, narrow-scope adjustments and clarifications to clear up inconsistencies and wording ambiguities across multiple existing standards.

2. Effective for annual periods beginning on or after January 1, 2027

IFRS 18: Presentation and Disclosure in Financial Statements

Description: This standard completely replaces IAS 1 to introduce a standardized structure for the income statement—categorizing income and expenses into operating, investing, and financing buckets—while establishing strict disclosure requirements for management-defined performance measures (MPMs).

IFRS 19: Subsidiaries without Public Accountability — Disclosures

Description: This standard allows eligible subsidiaries that do not have public market accountability to apply full IFRS recognition and measurement principles while utilizing significantly scaled-back disclosure requirements.

Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)

Description: This amendment standardizes how a parent company translates financial results from a non-hyperinflationary currency into a hyperinflationary presentation currency.

Amendments to IAS 28: Investments in Associates and Joint Ventures

Description: This amendment updates the disclosure and presentation requirements for equity-accounted investments to remain perfectly aligned with the new categories mandated by IFRS 18.

3. Effective for annual periods beginning on or after January 1, 2029

IFRS 20: Regulatory Assets and Regulatory Liabilities

Description: This standard replaces the interim framework of IFRS 14, requiring rate-regulated entities (such as public utilities) to formally recognize the financial assets and liabilities created when a regulator determines the timing and prices they can charge customers

Foreign currencies

The financial statements have been drawn up in US dollars, which is the presentation currency for the financial statements. The functional currency is Euro. Assets and liabilities denominated in foreign currencies are translated at the official rates of exchange prevailing on the statement of financial position date. Income and expenditure denominated in foreign currencies are converted at the rates of exchange prevailing on the transaction date.

Exchange rate differences due to exchange rate fluctuations between the transaction date and the settlement date or statement of financial position date are taken to the statement of comprehensive income.

The exchange rates used are as follows:

	2025	2024
TZS/USD closing rate	2,458.19	2,424.25
TZS/USD average rate	2,552.84	2,618.45
KES/USD closing rate	128.11	128.19
KES/USD average rate	128.42	135.40
GHS/USD closing rate	10.75	14.69
GHS/USD average rate	12.72	14.36
NGN/USD closing rate	1,449.66	1,546.80
NGN/USD average rate	1,520.41	1,451.40
UGX/USD closing rate	3,597.19	3,645.81
UGX/USD average rate	3,589.13	3,747.51
EUR/USD closing rate	0.85	0.96
EUR/USD average rate	0.89	0.92

Critical accounting judgments and key sources of estimation

In the process of applying MCF's accounting policies, management has exercised judgment and estimates in determining the amounts recognized in the financial statements. The most significant uses of judgment and estimates are as follows:

Management has considered the consequences of all events and conditions and has determined that they do not create a material uncertainty that casts significant doubt upon the Fund's ability to continue as a going concern. All lenders have been fully repaid, and MCF is no longer bound by any lender covenants. This alleviates any concerns related to the Fund’s compliance with these covenants, allowing management the flexibility to proceed with the Fund’s operations.

The Fund continues to have support from HIF grants, which assist in covering its operating expenditure. This ongoing grant support provides the Fund with the necessary liquidity to meet its operational needs.

Therefore, based on this, MCF’s management has assessed the Fund’s ability to continue as a going concern and remains confident that it has the necessary resources to continue in business. As a result, the financial statements have been prepared on a going concern basis.

Expect Credit Loss (ECL) Provisioning

MCF I has recognized loss allowances based on the Expected Credit Loss (ECL) model in accordance

with IFRS 9. ECLs are estimated by combining Probability of Default (PD) and Loss Given Default (LGD) into a composite loan loss rate. These parameters are informed by statistical techniques, and management judgement.
For Stage 3 loans, impairments were assessed individually based on specific borrower circumstances, to determine an appropriate ECL.

In addition, MCF I reviews its individually significant loans and advances at each reporting date to assess whether an impairment loss should be recorded in the statement of comprehensive income. Judgment by management is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. In estimating these cash flows, MCF I makes judgments about the credit quality, levels of arrears and borrower's financial situation.

Estimates of expected credit losses in the IFRS 9 model are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowance.

Financial instruments

All recognized financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

- debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortized cost;
- debt investments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at fair value through other comprehensive income (FVTOCI);
- all other debt investments and equity investments are subsequently measured at fair value through profit or loss (FVTPL).

All of MCF's financial assets have been classified as debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are subsequently measured at amortized cost. Debt instruments that are subsequently measured at amortized cost are subject to impairment.

MCF has not designated any debt investments that meet the amortized cost or FVTOCI criteria as measured at FVTPL.

Financial assets and financial liabilities are recognized when a MCF entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding amount.

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding amount.

By default, all other financial assets are subsequently measured at FVTPL.

Amortized cost and effective interest method

An effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost are measured at FVTPL. Specifically:

Debt instruments that do not meet the amortized cost criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. MCF has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item.

Impairment of financial assets
MCF recognizes a loss allowance for expected credit losses on debt instruments that are measured at amortized cost as well as on loan commitments and financial guarantee contracts. Expected credit losses are estimated by combining Probability of Default (PD) and Loss Given Default (LGD) into a composite loan loss rate. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

MCF recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, MCF measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

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

In particular, the following information is considered when assessing whether credit risk has increased significantly since initial recognition:

- The client requested a payment holiday or indicated they are likely not able to repay their loans under the current terms and conditions;
- Concessions are granted to borrowers (refinancing or restructuring of the loan, or modifying the terms and conditions including the interest rate or maturity);
- Indication of worse financial performance based on communication with the client;
- Even if the client is not past due at the moment, they were past due more than 30 days in the last 3 months of the financial year;
- The client stopped communicating;
- Initiation of insolvency proceedings of the client.

Irrespective of the outcome of the above assessment, MCF presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless MCF has reasonable and supportable information that demonstrates otherwise.

MCF regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default
MCF considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including MCF, in full (without taking into account any collaterals held by MCF).

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

Measurement and recognition of ECL
The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date less any credit guarantees received.

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

MCF's current credit risk grading framework comprises the following categories:

Category	**Description**	**Basis for recognizing expected credit losses**
Stage 1 - Performing	Financial assets that have not had a significant increase in credit risk since initial recognition.	12-month ECL
Stage 2 – Significant increase in credit risk	Financial assets showing a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
Stage 3 - In default	Financial assets that are credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and MCF has no realistic prospect of recovery.	Amount is written off

Derecognition of financial assets
MCF derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If MCF neither transfers nor retains substantially all the risks and

rewards of ownership and continues to control the transferred asset, MCF recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If MCF retains substantially all the risks and rewards of ownership of a transferred financial asset, MCF continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which MCF has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

Financial liabilities and equity instruments

Classification as debt or equity

Debt instruments issued by MCF are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are not issued by MCF.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a group entity are initially measured at their fair values and, if not designated as at FVTPL and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9; and
- the amount initially recognized less, where appropriate, cumulative amount of income recognized in accordance with the revenue recognition policies.

On 31 December 2025, MCF had no financial guarantee contract outstanding.

Derecognition of financial liabilities

MCF derecognizes financial liabilities when, and only when, MCF’s obligations are discharged, cancelled or when they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Derivative financial instruments

MCF is allowed into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. At 31 December 2025 MCF has no remaining open derivative contracts.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. However, MCF does not apply hedge accounting.

Investments in associates

An associate is an entity over which MCF has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Under the equity method, an investment in an associate or a joint venture is recognized initially at cost and adjusted thereafter to recognize MCF's share of the profit or loss and other comprehensive income of the associate.

Cash and cash equivalents

For the preparation of the statement of cash flows, cash and cash equivalents comprise of cash on hand, non-restricted current accounts with banks and amounts due from banks on demand.

Deferred income

Deferred income consists of payments and receivables from donors (grants) related to projects to be carried out and subsequently decreased by the realized income of these projects.

From the date of signing the grant agreement, the grant is disclosed in the off-balance sheet of financial position items. The grant agreement then has the status of 'Contracted'.

Grants are not recognized until there is reasonable assurance that MCF will comply with the conditions attached to the grants, and the grants will be received. Then, the grant status is 'Received' and recognized as Deferred Income.

Grants are recognized in the statement of comprehensive income on a systematic basis over the periods in which MCF recognizes as expenses the related costs for which the grants are intended. The deferred income is then transferred to Income Projects in the statement of comprehensive income; the Grant status is then 'Realized'.

Statement of comprehensive income

Income and expenditure are recognized as they are earned or incurred and are recorded in the financial statements of the period to which they relate.

Interest income and expense

Interest income and expense are recognized using the Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

Fee Income

MCF earns fees on some loan products that are accounted as follows:
Income such as loan origination fees that are payable upfront and form an integral part of the EIR of a loan are subsequently amortized over the life of the loans they relate to in terms of IFRS 9. Non-refundable upfront fees such as loan application or due diligence fees will be recognized as revenue when the performance obligation is satisfied in terms of IFRS 15. Consultancy or other fees for technical assistance are recognized as revenue over time as the performance obligations are fulfilled.

Management fees banks

Management fees banks relate to fees payable to banks for services related to the outstanding loan portfolio. Management fees are payable up front and subsequently amortized over the life of the loans they relate to as part of the effective interest rate.

Pension costs

The pension agreement qualifies as a defined contribution and hence the contribution has directly been expensed through the statement of comprehensive income.

Income projects

Income projects are recognized by reference to stage of progress of the projects and eligible project costs for which grants are received or receivable. The project costs are recognized as they occur; subsequently the Deferred Income is transferred into Income Projects as realized grants.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

1. *Loan portfolio*

1.1 Loan portfolio and guarantee agreements

In 2021, the MCF lending program transitioned from Stichting Medical Credit Fund to MCF2, with the final new loan being issued on 23rd July 2021. In May 2021, MCF2 was incorporated in the Netherlands as a Cooperative, being the successor fund to Stichting Medical Credit Fund. As a result, the loan portfolio outstanding has declined from the prior year as loans are repaid and written off. The table below summarizes MCF's Loan Portfolio at 31 December 2025. The amounts for the Loan Portfolio presented are further specified in the tables which follow.

	Funded Loan Portfolio	Guaranteed Portfolio	Funded Loan Portfolio	Guaranteed Portfolio
USD	**31.12.25**	**31.12.25**	**31.12.24**	**31.12.24**
Total outstanding loans to Clinics	-		176,875	-
Total outstanding loans Funded Banks	620,560		2,158,924	29,418
LOAN PORTFOLIO MCF BEFORE IMPAIRMENTS	**620,560**		**2,335,800**	
Loan Portfolio MCF – non-current portion	194,843		641,823	
Loan Portfolio MCF – current portion	425,717		1,693,976	
Impairments – non-current portion	(146,132)		(607,666)	

Impairments – current portion	(319,288)	(319,876)
LOAN PORTFOLIO MCF AS PER STATEMENT OF FINANCIAL POSITION	**155,140**	**1,408,257**
Loan Portfolio MCF – non-current portion	48,711	34,157
Loan Portfolio MCF – current portion	106,429	1,374,099

Outstanding Loans Underwritten MCF

This represents all loans that are contractually funded by MCF. The total outstanding loans to clinics are the outstanding loans actually funded by MCF and Partner Banks, combined.

Loan Portfolio MCF

The Loan Portfolio of MCF is defined as the sum of all cash transactions between MCF and the partner banks. Exposure to the loan portfolio is only increased (diminished) when backed by an effectuated cash transfer from MCF to its partner bank (and vice versa). The reclassification represents the difference between the contractual obligation of both parties on payments to be made on the outstanding principal and the actual effectuated cash transfers.

1.2 Loan portfolio as per statement of financial position

The tables below show the roll forward of the Loan Portfolio outstanding as per statement of financial position, before taking into account loan loss provisioning.

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Total Loans:						
Balance as at 1 January 2024	(1,940)	2,512,964	817,404	694,767	436,861	4,460,057
Correction	4,738	(123,410)	10,815	(661)	(560)	(109,078)
Loans disbursed	-	-	-	-	-	-
Instalments received	-	(257,227)	(189,504)	(257,042)	(200,000)	(903,773)
Loans written off	(2,677)	(632,326)	(501,304)	(69,380)	(236,783)	(1,442,470)
Exchange rate result	(121)	590,438	(137,410)	(122,325)	482	331,064
BALANCE AS AT 31 DECEMBER 2024	**(0)**	**2,090,440**	-	**245,360**	**(0)**	**2,335,800**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Total Loans:						
Balance as at 1 January 2025	(0)	2,090,440	-	245,360	(0)	2,335,800
Transfer to guarantee receivable	-	(199,573)	-	-	-	(199,573)
Loans disbursed	-	-	-	-	-	-
Instalments received	-	(873,352)	-	(245,360)	-	(1,118,711)
Loans written off/ adjustment	-	(398,211)	-	-	-	(398,211)
Exchange rate result	-	1,256	-	-	-	1,256
OUTSTANDING AS AT 31 DECEMBER 2025	**(0)**	**620,560**	**-**	**(0)**	**(0)**	**620,560**

The tables below show the split of the Loan Portfolio into current and non-current portions, before taking into account loan loss provisioning:

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Loan Portfolio before impairments 2024						
Non-current portion	-	607,666	-	34,157	-	641,823
Current portion	-	1,482,774	-	211,202	-	1,693,976
BALANCE AS AT 31 DECEMBER 2024	**-**	**2,090,440**	**-**	**245,359**	**-**	**2,335,799**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Loan Portfolio before impairments 2025						
Non-current portion	-	194,843	-	-	-	194,843
Current portion	-	425,717	-	-	-	425,717
BALANCE AS AT 31 DECEMBER 2025	**-**	**620,560**	**-**	**-**	**-**	**620,560**

1.3 Loan portfolio including impairments as per statement of financial position

The tables below show the split of the Loan Portfolio into current and non-current portions, after taking into account loan loss provisioning:

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Current Portion of Loan Portfolio on statement of financial position after impairments 2024						
Loan portfolio current portion	-	1,482,774	-	211,202	-	1,693,976
Impairments	-	(319,876)	-	-	-	(319,876)
BALANCE AS AT 31 DECEMBER 2024	**-**	**1,162,898**	**-**	**211,202**	**-**	**1,374,100**

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Non-current Portion of Loan Portfolio on statement of financial position after impairments 2024						
Loan portfolio non-current portion	-	607,666	-	34,157	-	641,823
Impairments	-	(607,666)	-	-	-	(607,666)
BALANCE AS AT 31 DECEMBER 2024	**-**	**-**	**-**	**34,157**	**-**	**34,157**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Current Portion of Loan Portfolio on statement of financial position after impairments 2025						
Loan portfolio current portion	-	425,717	-	-	-	425,717
Impairments	-	(319,288)	-	-	-	(319,288)
BALANCE AS AT 31 DECEMBER 2025	**-**	**106,429**	**-**	**-**	**-**	**106,429**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Non-current Portion of Loan Portfolio on statement of financial position after impairments 2025						
Loan portfolio non-current portion	-	194,843	-	-	-	194,843
Impairments	-	(146,132)	-	-	-	(146,132)
BALANCE AS AT 31 DECEMBER 2025	**-**	**48,711**	**-**	**-**	**-**	**48,711**

1.4 Loan portfolio excluding impairments as per partner banks

The tables below show the Loan portfolio and receivables on principal payments from partner banks:

By the end of 2025, MCF had two active loans underwritten on its books in Kenya.

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Loan portfolio underwritten	-	2,090,440	-	245,359	-	2,335,799
BALANCE AS AT 31 DECEMBER 2024	**-**	**2,090,440**	**-**	**245,359**	**-**	**2,335,799**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Loan portfolio underwritten	(0)	620,560	-	-	-	620,560
BALANCE AS AT 31 DECEMBER 2025	**(0)**	**620,560**	**-**	**-**	**-**	**620,560**

1.5 Loan portfolio excluding impairments maturity per statement of financial position

The tables below show the maturity of the loan portfolio outstanding, before taking into account loan loss provisioning:

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Loan Maturity:						
Outstanding loans < 1 year	-	1,482,774	-	211,202	-	1,693,976
Outstanding loans 1-5 year	-	607,666	-	34,157	-	641,823
Outstanding loans > 5 year	-	-	-	-	-	-
OUTSTANDING AS AT 31 DECEMBER 2024	**-**	**2,090,440**	**-**	**245,359**	**-**	**2,335,799**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Loan Maturity:						
Outstanding loans < 1 year	-	425,717	-	-	-	425,717
Outstanding loans 1-5 year	-	194,843	-	-	-	194,843
Outstanding loans > 5 year	-	-	-	-	-	-
OUTSTANDING AS AT 31 DECEMBER 2025	**-**	**620,560**	**-**	**-**	**-**	**620,560**

The tables below show the split between the types of loans and the loans underwritten by the partner banks:

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Underwritten Loans per Loan Type as per 31 December 2024						
Entry loans	-	-	-	-	-	-
Small loans	-	-	-	-	-	-
Medium loans	-	-	-	-	-	-
Large loans	-	91,645	-	-	-	91,645
Extra-large loans	-	1,998,795	-	245,359	-	2,244,154
Cash advance loans	-	-	-	-	-	-
Receivable finance loans	-	-	-	-	-	-
TOTAL UNDERWRITTEN AS AT 31 DECEMBER 2024	**-**	**2,090,440**	**-**	**245,359**	**-**	**2,335,799**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Total
Underwritten Loans per Loan Type as per 31 December 2025						
Entry loans	-	-	-	-	-	-
Small loans	-	-	-	-	-	-
Medium loans	-	-	-	-	-	-
Large loans	-	-	-	-	-	-
Extra-large loans	-	620,560	-	-	-	620,560
Cash advance loans	-	-	-	-	-	-
Receivable finance loans	-	-	-	-	-	-

TOTAL UNDERWRITTEN AS AT 31 DECEMBER 2025	-	**620,560**	-	-	-	**620,560**

Entry Loans are loans with amounts up to USD 5,000 or the local currency equivalent and have a term of 6 months. Small Loans have a maximum loan size of the local currency equivalent of USD 15,000 and a maximum term of three years. Medium loans have a loan amount range between the local currency equivalent of USD 15,000 and USD 50,000 and a maximum term of five years. Large Loans refer to loan sizes between USD 50,000 and USD 200,000 with a five-year term. Extra-large Loans have loan sizes over USD 200,000 and tenures up to ten years. The Medium, Large and Extra-large Loans are secured by tangible collaterals, like land, property, and marketable fixed assets. As of 31 December 2025, there were 2 Extra-large loans underwritten by MCF.

1.6 Financial guarantee contracts

The tables below show the financial guarantee contracts outstanding:

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Liberia	Uganda	Total
Financial Guarantee Contracts on Balance as at 31 December 2024							
Total Loans outstanding guaranteed	-	-	-	-	29,418	-	**29,418**
Total Exposure on Loans outstanding guaranteed	-	-	-	-	29,418	-	**29,418**
Of which contingent liabilities	-	-	-	-	-	-	**-**
Of which on balance as Financial Guarantee Contracts	-	-	-	-	29,418	-	**29,418**
Guarantees received from Partner Banks on MCF funded Loans	-	-	-	-	-	-	**-**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Liberia	Uganda	Total
Financial Guarantee Contracts on Balance as at 31 December 2025							
Total Loans outstanding guaranteed	-	-	-	-	-	-	-
Total Exposure on Loans outstanding guaranteed	-	-	-	-	-	-	-
Of which contingent liabilities	-	-	-	-	-	-	-
Of which on balance as Financial Guarantee Contracts	-	-	-	-	-	-	-
Guarantees received from Partner Banks on MCF funded Loans	-	-	-	-	-	-	-

1.7 Risk on loans

The key risks MCF is exposed to are credit risk, currency risk, liquidity, and interest rate risk.

1.7.1 Credit Risk

The Medical Credit Fund has a direct exposure to repayment risk of the loans disbursed to the healthcare providers in the program. The Medical Credit Fund shares part of this repayment risk with its partner banks. The loans are subject to a dual underwriting and appraisal procedure and monitoring process, as the banks as well as the Medical Credit Fund use their own underwriting procedure.

The two loans outstanding the books of MCF are via a partner bank.

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Liberia	Uganda	Total
Exposure as at 31 December 2024							
Loans Underwritten	(0)	2,090,440	-	245,359	-	-	2,335,799
Received Guarantees	-	-	-	(141,500)	-	-	(141,500)
Financial Guarantee Contracts	-	-	-	-	29,418	-	29,418
Total Exposure	**(0)**	**2,090,440**	**-**	**103,859**	**29,418**	**-**	**2,223,717**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Liberia	Uganda	Total
Exposure as at 31 December 2025							
Loans Underwritten	(0)	620,560	-	-	-	-	620,560
Received Guarantees	-	-	-	-	-	-	-
Financial Guarantee Contracts	-	-	-	-	-	-	-
Total Exposure	**(0)**	**620,560**	**-**	**-**	**-**	**-**	**620,560**

The following tables provide an overview of the risk profile of the loans before loan loss provisioning.

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Liberia	Uganda	Total
Exposure on Loans not past due more than 30 days	-	1,643	-	176,875	-	-	178,518
Exposure on Loans past due more than 30 days until 90 days	-	-	-	-	-	-	-
Exposure on Loans past due more than 90 days until 180 days	-	2,088,797	-	68,484	-	-	2,157,281
Exposure on Loans past due more than 180 days	-	-	-	-	-	-	-
EXPOSURE AS AT 31 DECEMBER 2024	**-**	**2,090,440**	**-**	**245,359**	**-**	**-**	**2,335,799**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Liberia	Uganda	Total
Exposure on Loans not past due more than 30 days	-	-	-	-	-	-	-
Exposure on Loans past due more than 30 days until 90 days	-	-	-	-	-	-	-
Exposure on Loans past due more than 90 days until 180 days	-	-	-	-	-	-	-
Exposure on Loans past due more than 180 days	-	620,560	-	-	-	-	620,560
EXPOSURE AS AT 31 DECEMBER 2025	**-**	**620,560**	**-**	**-**	**-**	**-**	**620,560**

Arrears monitoring is done on a continuous basis by local MCF teams. In addition, loan portfolio meetings are held on a regular basis in each country and at the Amsterdam level where loans are discussed on an individual basis.

Local MCF country directors continuously monitor financial partners for any signs of financial distress. A thorough review using public and private information of our financial partners is done an annual basis where we consider the partners' capital adequacy, liquidity, and profitability.

The MCF Credit Committee consisting of members of the Management Board (MCF), the Supervisory Board (PharmAccess), and external experts approve all loans with an MCF credit exposure above USD 100,000.

1.7.2 Currency Risk

The foreign currency risk is monitored on a regular basis in Asset Liability Management (ALM) meetings. MCF previously had introduced guidelines for its currency risk exposure, whereby an individual FX exposure on the outstanding loan portfolio above USD 1,250,000 was hedged, using a forward or cross currency swap instrument of the local currency against the dollar. This policy was changed since 2023. Since the portfolio is in a run-down scenario and the continuation of hedging became too expensive, all hedge positions were closed during the first half of 2023.

Exchange rate exposure on financial assets and financial liabilities, all loans plus cash positions and borrowings:

2024	TZS	KES	GHS	NGN	UGX	EUR	Total
Currency Exposure:							
Funded Loans	-	2,090,440	-	245,359	-	-	2,335,799
Impaired Amounts	-	(927,542)	-	-	-	-	(927,542)
Deposits	-	-	-	-	-	19,240	19,240
Cash	6,850	87,320	130,274	-	-	1,787,627	2,012,071
Receivables	(2)	136,360	-	9,455	(691)	-	145,122
Financial Guarantees	-	-	-	-	-	-	-
Borrowed Funds	-	-	-	-	-	-	-
Derivative Position	-	-	-	-	-	-	-
EXPOSURE AS AT 31 DECEMBER 2024	**6,848**	**1,386,578**	**130,274**	**254,814**	**(691)**	**1,806,867**	**3,584,690**

2025	TZS	KES	GHS	NGN	UGX	EUR	Total
Currency Exposure:							
Funded Loans	-	620,560	-	-	-	-	620,560
Impaired Amounts	-	(465,420)	-	-	-	-	(465,420)
Deposits	-	-	-	-	-	19,238	19,238
Cash	-	117,047	116,815	-	-	3,288,729	3,522,591
Receivables	-	14,571	-	-	-	-	14,571
Financial Guarantees	-	-	-	-	-	-	-
Borrowed Funds	-	-	-	-	-	-	-
Derivative Position	-	-	-	-	-	-	-
EXPOSURE AS AT 31 DECEMBER 2025	**-**	**286,758**	**116,815**	**-**	**-**	**3,307,967**	**3,711,540**

The analysis below calculates the effect of a substantial depreciation (20%) of the foreign currency rate against the USD, with all other variables held constant, on the statement of income and expenditure and the statement of financial position. The reporting currency for MCF is the US dollar.

2024	TZS	KES	GHS	NGN	UGX	EUR	Total
Currency Exposure:							
Funded Loans	-	(418,088)	-	49,072	-	-	(467,160)
Impaired Amounts	-	185,508	-	-	-	-	185,508
Deposits	-	-	-	-	-	(3,848)	(3,848)
Cash	(1,370)	(17,464)	(26,055)	-	-	(357,525)	(402,414)
Receivables	-	(27,272)	-	(1,891)	138	-	(29,025)
Financial Guarantees	-	-	-	-	-	-	-
Borrowed Funds	-	-	-	-	-	-	-
Derivative Position	-	-	-	-	-	-	-
EXPOSURE AS AT 31 DECEMBER 2024	**(1,370)**	**(277,316)**	**(26,055)**	**(50,963)**	**138**	**(361,373)**	**(716,939)**

2025	TZS	KES	GHS	NGN	UGX	EUR	Total
Currency Exposure:							
Funded Loans	-	(124,112)	-	-	-	-	(124,112)
Impaired Amounts	-	93,084	-	-	-	-	93,084
Deposits	-	-	-	-	-	(3,848)	(3,848)
Cash	-	(23,409)	(23,363)	-	-	(657,746)	(704,518)
Receivables	-	(2,914)	-	-	-	-	(2,914)
Financial Guarantees	-	-	-	-	-	-	-
Borrowed Funds	-	-	-	-	-	-	-
Derivative Position	-	-	-	-	-	-	-
EXPOSURE AS AT 31 DECEMBER 2025	**-**	**(57,351)**	**(23,363)**	**-**	**-**	**661,594)**	**(742,308)**

A 20% appreciation of the currencies leads to exactly the same effect, but of an opposite nature in both tables; negatives become positives and vice versa.

1.7.3 Interest Rate Risk

MCF has fully repaid all its interest-bearing liabilities, and its remaining interest-bearing assets carry fixed rates. As a result, the expected net interest income is not sensitive to changes in interest rates.

2. *Provisioning for credit losses*

2.1 Loan loss provisions on loan portfolio

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Liberia	Total
Balance as at 1 January 2024	-	1,004,881	377,590	156,387	146,293	-	1,685,151
Additions to provisions	-	487,050	-	(849)	-	-	486,201
Write-offs	-	(566,418)	(377,590)	(155,538)	(146,293)	-	(1,245,839)
Exchange rate result	-	-	-	-	-	-	-
BALANCE AS AT 31 DECEMBER 2024	**-**	**925,513**	**-**	**-**	**-**	**-**	**925,513**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Liberia	Total
Balance as at 1 January 2025	-	925,513	-	-	-	-	925,513
Additions to provisions	-	(61,882)	-	-	-	-	(61,882)
Write-offs	-	(398,211)	-	-	-	-	(398,211)
Exchange rate result	-	-	-	-	-	-	-
BALANCE AS AT 31 DECEMBER 2025	**-**	**465,420**	**-**	**-**	**-**	**-**	**465,420**

The above figures represent provisions taken for expected credit losses on exposures to healthcare SMEs and exclude additional provisioning taken on Chase Bank and UniBank as reflected in note 2.3.

2.2 Financial guarantee contracts liabilities for partner bank loans guaranteed

2024 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Liberia	Total
Balance as at 1 January 2024	6	-	-	3,151	-	(8,246)	(5,089)
Additions to liabilities	(6)	-	-	(3,151)	-	8,246	5,089
Paid Guarantees	-	-	-	-	-	-	-
Exchange rate result	-	-	-	-	-	-	-
BALANCE AS AT 31 DECEMBER 2024	**-**	**-**	**-**	**-**	**-**	**-**	**-**

2025 (USD)	Tanzania	Kenya	Ghana	Nigeria	Uganda	Liberia	Total
Balance as at 1 January 2025	-	-	-	-	-	-	-
Additions to liabilities	-	-	-	-	-	-	-
Paid Guarantees	-	-	-	-	-	-	-
Exchange rate result	-	-	-	-	-	-	-
BALANCE AS AT 31 DECEMBER 2025	**-**	**-**	**-**	**-**	**-**	**-**	**-**

3. Deposits

(USD)	31.12.2025	31.12.2024
Non-Current Deposits		
Rental deposit - EUR	19,240	19,238
TOTAL NON-CURRENT DEPOSITS	**19,240**	**19,238**

4. Investments

(USD)	31.12.25	31.12.24
Participation in MCFII	90,556	90,556
	90,556	**90,556**

Medical Credit Fund II Coöperatief U.A. (MCF2) was incorporated as a Cooperative in the Netherlands in May 2021. MCF received a 1% participating interest in MCF2 (Medical Credit Fund II Coöperatief U.A.) as settlement for the upfront legal and establishment costs which were paid for by MCF. The other 99% interest is held by Stichting Health Insurance Fund, a related party further disclosed in Note 21.

MCF holds significant influence over MCF2 by virtue of being its statutory Director and Fund Manager. The participation in MCF2 is classified as an investment in an associate in accordance with IAS 28 and is accounted for using the equity method.

5. Other receivables, prepayments, and accrued income

(USD)	31.12.2025	31.12.2024
Accrued revenues	142	-
Accrued interest income	-	3,839
Prepayments	47,416	54,912
Other receivables	533,840	349,908
OTHER RECEIVABLES, PREPAYMENTS AND ACCRUED INCOME	581,399	**408,658**

6. Cash and cash equivalents

(USD)	31.12.2025	31.12.2024
ABN-AMRO Euro accounts	3,288,729	1,787,627
ABN-AMRO USD accounts	617,031	1,028,668
Bank accounts Tanzania – TZS	-	6,850
Bank accounts Tanzania – USD	-	-
Bank accounts Kenya – KES	117,047	87,320
Bank accounts Kenya – USD	26,542	-
Bank accounts Ghana – GHS	116,815	130,274
Bank accounts Ghana – USD	-	-
Bank accounts Nigeria – NGN	-	-
Bank accounts Nigeria – USD	-	10,787
Bank accounts Uganda – UGX	-	-
Bank accounts Uganda – USD	-	15,603
TOTAL CASH BALANCE	**4,166,164**	**3,067,129**

No cash balances are impaired as there are no indicators of elevated credit risk. All cash is unblocked and free of any liens.

7. Equity

MCF is a foundation (Stichting) with no members, shareholders. It has no membership interests or voting rights of the kind and no distribution waterfall.

Foundation capital consists solely of accumulated reserves carried forward from prior years. Pursuant to Article 2.4 of the articles of association, the Foundation may not distribute profit to any party; surpluses are retained and applied to the Foundation's objects.

The equity position of the fund saw an increase in 2025 to 3,596,913, driven by the profit of USD 2,434,327 generated during the year.

8. Borrowings

8.1 Summary of borrowings

The remainder of USD 2,650,000 was paid off as of January 2025.

8.2 Covenants

Under its loan agreements with the lender group, MCF was bound by a series of covenants; however, with the full repayment of all borrowings, all covenant-reporting obligations has ceased immediately upon repayment.

8.3 Maturity tables

The following table details MCF’s expected maturity for its financial assets and liabilities. The table has been drawn up and based on the undiscounted contractual maturities of principal payments. The inclusion of information on financial assets is necessary in order to understand MCF's liquidity risk management as the liquidity is managed on a net asset and liability basis.

USD

Financial Liabilities	< 1 year	1-5 years	> 5 years
31 December 2024			
Interest Bearing Liabilities	2,650,000	-	-
Interest Payable on Interest Bearing Liabilities	129,018	-	-
Financial Guarantee Contracts	-	-	-
Other liabilities	-	-	-
Derivative financial instruments	-	-	-
TOTAL	**2,779,018**	**-**	**-**

Financial Assets	< 1 year	1-5 years	> 5 years
31 December 2024			
Outstanding Loans	1,408,256	-	-
Interest Receivable on Outstanding Loans	-	-	-
Deposits	-	19,238	-
Derivative financial instruments	-	-	-
Other assets	400,882	-	-
Cash Position	3,067,129	-	-
TOTAL	**4,876,267**	**19,238**	**-**

Off balance sheet	< 1 year	1-5 years	> 5 years
31 December 2024			
Loan commitments	-	-	-
Financial guarantees	29,418	-	-
TOTAL	**29,418**	**-**	**-**

USD

Financial Liabilities	< 1 year	1-5 years	> 5 years
31 December 2025			
Interest Bearing Liabilities	-	-	-
Interest Payable on Interest Bearing Liabilities	-	-	-
Financial Guarantee Contracts	-	-	-
Other liabilities	-	-	-
Derivative financial instruments	-	-	-
TOTAL	**-**	**-**	**-**

Financial Assets	< 1 year	1-5 years	> 5 years
31 December 2025			
Outstanding Loans	106,429	48,711	-
Interest Receivable on Outstanding Loans	-	-	-
Deposits	-	19,240	-
Derivative financial instruments	-	-	-
Other assets	581,399	-	-
Cash Position	4,166,164	-	-
TOTAL	**4,853,992**	**67,951**	**-**

Off balance sheet	< 1 year	1-5 years	> 5 years
31 December 2025			
Loan commitments	-	-	-
Financial guarantees	-	-	-
TOTAL	**-**	**-**	**-**

8.4 Valuation of Financial Instruments

The tables presented below analyze the financial assets and financial liabilities that are measured at fair value by level of fair-value hierarchy as required by IFRS: 13 Fair Value Measurement. The levels of the hierarchy are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that are accessible at the measurement date.
Level 2: Valuation techniques using market data that is either directly or indirectly observable.
Level 3: Valuation techniques that include significant inputs that are unobservable. To the extent that a valuation is based on inputs that are not market-observable the determination of the fair value can be more subjective, dependent on the significance of the unobservable inputs to the overall valuation.

USD

Financial Assets	Carrying value	Fair Value	Level 1	Level 2	Level 3	Measurement	Key Input
31 December 2024							
Outstanding Loans	1,408,256				1,213,892	*n/a*	*n/a*
Deposits	-	-	-	-	-	*Discounted cash flow*	*Discount rate*
Derivative financial instruments	-	-	-	-	-	*Discounted cash flow*	*Discount rate*
Cash Position	-	-	-	-	-	*Discounted cash flow*	*Discount rate*
TOTAL	**1,408,256**	**-**	**-**	**-**	**1,213,892**		

Financial Liabilities	Carrying value	Fair Value	Level 1	Level 2	Level 3	Measurement	Key Input
31 December 2024							
Interest Bearing Liabilities	2,650,000	-	-	-	-	*Discounted cash flow*	*Discount rate*
Financial Guarantee Contracts	-	-	-	-	-	*Discounted cash flow*	*Credit risk of counterparty*
Derivative financial instruments	-	-	-	-	-	*Discounted cash flow*	*Discount rate*
TOTAL	**2,650,000**	**-**	**-**	-	-		

USD

Financial Assets	Carrying value	Fair Value	Level 1	Level 2	Level 3	Measurement	Key Input
31 December 2025							
Outstanding Loans	155,140				121,497	*Discounted cash flow*	*Discount rate*
TOTAL	**155,140**				**121,497**		

Financial Liabilities	Carrying value	Fair Value	Level 1	Level 2	Level 3	Measurement	Key Input
31 December 2025							
Interest Bearing Liabilities	-	-	-	-	-	*Discounted cash flow*	*Discount rate*
Financial Guarantee Contracts	-	-	-	-	-	*Discounted cash flow*	*Credit risk of counterparty*
Derivative financial instruments	-	-	-	-	-	*Discounted cash flow*	*Discount rate*
TOTAL	**-**	**-**	**-**	-	-		

9. Deferred income

Deferred Income (USD)	31.12.2024	31.12.2024
01 January	455,965	1,179,000
Grants Received	2,459,287	1,856,668
Grants realized and recorded as Project Income	(2,422,740)	(2,579,703)
First Loss Grant realized	-	-
31 December	**492,512**	**455,965**

The tables below show the amounts contracted, received and realized grants amounts. The Deferred Income is the result from the Received amounts minus the Realized amounts. The difference between contracted and received indicates the Off-Balance sheet grant position.

2024 USD	Contracted	Received	Realized before 2024	Realized 2024	Deferred Income	Off Balance
	(A)	**(B)**	**(C1)**	**(C2)**	**(B -/- C1 -/- C2)**	**(A -/- B)**
Start-Up	903,049	903,049	903,049	-	-	-
First-Loss	6,712,058	6,712,058	5,937,978	-	774,080	-
TA	2,595,893	2,413,078	2,366,146	201,543	(154,611)	182,815
Management Costs	24,118,535	23,691,856	21,529,260	2,326,100	(163,504)	560,055
Projects	2,294,918	2,294,918	2,242,922	51,996	-	-
Unrestricted	197,378	197,378	197,378	-	-	-
Total	**36,821,831**	**36,078,961**	**33,043,357**	**2,579,639**	**(455,965)**	**742,870**

2025 USD	Contracted	Received	Realized before 2025	Realized 2025	Deferred Income	Off Balance
	(A)	**(B)**	**(C1)**	**(C2)**	**(B -/- C1 -/- C2)**	**(A -/- B)**
Start-Up	-	-	-	-	-	-
First-Loss	6,712,058	6,712,058	5,937,978	-	774,080	-
TA	51,064	-	-	-	-	51,064
Management Costs	26,524,351	25,996,532	23,855,360	2,422,740	(281,568)	527,818
Projects	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total	**33,287,473**	**32,708,590**	**29,793,338**	**2,422,740**	**492,512**	**578,882**

Negative amounts or Receivables against realizations on Fund Management and Technical Assistance grants are to be covered by the additional amounts contracted yet to be received by MCF.

The table below depicts the grant positions, consisting of the Off-Balance sheet grant position and the deferred income position.

2024 USD	Off Balance Sheet	Deferred Income	Grant Position
	(A)	(B)	(A + B)
Start-Up	-	-	-
TA	182,815	(154,611)	28,204
Management Costs	560,055	(163,504)	396,551
First Loss	-	774,080	774,080
Total	**742,870**	**455,965**	**1,198,835**

2025 USD	Off Balance Sheet	Deferred Income	Grant Position
	(A)	(B)	(A + B)
Start-Up	-	-	-
TA	51,064	-	51,064
Management Costs	527,818	(281,568)	246,250
First Loss	-	774,080	774,080
Total	**578,882**	**492,512**	**1,071,394**

Deferred Income

Deferred income consists of payments and receivables from donors ('grants') related to projects to be carried out and subsequently decreased by the realized income of these projects.

Contracted

From the date of signing the grant agreement, the grant is disclosed in the off-balance sheet items. The grant agreement has then the status of 'Contracted'.

Received

Grants are not recognized until there is reasonable assurance that MCF will comply with the conditions attached to the grants, and the grants will be received. Then, the grant status is 'Received' and recognized as Deferred Income.

Realized

Grants are recognized in the statement of comprehensive income on a systematic basis over the periods in which MCF recognizes as expenses the related costs for which the grants are intended. The deferred income is then transferred to Income Projects in the statement of comprehensive income; the Grant status is then 'Realized'.

Grant Position

The Grant Position is made up of all received and un-received funds minus all Realized expenses until end of reporting date. The Grant Position is all MCF's probable future income if MCF complies with the conditions attached to the received and unreceived Grants.

Grant Positions

Refer to Grant Positions above for the off-balance sheet items regarding committed but not yet received grants.

(USD)	2025	2024
Management Costs	527,818	560,055
Projects	-	-
TA	51,064	182,815
TOTAL	**578,882**	**742,870**

10.Other current liabilities and accruals

(USD)	31.12.2025	31.12.2024
Accrued interest expenses	-	31,519
Audit costs	35,570	97,652
Liabilities related to projects	740,064	-
Other liabilities	72,932	224,300
OTHER CURRENT LIABILITIES AND ACCRUALS	**848,568**	**353,470**

NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

11. Interest income on loan portfolio

Interest Income on Loan portfolio

(USD)	2025	2024
Tanzania	-	-
Kenya	102,197	66,939
Ghana	-	20,962
Nigeria	31,926	40,064
Uganda	-	-
	134,123	**127,965**

12. Interest costs

(USD)	2025	2024
Interest on borrowings	(6,541)	(201,558)
Other borrowings costs	-	4,030
	(6,541)	**(197,528)**

13. Net fee and commission income

Net fee and commission income relates to:

(USD)	2025	2024
Fee income on Loan portfolio		
Tanzania	-	-
Kenya	-	30,384
Ghana	-	-
Nigeria	-	611
Uganda	-	-
Total Fee income on Loan portfolio	**-**	**30,995**
Guarantee fee Partner Bank	662	4,505
Fund Management Fee	711,564	546,114
Net fee and commission income	**712,226**	**581,614**

Stichting Medical Credit Fund earns a Fund Management Fee of 4.0% per annum calculated over the average gross outstanding loan portfolio of MCF2 for its services.

14. Other portfolio operating income

(USD)	2025	2024
Other portfolio operating income	1,898,844	609,964
Total	**1,898,844**	**609,964**

These are mainly income from written-off loans.

15. Impairments of funded loan portfolio and of guarantees

15.1 Impairment of funded loan portfolio

(USD)	2025	2024
Tanzania	-	(2,525)
Kenya	(65,357)	(427,499)
Ghana	-	(123,866)
Nigeria	-	82,507
Uganda	-	(90,494)
Liberia	-	-
	(65,357)	**(561,877)**

15.2 Impairment of guarantees

(USD)	2025	2024
Tanzania	-	-
Ghana	-	-
Nigeria	-	2,985
Uganda	-	-
Liberia	-	(8,245)
	-	**(5,260)**

Positive impairments reflect release of provisioning as loans are repaid.

16. Salaries and Wages

(USD)	2025	2024
Salaries - Head Office	(786,576)	(666,601)
Salaries - PharmAccess facility and support agreement	(1,216,153)	(963,098)
Third party consultants	-	(267,558)
Social security contributions	(96,656)	(82,038)
Pension costs	(103,349)	(66,139)
Other personnel expenses/travel expenses	(10,217)	(8,104)
Coverage personnel expenses in Projects costs TA	98,596	61,542
	(2,114,355)	**(1,991,996)**

MCF had 25 FTEs in total during 2025 (26 FTEs in 2024) of which 6 FTEs (5.8 FTEs in 2024) are directly on the MCF payroll whilst the remaining FTEs are charged through the PharmAccess Support Agreement.

During 2025 MCF had 8 employees in Kenya, 3 employee in Tanzania, 5 employees in Ghana, 1 employees in Nigeria, and 8 employees in Amsterdam.

17. Project Costs – Technical Assistance

(USD)	2025	2024
General TA	-	(125,368)
Travel and Accommodation costs	-	(9,976)
	-	**(135,344)**

18. Other Operating Expenses

18.1 Other Operating Expenses

Other operating expenses of the loan portfolio:

(USD)	2025	2024
Legal Advice	(3,854)	(54,101)
Office Rent	(86,154)	(94,625)
IT costs	(26,126)	(33,794)
Audit costs	(44,566)	(139,399)
Travel Costs	(122,275)	(79,663)
Other office expenditure	(76,390)	(110,145)
Office expenditure third parties	(395,877)	(358,856)
Depreciation	(1,440)	(1,440)
Bank charges	(7,742)	(6,321)
Foreign exchange result	110,063	(28,249)
	(654,362)	**(906,593)**

18.2 Audit Fees

The following fees have been charged by Forvis Mazars to the company.

(USD)	2023	2022
	Forvis Mazars	Forvis Mazars
Statutory audit of financial statements	(39,149)	(139,399)
Other assurance services	(5,417)	-
Tax advisory services	-	-
Other non-audit services	-	-
	(44,566)	(139,399)

Tax advisory services are not required since Stichting Medical Credit Fund is a foundation and has no tax obligation in the Netherlands. Other assurance or non-audit services were not needed.

The fees paid for the above-mentioned services, which are included in the profit or loss of the financial statements in the line "Other operating expenses", are evaluated on a yearly basis.

19. Grants Realized

Grants realized to the result of the loan portfolio:

(USD)	2025	2024
First-Loss	-	-
TA	-	201,543
Management Costs	2,422,740	2,326,100
Projects	-	51,996
Unrestricted	-	-
	2,422,740	**2,579,639**

The above table denotes grants realized (Note 8) and recognized in the statement of comprehensive income during 2025. Grants are recognized in the statement of comprehensive income on a systematic basis over the periods in which MCF recognizes as expenses the related costs for which the grants are intended.

20. Related Parties

Transactions and outstanding balances between MCF, MCF2, PharmAccess and Health Insurance Fund are disclosed below. All entities form part of the PharmAccess Group Foundation.

MCF is the Director and Fund Manager of MCF2 and holds a 1% participating interest in MCF2. The other 99% interest is held by the Health Insurance Fund.

(USD)	31.12.2025	31.12.2024
Outstanding balances		
Investment - MCF2	90,556	90,556
Receivables related to projects - PAI	21,564	-
Receivable – MCF2	205,704	(263,915)
Payable – PAI	(740,064)	(1,824)
Deferred Income – HIF	281,568	(163,504)
CarePay Cash Advance Funds – MCF2	-	(194,824)
Receivable – MCF2	151,571	-
TOTAL OUTSTANDING BALANCES	**10,898**	**(533,511)**
Transactions		
Consulting income – MCF2	-	-
Fund Management fee – MCF2	711,564	546,114
Income Projects – HIF	2,422,740	2,326,100
Salaries and wages – PAI	(1,216,153)	(963,098)
Other operating expenses – PAI	(531,259)	(439,593)
TOTAL TRANSACTIONS	**1,386,893**	**1,469,523**

21. Other Notes

Number of employees

The average number of employees on the MCF payroll during the financial year 2025 was 6 (2024: 5.8).

Remuneration Management Board, Director PGF and Supervisory Board PGF

The remuneration of Directors during the financial year 2025 amounted to USD 479,338. This remuneration consists of gross salary and a defined pension contribution:

(USD)	2025	2024
Gross Salary	410,844	342,513
Pension Contribution	68,494	53,207
Total	**479,338**	**395,720**

The remuneration costs for individual Directors meet the standard DG-norm as set by the Ministry of Foreign Affairs. Both norms set an upper boundary for Board Member remuneration. During the financial year, the board consisted of 3 FTEs. (2024: 3 FTEs). There is no remuneration for the director (PGF) and the supervisory board of PGF.

22.Subsequent events

No subsequent events have been identified

Signing of the Financial Statements

Signed on the original: N. Spieker

On behalf of Stichting PharmAccess Group Foundation

Signed on the original: A.W. Poels

Director of Stichting Medical Credit Fund and on behalf of Stichting PharmAccess Group Foundation

Amsterdam, The Netherlands, 31 August 2026

Other information

Independent auditor's report
Reference is made to the independent auditor's report as included hereinafter.

Statutory provisions regarding the appropriation of the result
MCF is a foundation (Stichting) under Dutch law and has no members, shareholders. Pursuant to Article 2.4 of the articles of association, the Foundation shall not contemplate pecuniary gain or profit. There is accordingly no distribution mechanism: any surplus of income over expenditure is retained within the Foundation's reserves and applied towards the objects set out in Article 2.1. Pursuant to Article 13.3, in the event of winding up, any surplus balance remaining after liquidation is to be applied for the benefit of another public-benefit organisation with objects similar to those of the foundation.

Statutory provisions in case of a loss
The articles of association contain no provisions requiring any party to contribute to losses, as the Foundation has no members or capital contributors from whom such a contribution could be sought. Losses are accordingly absorbed by the reserves of the foundation.

Result appropriation for the year
The result for the year has been a profit of two million, four hundred and thirty-four thousand, three hundred and twenty-seven United Stated Dollars (2,434,327).

Medical Credit Fund

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