



FRIENDS Consult

L I M I T E D

ANNUAL REPORT AND AUDITED ACCOUNTS

2025



SUBMITTED BY:

FRIENDS Consult Limited

📍 FCL Place, Plot 3357, Block 244, Muyenga Road
P.O. Box 24366, Kampala, Uganda

☎ Tel: (0414) 349381 | (0200) 949381

✉ E-mail: info@friendsconsult.co.ug

🌐 Website: www.friendsconsult.co.ug

• *Delivering Effective Solutions*

ACRONYMS

ACRONYM	FULL MEANING
AI	Artificial Intelligence
DIY	Do-It-Yourself
EOI	Expression of Interest
ESG	Environmental, Social and Governance
FCL	FRIENDS Consult Ltd
GDP	Gross Domestic Product
HR	Human Resource
ISO	International Organization for Standardization
MSME	Micro, Small and Medium Enterprise
QMS	Quality Management System
RFPs	Request for Proposals
SACCOs	Savings and Credit Cooperative Organizations
TORs	Terms of Reference
UGX	Uganda Shillings

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CHAIRPERSON'S STATEMENT



It is a delight to present this annual report. FRIENDS Consult Ltd (FCL) is now 28 years old and stands at a defining moment in its history. Having evolved from a passion-driven initiative into a resilient, growing and trustworthy mid-sized consulting firm with a culture of cordiality, it is time to let the public know our performance and what we are up to.

Over the years, FCL has delivered impactful consulting solutions across the socio-economic sectors and geographical areas. The rapidly evolving global economy - characterized by the rapid rise of Artificial Intelligence (AI), the urgency of Environmental, Social, and Governance (ESG) regulations, and competitive market dynamics - demands of consultancy firms a fundamental transformation. Therefore, as we present this annual report, we are looking forward with heightened hope, increased determination and deepened dedication.

From where we are, we intend to work at significant improvements and innovations. Our Strategic Plan (2026-2028) articulates FCL's bold ambition to transition from a traditional consultancy into a technologically centered, ESG enhanced global consulting solutions provider. The strategy is built on the recognition that while our internal systems and quality delivery are robust, we face critical challenges in market visibility, cash flow consistency, and the increasing threat of commoditized service provision. We also face the challenge of increasing do-it-yourself (DIY) options for clients.

We remain committed to our cause of providing effective solutions.

A handwritten signature in blue ink, which appears to read "Eva Nagawa Mukasa". The signature is fluid and cursive.

Mrs. Eva Nagawa Mukasa

Board Chair

MANAGING DIRECTOR'S STATEMENT



We are glad to present FRIENDS Consult Ltd Annual Report and audited accounts for the year 2025. During the year, we increased our revenue and made a modest profit. We improved operations in business development, project execution and financial management/ administration. Over the next three years, FCL will pursue five strategic pillars:

- i. Improving and expanding the current business to make the solutions we provide more responsive to client needs.
- ii. Innovating new business lines to offer clients useful technical assistance and knowledge in the rapidly growing demand areas of AI utility, ESG compliance and overall talent development.
- iii. Reengineering and improving our internal operational processes for enhanced quality management, for more efficiency and effectiveness in serving our clients
- iv. Developing inhouse talent, including staff and associates, to sharpen capabilities for delivering effective solutions.
- v. Implementing strategic marketing to truthfully inform our stakeholders of developments at FCL in a timely way.

Andrew Obara
Managing Director

MANAGEMENT TEAM



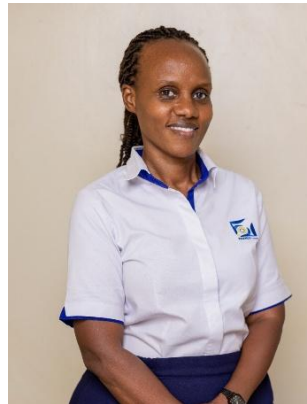
Andrew Obara
Managing Director



Marion Evelyn
Akumu (Senior
Manager, Projects)



Anthony Ochieng
(Senior Manager, Business
Development)



Viola Kigongo
Kanyike (MD's Exec
Assistant & HR Manager)



Ivona Muhindo
(Finance & Admin
Manager)

1.0 ABOUT FRIENDS CONSULT LTD

1.1 Background

FRIENDS Consult Ltd (FCL) began in 1997 as a passion-driven entity and has matured into a structured, professional firm known for being *trustworthy, adaptive, and impactful*. We have worked in Uganda and other countries to positively affect the lives of low-income people, help organizations improve and grow, and to strengthen the private sector through focused business advisory, project management, and organizational development services. The key sectors in which we work are financial services, agribusiness, corporate business development, social and economic development. We cherish our family-oriented culture where every member cares for the others while maintaining professional excellence.

1.2 Our Vision

Sustainable and inclusive private sector led economies for economic growth and development.

1.3 Our Mission

Helping our clients excel through high quality, innovative solutions in business and related socio-economic sectors

1.4 Our Core Values

- *Customer Delight*: Prioritizing client needs with proactive, tailored solutions.
- *Integrity and Loyalty*: Upholding honesty and ethical values always.
- *Respect for All*: Value and honoring every stakeholder and person.

1.5 Our Sustainability Ambition

FCL strives to adhere to a high level of environmental, social and governance standards and to help our clients do the same.

1.6 Our Governance, People and Culture

Our Board is composed of people with experience and integrity, oversees strategy implementation while management and staff, carefully recruited and continually trained, executes operations around strategic priorities. FCL is a “family” workplace where each cares for all and all care for each. FRIENDS Consult strategic thrust revolves around increasing customer satisfaction and delight through optimal staff engagement/ satisfaction, improved processes and a focus on effectiveness.

1.7 Our Sustainability Ambition

FCL intends to adhere to a high level of environmental, social and governance standards and to help our clients do the same.

1.8 Our Governance, People and Culture

Our Board, composed of people with experience and integrity, oversees strategy implementation while management and staff, carefully recruited and continually trained, executes operations around strategic priorities. FCL is a “family” workplace where each cares for all and all care for each.

1.8 Our Quality Policy

FRIENDS Consult Ltd is committed to delighting every client by efficiently offering highly responsive consulting solutions through rigorous quality control in full compliance with the requirements of ISO 9001:2015.

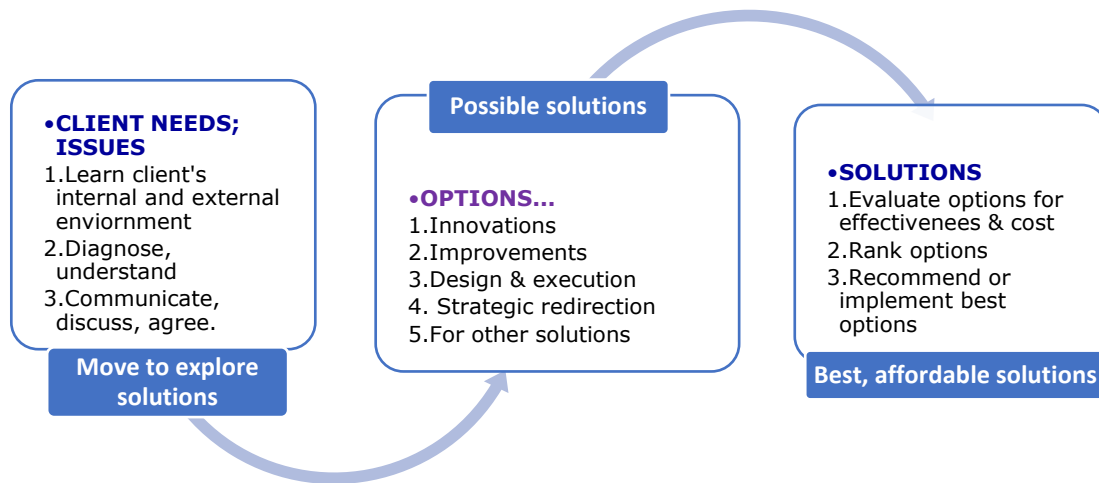
We seek to enhance the satisfaction of all our stakeholders including customers, board members, business-related authorities, suppliers, associates, and the community at large.

Management of FRIENDS Consult Ltd is committed to the continual improvement of the Quality Management System (QMS). We shall systematically identify opportunities for improvement, take corrective actions, and monitor the effectiveness of those actions to drive ongoing enhancement of our services and processes.

1.9 Quality Management

Quality management at FCL ensures that excellence is not left to chance. We use structured processes to plan, deliver, review, and improve our services so that every assignment achieves its intended results. Regular staff development, client feedback, and internal reviews help us strengthen our performance each year. As a result, our clients benefit from better service, faster response, and solutions that are practical, accountable, and sustainable.

2.0 VALUE CREATION MODEL FOR OUR CLIENTS



3.0 BUSINESS DEVELOPMENT

3.1 Insights from the Senior Manager (Business Development & Marketing)

FRIENDS Consult Limited (FCL) has built capacity and continues to do so by providing high quality and innovative solutions to our esteemed clients in the four broad areas of core business: *Financial Sector Development, Agribusiness and MSME Development, ESG and Climate Finance and Socio-economic Development*. We leverage on past clients' satisfaction to get significant assignments through referrals or repeat assignments.

3.2 How we source our business

FRIENDS Consult responds to calls for Prequalification, Expressions of Interest (EOI), Request for Proposals (RFPs) and Terms of Reference (TORs). Sources could be:

1. International development organizations' websites
2. Public adverts
3. Direct, restricted solicitations from clients
4. Direct sole solicitations from existing clients
5. Strategic partnerships
6. Referrals by satisfied clients
7. Subcontracts to international strategic partners

3.3 Areas of Business Development Focus

The key categories of our consulting work are:

1. Financial Sector Development (Central banks, banks, financial inclusion organizations, microfinance institutions, SACCOs etc.)
2. Agribusiness and MSME Development (Business Development Services, Technical Assistance, Access to finance, Access to markets etc.)
3. ESG and Climate Finance (Green/climate finance strategy development, product development, Sustainability reporting, ESG training and capacity building etc.)
4. Socio-economic Development (Program and project design and implementation, financial inclusion, Monitoring & Evaluations, Women and youth economic empowerment, Work Readiness soft skills trainings etc.)

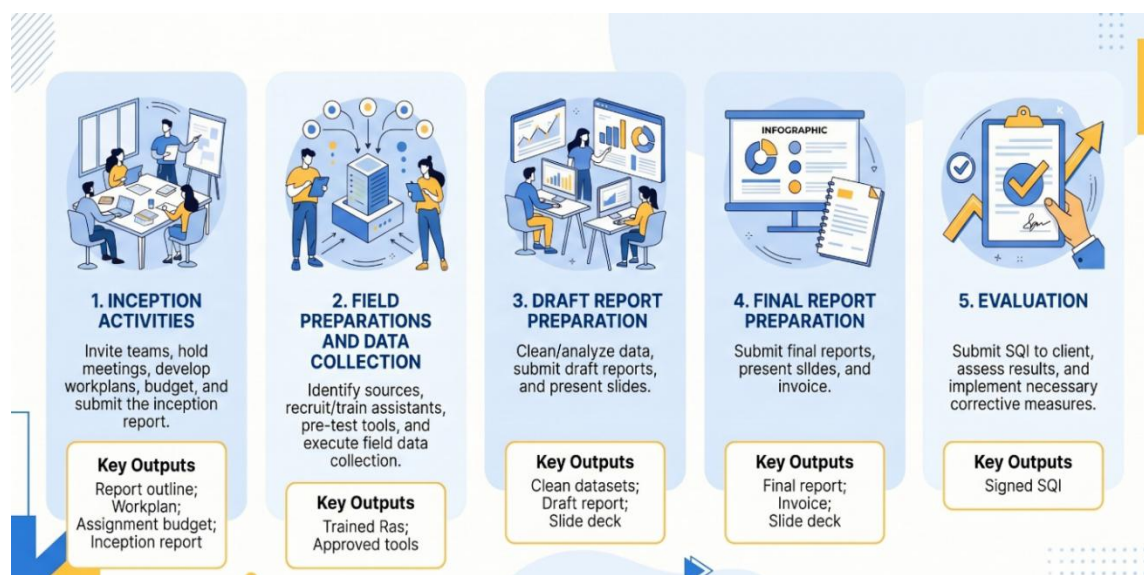
4.0 PROJECT IMPLEMENTATION

4.1 Insights from the Senior Projects Manager

In the financial year 2025, project execution continued to play the pivotal role in advancing FCL's strategic agenda, with a strong anchor on producing high-quality deliverables through integration of analytical insights and digital and leverage. The growing use of AI-assisted tools for research greatly improved project planning, monitoring, and reporting, strengthening data analysis, decision-making, and overall efficiency. This led to significant improvements in the quality, consistency of deliverables and timeliness in terms of faster turnaround. FCL lived (and continue to live) its commitment to excellence, responsiveness, and innovation in delivering impactful solutions to our clients.

4.2 How We Implement Projects

Our typical project implementation process follows simple steps presented below:



4.3 Key Priorities & Achievements

Key Priorities

1. Delivery excellence and quality assurance guided by ISO QMS and internal policy
2. Time and cost management, focusing on efficiency at all stages of project execution
3. Proper resource planning and utilization by allocating the right caliber of associate consultants and inhouse staff for learning purposes
4. Continuous capacity building, knowledge management and continuous improvement
5. Digital transformation and innovation in project execution.

Achievements

In 2025, FCL executed 15 projects, mostly running concurrently. The biggest percentage of by value (80%) was projects implemented in the area of financial sector development and agribusiness development. All the projects completed during the year earned "Very Good" or "Excellent" rating from the clients.

5.0 ADMINISTRATIVE AND TECHNICAL SUPPORT

5.1 Insights from the Finance & Admin Manager

The Finance & Administration department supports the rest of FCL in ensuring financial discipline, operational efficiency, and effective resource management to achieve strategic objectives. The focus is on streamlining admin processes innovatively in providing efficient support to the Business Development & Projects departments.

5.2 Insights from the Human Capital Manager

The Human Capital function plays a strategic role in ensuring that FCL achieves its objectives by carefully selecting qualified individuals, onboarding them, identifying talent, effectively nurturing them, fostering staff development, and implementing measures to support and retain staff.

5.3 Finance & Administrative Support

Our processes are clearly structured to offer support to the projects and the Business Development teams in terms of logistics, customer feedback mechanisms, and project tracking to align timelines, budgets and deliverables. Admin serves FCL's internal with resolve and a smile.

5.4 Human Capital Onboarding and Nurture

We focus on onboarding and supporting employees to settle in quickly and perform well. There are regular staff training and learning opportunities, mentorship, and feedback systems. This helps in boosting performance and retention.

5.5 Staff Engagement

The Human Capital function continually seeks to strengthen staff engagement through appropriate communication, soliciting views on how good FCL is as an employer, suitable feedback, one-on-one sessions, staff development, and employee recognition. These efforts enhance teamwork and morale, and FCL will continue building on them continually.

6.0 FUTURE OUTLOOK & INNOVATIONS

6.1 Peep into FRIENDS Consult of Tomorrow

Under the theme *"Improving and Innovating for Sustainable Progress,"* FRIENDS Consult is boldly transitioning into a *technologically centred, globally competitive business and management consulting firm.* Driven by a relentless commitment to delighting its clients and exceeding their expectations through every solution and innovation, the firm remains firmly rooted in the values that have defined its 28-year journey. With this anchor, the firm is expanding its geographical footprint and influence across Africa and beyond. With a strong emphasis on sustainability, digital transformation, and evidence-based innovations, the FCL of tomorrow is leaner in process, bolder in ambition, and more visible on the national and international stage. It is a firm not only responding to current development challenges but actively shaping resilient, inclusive, and commercially viable systems for long-term impact.

6.2 Technology Embrace

At FCL we do not only keep up with the times. We embrace evolving technology. Our latest long-term endeavor is FCL BLOOMTECH Limited, a subsidiary of FRIENDS Consult Ltd. Newly incorporated, this FCL subsidiary will build a new class of infrastructure: Agentic AI data collection powered by satellite-derived Earth Observation technology and advanced data architecture, for use in sectors like agribusiness, climate action, agricultural finance and a wide variety of businesses. The strategic focus is to transform how economies operate by improving autonomous, data-driven decision-making across fintech, agritech, and broader socio-economic systems, particularly in high-growth sectors and markets.

FCL BLOOMTECH will set up a category-defining initiative at the convergence of:

- ✓ Agentic AI
- ✓ Earth observation information system
- ✓ Data lakes & data warehouses
- ✓ Predictive economic modelling

This convergence enables real-time, scalable intelligence systems that can drive financial inclusion, agricultural optimization, and economic resilience at national and a global level. This is just one example of FCL's tech focused initiatives

6.3 Information Warehouses.

In alignment with FRIENDS Consult's strategic move toward robust information warehouses, the company will see FCL BLOOMTECH, an AI-powered agricultural intelligence platform developed under a joint venture with an international tech partner, set up operations. The design was triggered by Uganda's agricultural paradox—where the sector contributes \$13–16 billion to GDP (24–26%), employs 68–70% of the workforce across 3.5–4 million smallholder households, yet accounts for only 11.8% total bank credit allocation because of inadequate information to lenders. The sector also realizes only 25–40% of attainable yields, 30–50% post-harvest losses, and a 35% farmgate price deficit. The platform will centralize fragmented data on all aspects to avail adequate information to agri-value chain actors and financiers.

Building on the success of this agri-business warehouse initiative, the company intends to establish similar data warehouses for other sectors in the future.

6.4 Improving Human Capital

FCL very carefully selects people to become full-time staff, through rigorous recruitment. One in, the people are inducted, onboard and then continually trained, mentored and coached.

Human capital is enhanced through training and effective performance management initiatives. This has resulted in excellent staff capacity, higher productivity, and strong engagement.

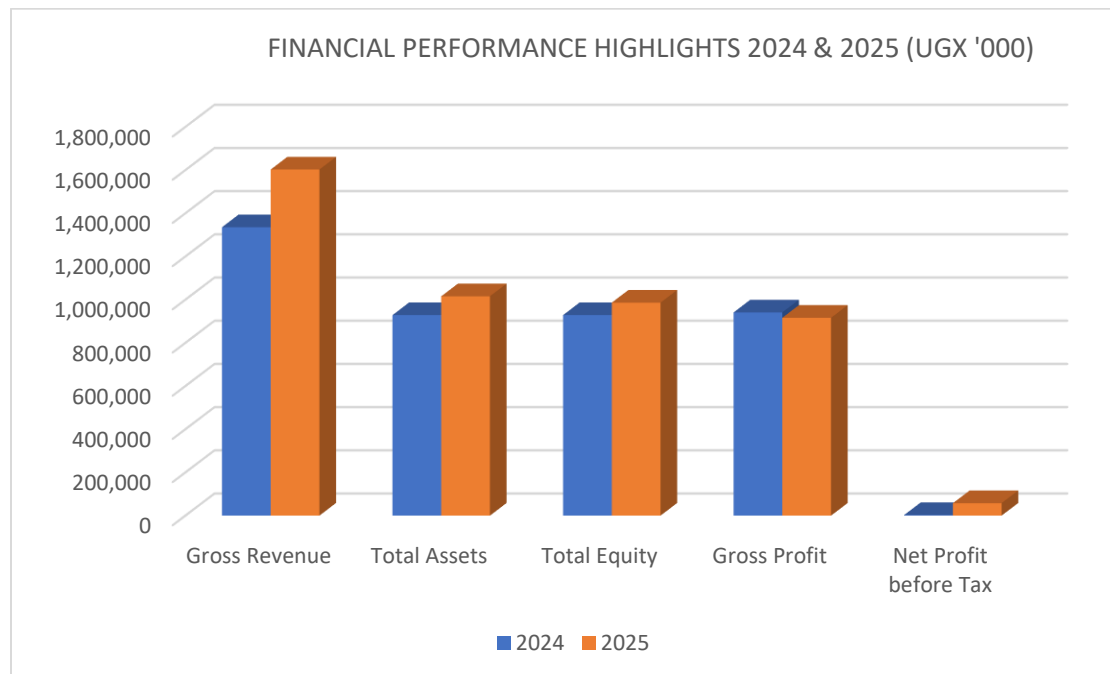
6.5 ESG Embrace

FCL continues to embrace Environmental, Social, and Governance (ESG) principles as part of responsible consulting. We are integrating sustainable practices into our operations while helping clients understand the importance of ESG in long-term growth. Looking ahead, FCL aims to partner with industry players, development partners, and regulators to provide technical assistance that supports organizations in adopting ESG and sustainability practices. Through this commitment, we are positioning ourselves to help clients remain resilient, responsible, and prepared for the future.

7. FINANCIAL RESULTS FOR 2025

7.1 General Financial Outlook

During the year 2025, Friends CONSULT achieved growth in both revenue and asset endowment. Turnover increasing from UGX 1.3B to UGX 1.6B, representing a 20% increase. The profit before tax significantly increased from 2M to 57M from 2024 to 2025. Total assets increased from 928M in 2024 to 1.05B in 2025. This performance is attributed to an increase improved business development, better project implementation and control of operational costs.



FINANCIAL PERFORMANCE (UGX '000)

	2024	2025	%ge Change
Gross Revenue	1,335,336	1,602,522	20%
Total Assets	928,563	1,015,527	9%
Total Equity	928,563	985,999	6%
Gross Profit	940,915	915,950	-3%
Net Profit for the Year	2,727	57,436	2006%

7.2 Statement of Comprehensive Income

Turnover increased by 20% from 2024 to 2025. Despite the decrease in Gross profit during the year 2025, profit for the year more rose significantly.

Friends Consult Limited
Annual report and financial statements
For the year ended 31 December 2025

STATEMENT OF INCOME AND RETAINED EARNINGS

		2025	2024
	Notes	Shs'000	Shs'000
Revenue	3	1,602,522	1,335,336
Direct costs		<u>(686,572)</u>	<u>(394,421)</u>
Gross profit		915,950	940,915
Other operating income	4	70,977	189,207
Administrative expenses		(746,226)	(1,047,954)
Other operating expenses		<u>(88,775)</u>	<u>(79,441)</u>
Profit before tax	5	151,926	2,727
Tax charge	7	<u>(94,490)</u>	<u>-</u>
Profit for the year		<u><u>57,436</u></u>	<u><u>2,727</u></u>

7.3 Statement of Financial Position

The growth in our financial position was largely attributed to the growth in our financial assets

Friends Consult Limited
Annual report and financial statements
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STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December	
		2025	2024
EQUITY		Shs'000	Shs'000
Share capital	8	500	500
Retained earnings		909,923	828,297
Revaluation reserve	9	75,576	99,766
Equity attributable to owners of the company		985,999	928,563
Non-current liabilities			
Deferred tax		29,528	-
		<u>1,015,527</u>	<u>928,563</u>
REPRESENTED BY			
Non-current assets			
Deferred tax	10	-	44,502
Property and equipment	11	92,753	91,657
		<u>92,753</u>	<u>136,159</u>
Current assets			
Financial assets	12	719,859	518,438
Trade and other receivables	13	217,087	176,316
Cash and cash equivalents	14	50,359	136,128
Tax recoverable		185,138	160,834
		<u>1,172,443</u>	<u>991,716</u>
Current liabilities			
Trade and other payables	15	249,669	199,312
Net current assets		922,774	792,404
		<u>1,015,527</u>	<u>928,563</u>

The financial statements on pages 9 to 22 were approved by the board of directors on 13/04 2026 and were signed on its behalf by:



DIRECTOR



DIRECTOR

7.4 Statement of Cashflows

During the year, the increase in cash flows generated from operations is being invested in assets, thus the growth in our net assets as of year-end.

Friends Consult Limited
Annual Report and Financial Statements
For the year ended 31 December 2025

STATEMENT OF CASH FLOWS

	Notes	2025 Shs'000	2024 Shs'000
Cash flows from operating activities			
Profit before tax		151,926	2,727
Adjustments for:			
Depreciation on property and equipment	11	21,449	19,406
Interest income		(52,092)	(66,813)
Loss on revaluation of property and equipment		-	9,974
Unrealised exchange loss		7,742	1,975
Write backs		(17,188)	(118,213)
Fair value (gain) on quoted shares	12	(1,050)	(2,743)
Cash flows from/(used in) operating activities before changes in working capital		110,787	(153,687)
Changes in working capital			
- trade and other receivables		(48,513)	(810)
- trade and other payables		67,545	67,396
Cash from/(used in) operations		129,819	(87,101)
Tax paid		(44,764)	-
Net cash from/(used in) operating activities		85,055	(87,101)
Cash flows from investing activities			
Cash paid for purchase of property and equipment	11	(22,545)	(13,480)
Cash paid for purchase of financial assets	12	(435,830)	(309,162)
Withdrawals from financial assets	12	287,551	409,061
Net cash (used in)/from investing activities		(170,824)	86,419
(Decrease) in cash and cash equivalents		(85,769)	(682)
Movement in cash and cash equivalents			
At start of year		136,128	138,785
(Decrease)		(85,769)	(682)
Effect of exchange rate changes		-	(1,975)
At end of year	14	50,359	136,128

7.5 Auditors Report

Below is the summary of our auditors' report.



**Report of the independent auditor to the members of Friends Consult Limited
(continued)**

Report on other legal and regulatory requirements

As required by the Companies Act, Cap 106, Laws of Uganda, we report to you, based on our audit, 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 company, so far as appears from our examination of those books; and
- iii. the company's statement of financial position and statement of profit or loss are in agreement with the books of account.

The engagement partner responsible for the audit resulting in this independent auditor's report is CPA Charles Oguttu, practising certificate No. P0141.



PKF Uganda
Certified Public Accountants
Kampala

13/4/ 2026
REF: CO/F015/0044/2026

