The Mauritius Commercial Bank Limited
Financial Statements
30 June 2025

Statement of Management's Responsibility for Financial Reporting

The consolidated and separate financial statements of the Group's and the Bank's operations, presented in this annual report have been prepared by Management, which is responsible for their integrity, consistency, objectivity and reliability. IFRS Accounting Standards issued by IASB as well as the requirements of the Banking Act 2004 and the guidelines issued thereunder have been applied for the year ended 30 June 2025 and Management has exercised its judgement and made best estimates where deemed necessary.

The Bank has designed and maintained its accounting systems, related internal controls and supporting procedures to provide reasonable assurance that financial records are complete and accurate and that assets are safeguarded against loss from unauthorised use or disposal. These supporting procedures include careful selection and training of qualified staff, the implementation of organisation and governance structures providing a well-defined division of responsibilities, authorisation levels and accountability for performance, and the communication of the Bank's policies, procedures manuals and guidelines of the Bank of Mauritius throughout the Bank.

The Bank's Board of Directors, acting in part through the Audit Committee and Risk Monitoring Committee, which comprise, principally, independent directors, oversees Management's responsibility for financial reporting, internal controls, assessment and control of major risk areas, and assessment of significant and related party transactions.

The Bank's Internal Auditor, who has full and free access to the Audit Committee, conducts a well-designed programme of internal audits. In addition, the Bank's compliance function maintains policies, procedures and programmes directed at ensuring compliance with regulatory requirements.

Pursuant to the provisions of the Banking Act 2004, the Bank of Mauritius makes such examination and inquiry into the operations and affairs of the Bank as it deems necessary.

The Bank's external auditor, Deloitte, has full and free access to the Board of Directors and its committees to discuss the audit and matters arising therefrom, such as their observations on the fairness of financial reporting and the adequacy of internal controls.

Thierry HEBRAUD	**Simon WALKER**	**Su Lin ONG**
Director	Director	Director
Chief Executive Officer	Chairperson	Chairperson - Audit Committee

Deloitte.

7th-8th floors, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebène 72201
Mauritius

Independent auditor's report to the Shareholder of The Mauritius Commercial Bank Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of **The Mauritius Commercial Bank Limited** (the "Bank" and the "Public Interest Entity") and its subsidiaries (the "Group") as set out on pages 6 to 115, which comprise the consolidated and separate statements of financial position as at 30 June 2025, and the consolidated and separate statements of profit or loss, the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Bank as at 30 June 2025, and of their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"), and comply with the requirements of the Mauritius Companies Act 2001, the Banking Act 2004 and the Financial Reporting Act 2004.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate financial statements* section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the "IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The Group's consolidated financial statements for the year ended 30 June 2023 from which the consolidated statement of financial position as at 1 July 2022 has been derived) were not audited.

As part of our audit of the consolidated financial statements as at and for the year ended 30 June 2025, we have performed procedures on the opening balances as at 1 July 2022. Consolidated financial statements were not prepared and presented for the year ended 30 June 2023 and accordingly, we do not express an opinion or any other form of assurance on the consolidated financial statements for the years ended 30 June 2023 taken as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Provision for expected credit losses - Financial assets which are not credit impaired	
IFRS 9 *Financial Instruments* ("IFRS 9") requires the Group and the Bank to recognise expected credit losses ("ECL") on financial instruments, which involves significant judgements and estimates. The key areas where we identified greater levels of management judgements and estimates and therefore increased levels of audit focus in the application of IFRS 9 are: • **Model estimations** – The Group and the Bank have used the Run-off triangle model to estimate ECLs for the retail portfolio, which involves determining Probabilities of Default ('PD'), Loss Given Default ('LGD'), and Exposures at Default ('EAD'). For the wholesale portfolio, statistical models were employed for estimating the PD and LGD. The PD and LGD models used are the key drivers of the ECL results and are therefore the most significant areas of judgements and estimates used in the ECL modelling approach. • **Significant Increase in Credit Risk ('SICR')** – Determining the criteria for SICR and identifying SICR– This can impact the ECL materially where facilities have maturity of greater than 12 months.	Our audit procedures included amongst others: • Inspecting the minutes of the Risk Monitoring Committee, Audit Committee and the Board of Directors to ensure that there are governance controls in place in relation to assessment of the ECL; • Involving a team of specialist to validate the model, including: ✓ Evaluating the appropriateness of the impairment methodologies applied by the Bank against the requirements of IFRS 9; ✓ Assessing the appropriateness of macro-economic forecasts used; and ✓ Independently assessing assumptions underlying the PD, LGD and EAD.

Deloitte.

7th-8th floors, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebène 72201
Mauritius

Independent auditor's report to the Shareholder of The Mauritius Commercial Bank Limited (Continued)

Key audit matters (Continued)

Key audit matter	How our audit addressed the key audit matter
Provision for expected credit losses - Financial assets which are not credit impaired (Continued)	
• **Macro-economic forecasts** – IFRS 9 requires the measurement of ECLs on a forward-looking basis using the most appropriate macro-economic forecasts. The macroeconomic forecasts are estimates of future economic conditions. Variables that were used to estimate future changes in the macro-economic environment are the credit index, the real gross domestic product and the consumer price index. Management has also used different forward-looking scenarios which were probability-weighted to determine the ECL. • **Qualitative adjustments** – Adjustments to the model-driven ECL results are raised by management to address known impairment model limitations or emerging trends. Such adjustments are inherently uncertain which involve significant management judgement. Due to the significance of the judgements and estimated involved in the overall determination of the allowances for ECL, this item is considered as a key audit matter. The details of the policies and processes for the determination of the allowances for ECL are disclosed in Notes 1(j) and 3(b) to the consolidated and separate financial statements.	• Reviewing the input to the internal rating system on a sample basis; • Reviewing the criteria for staging of credit exposures and ensuring these are in line with the requirements of IFRS 9 including any backstops used in the methodology; • Testing the accuracy and completeness of ECL by reperformance; and • Assessing whether the disclosures are in accordance with the requirements of IFRS 9.
Provision for expected credit losses – Loans and advances to customers which are credit impaired	
Provision for expected credit losses on credit-impaired loans and advances to customers involve the use of assumptions which are subjective due to the level of judgement applied by Management. Changes in the assumptions and the methodology applied may have a major impact on the measurement of the provision for expected credit losses on credit-impaired loans and advances to customers. For impaired credits, the most significant judgements are whether impairment events have occurred and the valuation of any underlying collaterals, along with the determination of the corresponding PD and LGD. The details of the provisions for expected credit losses on credit-impaired loans and advances to customers are disclosed in Note 6(b)(iv) to the consolidated and separate financial statements. Due to the significance of the judgements applied in the identification of credit-impaired facilities and determination of the provision for expected credit losses, this item is considered as a key audit matter.	Our audit procedures included amongst others: • Obtaining audit evidence in respect of key controls over the processes for impairment events identification of impaired assets and impairment assessment; • Inspecting the minutes of the Risk Monitoring Committee, Audit Committee and Board of Directors to ensure that there are governance controls in place in relation to assessment of allowance for credit impairment; • Challenging the methodologies applied by using our industry knowledge and experience; • Obtaining audit evidence of management judgements and assumptions; • Independently recalculating the ECL, on a sample basis, based on our assessment of the expected cash flows and recoverability of collateral at an individual counterparty level. Where collaterals were used, we assessed, on a sample basis, the reasonableness of the time taken into account to realise those collaterals and the objectivity and qualifications of the respective independent appraisers; • Performing a risk-based test of loans and advances to customers to ensure timely identification of impairment and for impaired loans to ensure appropriate allowance for credit impairment; and • Assessing whether the disclosures are in accordance with the requirements of IFRS 9.

Deloitte.

7th-8th floors, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebène 72201
Mauritius

Independent auditor's report to the Shareholder of The Mauritius Commercial Bank Limited (Continued)

Other information

The directors are responsible for the other information. The other information comprises the below sections:

- Our purpose;
- Financial highlights;
- Reflections from the Chairperson ;
- Board of Directors; Committees of the Board and Leadership Team;
- About this report;
- Our corporate profile;
- Value creation for our stakeholders;
- Delivering on our strategic objectives;
- Chief Finance Officer report;
- Corporate governance report, including the statement of directors' responsibilities and statement of compliance;
- Company Secretary's certificate;
- Risk and capital management report.

The other information does not include the consolidated and separate financial statements and our auditor's report thereon. Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by IASB, and in compliance with the requirements of the Mauritius Companies Act 2001, the Banking Act 2004, and the Financial Reporting Act 2004 and they are also responsible for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Bank or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Deloitte.

7th-8th floors, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebène 72201
Mauritius

Independent auditor's report to the Shareholder of
The Mauritius Commercial Bank Limited (Continued)

Auditor's responsibilities for the audit of the consolidated and separate financial statements (continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Bank and its subsidiaries other than in our capacity as auditor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Bank as far as appears from our examination of those records.

Financial Reporting Act 2004

Corporate Governance Report

Our responsibility under the Financial Reporting Act 2004 is to report on the compliance with the Code of Corporate Governance ("the Code") disclosed in the annual report and assess the explanations given for non-compliance with any requirement of the Code. From our assessment of the disclosures made on corporate governance in the annual report, the Public Interest Entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code.

Banking Act 2004

- In our opinion, the financial statements have been prepared on a basis consistent with that of the preceding year and are complete, fair and properly drawn up and comply with the provisions of the Banking Act 2004 and the regulations and guidelines of the Bank of Mauritius; and
- the explanations or information called for or given to us by the officers or agents of the Bank were satisfactory.

Use of this report

This report is made solely to the Bank's shareholder, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Bank's shareholder those matters we are required to state to the shareholder in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Bank and the Bank's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte.

Agrawal.

Deloitte

Chartered Accountants

19 September 2025

Vishal Agrawal, FCA

Licensed by FRC

Consolidated and Separate Statements of financial position as at 30 June 2025

	Notes	GROUP 2025 Rs'M	GROUP 2024 Rs'M	GROUP 2023 Rs'M	BANK 2025 RS'M	BANK 2024 RS'M	BANK 2023 RS'M
ASSETS							
Cash and cash equivalents	4	**132,323**	91,907	114,065	**131,612**	90,669	113,609
Derivative financial instruments	5	**3,745**	2,071	1,214	**3,745**	2,071	1,214
Loans to and placements with banks	6(a)	**30,577**	12,623	13,909	**30,791**	13,582	14,092
Loans and advances to customers	6(b)	**375,178**	382,533	336,512	**366,970**	375,404	329,650
Investment securities	7	**328,121**	324,562	248,891	**324,783**	322,210	247,405
Investments in subsidiaries	8(a)	**-**	-	-	**121**	121	118
Investments in associates	8(b)	**5,740**	5,495	6,084	**5,740**	5,495	6,084
Intangible assets	9	**2,939**	2,593	2,263	**2,914**	2,551	2,211
Property, plant and equipment	10	**5,734**	5,461	5,410	**5,243**	5,028	5,003
Deferred tax assets	11	**4,408**	3,740	2,729	**4,383**	3,719	2,710
Post employment benefit asset	17	**-**	754	455	**-**	754	455
Other assets	12	**48,874**	45,337	40,256	**47,283**	43,848	39,061
Total assets		**937,639**	877,076	771,788	**923,585**	865,452	761,612
LIABILITIES AND SHAREHOLDER'S EQUITY							
Liabilities							
Deposits from banks	13(a)	**20,158**	41,001	14,943	**17,629**	41,021	15,752
Deposits from customers	13(b)	**690,364**	641,637	555,089	**681,527**	634,292	547,586
Derivative financial instruments	5	**4,068**	1,990	1,216	**4,068**	1,990	1,216
Other borrowed funds	14	**85,671**	65,355	86,517	**84,742**	62,529	84,422
Debt securities	15	**13,649**	14,314	13,759	**13,649**	14,314	13,759
Subordinated liabilities	16	**6,889**	7,057	7,059	**6,707**	7,057	7,059
Current tax liabilities		**2,601**	2,706	2,914	**2,574**	2,697	2,872
Post employment benefit liability	17	**456**	-	-	**456**	-	-
Other liabilities	18	**17,341**	16,117	14,190	**16,671**	15,437	13,552
Total liabilities		**841,197**	790,177	695,687	**828,023**	779,337	686,218
Shareholder's equity							
Stated capital	19	**8,880**	8,880	8,880	**8,880**	8,880	8,880
Retained earnings		**76,966**	67,843	57,468	**76,001**	66,975	56,625
Other components of equity		**10,398**	9,997	9,589	**10,681**	10,260	9,889
Equity attributable to the equity holders of the parent		**96,244**	86,720	75,937	**95,562**	86,115	75,394
Non-controlling interest		**198**	179	164	**-**	-	-
Total equity		**96,442**	86,899	76,101	**95,562**	86,115	75,394
Total equity and liabilities		**937,639**	877,076	771,788	**923,585**	865,452	761,612
CONTINGENT LIABILITIES (NET)	20	**197,864**	189,087	122,977	**195,913**	187,311	121,559

These financial statements were approved by the Board of Directors and authorised for issue on the 19 September 2025.

Thierry HEBRAUD
Director
Chief Executive Officer

Simon WALKER
Director
Chairperson - Board of Directors

Su Lin ONG
Director
Chairperson - Audit Committee

The notes on pages 17 to 115 form part of these financial statements.
Auditor's report on pages 2 to 5.

Consolidated and Separate Statements of profit or loss for the year ended 30 June 2025

	Notes	GROUP 2025 RS'M	GROUP 2024 RS'M	GROUP 2023 RS'M	BANK 2025 RS'M	BANK 2024 RS'M	BANK 2023 RS'M
Interest income using the effective interest method	21	**46,979**	43,791	32,388	**45,913**	42,936	31,739
Interest expense	22	**(21,492)**	(20,908)	(13,593)	**(20,957)**	(20,515)	(13,259)
Net interest income		**25,487**	22,883	18,795	**24,956**	22,421	18,480
Fee and commission income	23	**10,654**	10,008	8,663	**10,338**	9,819	8,462
Fee and commission expense	24	**(3,208)**	(3,274)	(2,723)	**(3,040)**	(3,142)	(2,618)
Net fee and commission income		**7,446**	6,734	5,940	**7,298**	6,677	5,844
Net trading income	25	**4,695**	3,682	3,154	**4,587**	3,599	3,049
Net gain from equity financial instruments carried at fair value through profit or loss		**549**	476	564	**549**	476	564
Dividend income	26	**71**	65	71	**103**	106	102
Other operating income		**216**	107	89	**264**	112	79
Loss on disposal of associate		**-**	(241)	-	**-**	(241)	-
		5,531	4,089	3,878	**5,503**	4,052	3,794
Operating income		**38,464**	33,706	28,613	**37,757**	33,150	28,118
Non-interest expense							
Salaries and human resource costs	27(a)	**(7,670)**	(6,369)	(5,028)	**(7,535)**	(6,269)	(4,950)
Depreciation of property, plant and equipment	10	**(577)**	(541)	(571)	**(516)**	(492)	(523)
Amortisation of intangible assets	9	**(663)**	(663)	(627)	**(642)**	(641)	(593)
Other	27(b)	**(4,799)**	(3,897)	(3,304)	**(4,588)**	(3,733)	(3,176)
		(13,709)	(11,470)	(9,530)	**(13,281)**	(11,135)	(9,242)
Operating profit before impairment		**24,755**	22,236	19,083	**24,476**	22,015	18,876
Net impairment of financial assets	28	**(3,162)**	(3,485)	(3,582)	**(3,055)**	(3,329)	(3,520)
Operating profit		**21,593**	18,751	15,501	**21,421**	18,686	15,356
Share of profit of associates	8(b)	**294**	306	544	**294**	306	544
Profit before tax		**21,887**	19,057	16,045	**21,715**	18,992	15,900
Income tax expense	29	**(4,547)**	(3,570)	(2,975)	**(4,504)**	(3,546)	(2,941)
Profit for the year		**17,340**	15,487	13,070	**17,211**	15,446	12,959
Profit for the year attributable to:							
Ordinary equity holders of the parent		**17,308**	15,471	13,044	**17,211**	15,446	12,959
Non-controlling interest		**32**	16	26	**-**	-	-
		17,340	15,487	13,070	**17,211**	15,446	12,959
Earnings per share (Rs)	31	**19.49**	17.42	14.69	**19.38**	17.39	14.59

The notes on pages 17 to 115 form part of these financial statements.
Auditor's report on pages 2 to 5.

	Notes	GROUP 2025 RS'M	GROUP 2024 RS'M	GROUP 2023 RS'M	BANK 2025 RS'M	BANK 2024 RS'M	BANK 2023 RS'M
Profit for the year		**17,340**	15,487	13,070	**17,211**	15,446	12,959
Other comprehensive income:							
Items that will not be reclassified to profit or loss:							
Net fair value gain/(loss) on equity instruments		**85**	31	(38)	**85**	31	(38)
Share of other comprehensive income of associates		**(38)**	12	54	**(38)**	12	54
Remeasurement of defined benefit pension plan, net of deferred tax	29(b)	**(1,085)**	117	(224)	**(1,085)**	117	(224)
		(1,038)	160	(208)	**(1,038)**	160	(208)
Items that may be reclassified subsequently to profit or loss:							
Exchange differences on translating foreign operations		**190**	198	221	**215**	152	294
Reclassification adjustments on disposal of associate		**-**	192	-	**-**	192	-
Change in fair value of hedge instrument		**(66)**	-	-	**(66)**	-	-
Reclassification of effective portion of hedge		**55**	-	-	**55**	-	-
Net fair value gain/(loss) on debt instruments		**132**	(29)	(79)	**132**	(29)	(79)
		311	361	142	**336**	315	215
Other comprehensive income for the year		**(727)**	521	(66)	**(702)**	475	7
Total comprehensive income for the year		**16,613**	16,008	13,004	**16,509**	15,921	12,966
Total comprehensive income attributable to:							
Ordinary equity holders of the parent		**16,586**	15,983	12,993	**16,509**	15,921	12,966
Non-controlling interest		**27**	25	11	**-**	-	-
		16,613	16,008	13,004	**16,509**	15,921	12,966

The notes on pages 17 to 115 form part of these financial statements.
Auditor's report on pages 2 to 5.

Consolidated Statement of changes in equity for the year ended 30 June 2025

Group	Note	Stated Capital	Retained Earnings	Capital Reserve	Translation Reserve	Statutory Reserve	Cash Flow Hedge Reserve	Total	Non-controlling interest	Total Equity
		Attributable to equity holders of the parent								
	Note	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M	Rs'M
At 1 July 2022		**8,880**	**48,919**	**159**	**431**	**8,880**	**-**	**67,269**	**159**	**67,428**
Profit for the year		-	13,044	-	-	-	-	13,044	26	13,070
Other comprehensive income for the year		-	(170)	(117)	236	-	-	(51)	(15)	(66)
Total comprehensive income for the year		-	12,874	(117)	236	-	-	12,993	11	13,004
Dividends	30	-	(4,325)	-	-	-	-	(4,325)	(6)	(4,331)
Transactions with owner		-	(4,325)	-	-	-	-	(4,325)	(6)	(4,331)
At 30 June 2023		**8,880**	**57,468**	**42**	**667**	**8,880**	**-**	**75,937**	**164**	**76,101**
Profit for the year		-	15,471	-	-	-	-	15,471	16	15,487
Other comprehensive income for the year		-	129	2	381	-	-	512	9	521
Total comprehensive income for the year		-	15,600	2	381	-	-	15,983	25	16,008
Dividends	30	-	(5,200)	-	-	-	-	(5,200)	(10)	(5,210)
Transactions with owner		-	(5,200)	-	-	-	-	(5,200)	(10)	(5,210)
Transfer		-	(25)	-	25	-	-	-	-	-
At 30 June 2024		**8,880**	**67,843**	**44**	**1,073**	**8,880**	**-**	**86,720**	**179**	**86,899**
Profit for the year		**-**	**17,308**	**-**	**-**	**-**		**17,308**	**32**	**17,340**
Other comprehensive income for the year		**-**	**(1,123)**	**217**	**195**	**-**	**(11)**	**(722)**	**(5)**	**(727)**
Total comprehensive income for the year		**-**	**16,185**	**217**	**195**	**-**	**(11)**	**16,586**	**27**	**16,613**
Dividends	30	**-**	**(7,062)**	**-**	**-**	**-**	**-**	**(7,062)**	**(8)**	**(7,070)**
Transactions with owner		**-**	**(7,062)**	**-**	**-**	**-**	**-**	**(7,062)**	**(8)**	**(7,070)**
At 30 June 2025		**8,880**	**76,966**	**261**	**1,268**	**8,880**	**(11)**	**96,244**	**198**	**96,442**

The notes on pages 17 to 115 form part of these financial statements.
Auditor's report on pages 2 to 5.

Separate Statement of changes in equity for the year ended 30 June 2025

Bank	Note	Stated Capital RS'M	Retained Earnings RS'M	Capital Reserve RS'M	Translation Reserve RS'M	Statutory Reserve RS'M	Cash Flow Hedge Reserve RS'M	Total Equity RS'M
At 1 July 2022		**8,880**	**48,161**	**159**	**673**	**8,880**	**-**	**66,753**
Profit for the year		-	12,959	-	-	-	-	12,959
Other comprehensive income for the year		-	(170)	(117)	294	-	-	7
Total comprehensive income for the year		-	12,789	(117)	294	-	-	12,966
Dividends	30	-	(4,325)	-	-	-	-	(4,325)
Transactions with owner		-	(4,325)	-	-	-	-	(4,325)
At 30 June 2023		**8,880**	**56,625**	**42**	**967**	**8,880**	**-**	**75,394**
Profit for the year		-	15,446	-	-	-	-	15,446
Other comprehensive income for the year		-	129	2	344	-	-	475
Total comprehensive income for the year		-	15,575	2	344	-	-	15,921
Dividends	30	-	(5,200)	-	-	-	-	(5,200)
Transactions with owner		-	(5,200)	-	-	-	-	(5,200)
Transfer		-	(25)	-	25	-	-	-
At 30 June 2024		**8,880**	**66,975**	**44**	**1,336**	**8,880**	**-**	**86,115**
Profit for the year		**-**	**17,211**	**-**	**-**	**-**	**-**	**17,211**
Other comprehensive income for the year		**-**	**(1,123)**	**217**	**215**	**-**	**(11)**	**(702)**
Total comprehensive income for the year		**-**	**16,088**	**217**	**215**	**-**	**(11)**	**16,509**
Dividends	30	**-**	**(7,062)**	**-**	**-**	**-**	**-**	**(7,062)**
Transactions with owner		**-**	**(7,062)**	**-**	**-**	**-**	**-**	**(7,062)**
At 30 June 2025		**8,880**	**76,001**	**261**	**1,551**	**8,880**	**(11)**	**95,562**

The notes on pages 17 to 115 form part of these financial statements.
Auditor's report on pages 2 to 5.

	Notes	GROUP 2025 RS'M	GROUP 2024 RS'M	GROUP 2023 RS'M	BANK 2025 RS'M	BANK 2024 RS'M	BANK 2023 RS'M
Cash flows from operating activities							
Operating profit		**21,593**	18,751	15,501	**21,421**	18,686	15,356
Adjustments for:							
Depreciation of property, plant and equipment		**577**	541	571	**516**	492	523
Amortisation of intangible assets		**663**	663	627	**642**	641	593
Profit on disposal of property, plant and equipment		**(8)**	(3)	(4)	**(5)**	(3)	(5)
Loss on scrapped assets		**2**	11	1	**2**	11	1
Loss on disposal of associate		**-**	241	-	**-**	241	-
Exchange (profit)/loss		**(893)**	974	193	**(939)**	1,024	108
Release provision for employee benefits		**(93)**	(113)	(104)	**(93)**	(113)	(104)
(Release)/additional provision for residual retirement gratuities		**(4)**	(45)	48	**(4)**	(45)	48
Charge/(release) for credit impairment:							
Loans and advances		**3,803**	4,206	4,037	**3,717**	4,057	3,992
Investment securities		**191**	464	65	**179**	461	58
Cash and cash equivalents		**43**	(5)	(1)	**41**	(1)	(6)
Off balance sheet		**610**	(159)	(19)	**615**	(167)	(25)
Investments fair valued through other comprehensive income		**1**	-	(2)	**1**	-	(1)
		26,485	25,526	20,913	**26,093**	25,284	20,538
Changes in:							
Other assets		**(3,599)**	(4,665)	(8,071)	**(3,435)**	(4,394)	(8,234)
Other liabilities		**403**	1,822	3,059	**387**	1,810	2,957
Derivative financial instruments		**393**	(83)	(57)	**393**	(83)	(57)
Investment securities at fair value through profit or loss		**(2,533)**	(2,417)	(1,387)	**(2,533)**	(2,417)	(1,387)
Deposits		**28,063**	112,198	71,691	**23,843**	111,975	70,917
Loans and advances		**(14,593)**	(48,573)	(19,384)	**(12,492)**	(49,301)	(17,152)
		8,134	58,282	45,851	**6,163**	57,590	47,044
Purchase of investments at fair value through other comprehensive income		**(19,874)**	(759)	(237)	**(19,874)**	(759)	(237)
Proceeds from sale of investments at fair value through other comprehensive income		**19,053**	561	1,781	**19,053**	561	1,781
Dividends received from associates	8(b)	**249**	420	410	**249**	420	410
Dividends paid	30	**(6,662)**	(5,000)	(3,559)	**(6,662)**	(5,000)	(3,559)
Dividends paid to non-controlling interest in subsidiary		**(8)**	(10)	(6)	**-**	-	-
Income tax paid		**(5,099)**	(4,795)	(2,107)	**(5,069)**	(4,731)	(2,084)
		(12,341)	(9,583)	(3,718)	**(12,303)**	(9,509)	(3,689)
Net cash flows from operating activities		**22,278**	74,225	63,046	**19,953**	73,365	63,893
Investing activities							
Purchase of property, plant and equipment		**(664)**	(477)	(506)	**(565)**	(450)	(485)
Purchase of intangible assets		**(1,011)**	(1,002)	(925)	**(1,005)**	(992)	(908)
Proceeds from sale of property, plant and equipment		**7**	14	12	**6**	6	7
Investment in subsidiary		**-**	-	-	**-**	(3)	-
Net (increase)/decrease in investment securities at amortised cost		**(573)**	(73,352)	(25,629)	**497**	(72,619)	(24,884)
Net cash flows from investing activities		**(2,241)**	(74,817)	(27,048)	**(1,067)**	(74,058)	(26,270)
Financing activities							
Repayment of lease liabilities		**(115)**	(84)	(98)	**(115)**	(84)	(72)
Net increase/(decrease) in other borrowed funds	14	**20,161**	(21,168)	(4,783)	**22,092**	(21,899)	(6,258)
Issue of debt securities	15	**-**	-	13,506	**-**	-	13,506
Issue/(Refund) of subordinated liabilities	16	**177**	(271)	6,285	**-**	(271)	6,285
Net cash flows from financing activities		**20,223**	(21,523)	14,910	**21,977**	(22,254)	13,461
Increase/(Decrease) in cash and cash equivalents		**40,260**	(22,115)	50,908	**40,863**	(22,947)	51,084
Net cash and cash equivalents at 1 July		**91,935**	114,104	63,233	**90,696**	113,643	62,559
Effect of foreign exchange rate changes		**78**	(54)	(37)	**-**	-	-
Net cash and cash equivalents at 30 June	4	**132,273**	91,935	114,104	**131,559**	90,696	113,643

The notes on pages 17 to 115 form part of these financial statements.
Auditor's report on pages 2 to 5.

The Mauritius Commercial Bank Limited ("The Bank") is a public company incorporated by Royal Charter in 1838 and registered as a limited liability company on 18 August 1955. Its registered office is situated at 9-15, Sir William Newton Street, Port Louis, Mauritius. The Bank's debt instrument is listed on the International Securities Market of the London Stock Exchange since October 2022.

The main activities of the Bank and those of its subsidiaries (collectively referred to as "The Group") consist of providing a whole range of banking and financial services. The Bank is wholly owned by MCB Investment Holding Limited.

The ultimate holding company is MCB Group Limited which is listed on the Official Market of The Stock Exchange of Mauritius Ltd.

1. MATERIAL ACCOUNTING POLICY INFORMATION

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

(a) Basis of preparation

These financial statements have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board ("IASB") and in compliance with the requirements of the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and the Banking Act 2004.

The Group at the time of approving the financial statements is not aware of any uncertainties that may cast significant doubt upon the company's ability to continue as a going concern. The financial statements have been prepared on a going concern basis. Management further has a reasonable expectation that the Group has adequate resources to continue in operational existence in the foreseeable future.

Where necessary, comparative figures have been amended to conform with changes in presentation, or in accounting policies in the current year.

The financial statements include the consolidated financial statements of the parent company The Mauritius Commercial Bank Limited ("The Company" or "The Bank") and its subsidiary companies ("The Group") and the separate financial statements of the parent company.

The financial statements have been prepared under the historical cost convention except for investment securities at fair value through other comprehensive income, financial assets and liabilities held at fair value through profit or loss, derivative contracts and defined benefit plan which are stated at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 Share-based Payment, leasing transactions that are within the scope of IFRS 16 Leases, and measurements that have some similarities to fair value but are not fair value, such as value in use in IAS 36 Impairment of Assets.

New and amended standards adopted by the Group

A number of amendments to standards and interpretations are effective for annual periods beginning on 1 July 2024, and have not been applied in preparing these financial statements. None of these is expected to have a significant and material effect on the financial statements of the Group in the current reporting period. For this financial year, the following has been adopted:

Amendments to IFRS 16 - Sale and leaseback transaction with variable payments that do not depend on an index or rate

The amendments require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that related to the right of use it retains. The new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease. The amendments are effective for reporting periods beginning on or after 1 January 2024.

Amendments to IAS 1 - Non-current liabilities with covenants

These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions. The amendments are effective for reporting periods beginning on or after 1 January 2024.

Amendments to IAS 7 and IFRS 7 - Supplier finance

These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis. The amendments are effective for reporting periods beginning on or after 1 January 2024.

MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(a) Basis of preparation (continued)

New and revised standards in issue but not yet effective

Amendments to IAS 21 - Lack of exchangeability

These amendments will apply when an entity has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The amendments are effective for reporting periods beginning on or after 1 January 2025.

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments

Following the post-implementation review of the classification and measurement requirements, IFRS 9 includes guidance on the classification of financial assets, including those with contingent features. Additional disclosures in terms of IFRS 7 will also need to be provided on financial assets and financial liabilities that have certain contingent features. The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

IFRS 18 – Presentation and Disclosure in Financial Statements

IFRS 18 promotes a more structured income statement, introduces a newly defined “operating profit” subtotal, and a requirement for all income and expenses to be classified into three new distinct categories based on an entity’s business activities. The new standard requires an entity to analyse their operating expenses directly on the face of the income statement - either by nature, by function or on a mixed basis. In addition, the standard defines “management-defined performance measures” (MPMs) and requires that an entity provide disclosures regarding its MPMs in order to enhance transparency. The standard further provides enhanced guidance on aggregation and disaggregation of information, which will apply to both the primary financial statements and the notes. It will be effective for annual reporting periods beginning on or after 1 January 2027 and applies retrospectively with early adoption permitted.

These amendments will be applied in the financial statements for the annual periods beginning on the respective dates.

The Group has not yet considered the potential impact of the application of these amendments on the Group's financial statements.

(b) Basis of consolidation and equity accounting

(1) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group.

The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interests in the acquiree either at fair value or at the non-controlling interests' proportionate share of the acquiree’s net assets.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(b) Basis of consolidation and equity accounting (continued)

(1) Subsidiaries (continued)

The excess of (a) the aggregate of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previously held equity interest in the acquiree over (b) the net of the acquisition date amounts of identifiable assets acquired and the liabilities and contingent liabilities assumed measured in accordance with IFRS 3 is recorded as goodwill. In the case of a bargain purchase (excess of (b) over (a)), the resulting gain is recognised in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(i) Separate financial statements of the Company

In the separate financial statements of the Company, investments in subsidiary companies are carried at cost. In subsequent years, the carrying amount is reduced to recognise any impairment in the value of individual investments.

(ii) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposal to non-controlling interests without loss of control are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(2) Associates

An associate is an entity over which the Group has significant influence but no control, or joint control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method except when classified as held-for-sale. Investments in associates are initially recognised at cost as adjusted by post acquisition changes in the Group's share of the net assets of the associate less any impairment in the value of individual investments.

Any excess of the cost of acquisition over the Group's share of the net fair value of the associate's identifiable assets and liabilities recognised at the date of acquisition is recognised as goodwill, which is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of identifiable assets and liabilities over the cost of acquisition, after assessment, is included as income in the determination of the Group's share of the associate's profit or loss.

When the Group's share of losses exceeds its interest in an associate, the Group discontinues recognising further losses, unless it has incurred legal or constructive obligation or made payments on behalf of the associate.

If there is objective evidence that the Group's net investment in an associate is impaired, the requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group’s investment. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(b) Basis of consolidation and equity accounting (continued)

(2) Associates (continued)

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the associate is disposed of.

When the Group transacts with an associate, profits and losses resulting from the transactions are recognised in the financial statements only to the extent of interests in the associate that are not related to the Group.

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, appropriate adjustments are made to the financial statements of associates to bring the accounting policies used in line with those adopted by the Group. If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Dilution gains and losses arising in investments in associates are recognised in profit or loss.

In the separate financial statements of the Company, the investments in associates are equity accounted. In subsequent years, the carrying amount is reduced to recognise any impairment in the value of the company.

(c) Foreign currency translation

The foreign subsidiaries' statements of financial position are translated to Mauritian Rupees at the closing rate at the end of the reporting period. Their statements of profit or loss, comprehensive income and cash flows are translated at the average rate for the period unless the average is not a reasonable approximation of the cumulative effects of the rates prevailing at the transaction dates, in which case income and expenses are translated at the rates prevailing on the dates of the transactions. Any resulting exchange differences are recognised in other comprehensive income. On disposal of a foreign entity, such exchange differences are recognised in profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ("functional currency"). The consolidated and separate financial statements are presented in Mauritian Rupees ("Rs"), which is the Company's functional currency. All amounts are in million except as otherwise stated.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation when the items are remeasured.

Trading transactions denominated in foreign currencies are accounted for at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities expressed in foreign currencies are reported at the rate of exchange ruling at the end of the reporting date. Differences arising from reporting monetary items are dealt with through profit or loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction and are not subsequently retranslated.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(d) Derivative financial instruments

Derivatives are financial instruments that derive their value from the price of underlying items such as equities, interest rates, commodities or other indices. Derivatives are recognised initially at fair value and measured at fair value through profit or loss. Derivatives are classified as assets when their fair value is positive or as liabilities when their fair value is negative.

(e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(f) Interest income

Interest income is calculated by applying the effective interest rate to gross carrying amount of financial assets, except for:

(i) Purchased or originated credit-impaired ('POCI') financial assets, for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial asset.

(ii) Financial assets that are not 'POCI' but have subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability.

(g) Fees and commissions

Fees and Commission income and expense include fees that are not integral part of the Effective Interest Rate.

The Group recognises fee and commission income charged for services provided by the Group as and when performance obligations are satisfied, for example, on completion of the underlying transaction. Loan commitment fees for loans that are likely to be drawn down and other credit related fees are deferred (together with any incremental costs) and recognised as an adjustment to the EIR on the loan. When it is unlikely that a loan will be drawn down, the loan commitment fees are recognised over the commitment period on a straight-line basis.

A contract with a customer that results in a recognised financial instrument in the Group's financial statements may be partially in the scope of IFRS 9 and partially in the scope of IFRS 15. If this is the case, then the Group first applies IFRS 9 to separate and measures the part of the contract that is in the scope of IFRS 9 and then applies IFRS 15 to the residual.

Commission and fees arising from negotiation of transactions with third parties, or participating in the negotiation of a transaction for a third party is recognised on completion of the underlying transaction.

(h) Sale and repurchase agreements

Securities sold subject to linked repurchase agreements ("repos") are retained in the statements of financial position as Government securities and Treasury bills and the counterparty liability is included in amount due to other banks or deposits, as appropriate.

Securities purchased under agreements to resell ("reverse repos") are recorded as amount due from other banks or loans and advances, as appropriate. The difference between sale and repurchase price is treated as interest and accrued over the life of the repos agreements using the effective interest method.

(i) Investments, other financial assets and financial liabilities

Recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVPL), transaction costs that are incremental and directly attributable to the acquisition of the financial asset or financial liability. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. An expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and in debt instruments measured at fair value through other comprehensive income (FVOCI), which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(i) Investments, other financial assets and financial liabilities (continued)

Recognition and measurement (continued)

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the Group recognises the differences as follows:

(a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

(b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Classification and subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset.

Business model: the business model reflects how the Group manages the assets in order to generate cash flows, that is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of ‘other’ business model and measured at FVPL. Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset’s performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the “other” business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments’ cash flows represent solely payments of principal and interest (the “SPPI test”). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVPL.

For assets measured at fair value, all gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held-for-trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent.

The Group classifies its financial assets in the following measurement categories:
- those to be measured at amortised cost and
- those to be measured subsequently at fair value (either through OCI or through profit or loss).

Amortised cost and effective interest rate

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

For purchased or originated credit-impaired (‘POCI’) financial assets - assets that are credit-impaired at initial recognition, the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in net trading income. Impairment losses are presented as separate line item in the statement of profit or loss.

Loans originated by the Group by providing money directly to the borrower (at draw-down) are categorised as loans by the Group and are carried at amortised cost, which is defined as the fair value of cash consideration given to originate these loans as is determinable by reference to market prices at origination date. Third party expenses, such as legal fees, incurred in securing a loan are treated as part of the cost of the transaction.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(i) Investments, other financial assets and financial liabilities (continued)

FVOCI
Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the fair value are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss.

When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in net trading income. Interest income from these financial assets is included in interest income using the effective interest rate method. Foreign exchange gains and losses are presented in net trading income in the statement of profit or loss and impairment expenses are presented as a separate line item in profit or loss.

FVPL
Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. The Group may also irrevocably designate financial assets that would otherwise meet the requirements to be measured at amortised cost or at fair value through other comprehensive income, as at fair value through profit or loss, if doing so would eliminate or significantly reduce an accounting mismatch that would otherwise arise. These will be subsequently measured at fair value through profit or loss with gains and losses recognized in profit or loss. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented in net trading income in the year in which it arises. A gain or loss on an equity investment elected to be measured at FVPL is presented in net gain from equity financial instruments carried at fair value through profit or loss.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

The Group subsequently measures all equity investments at FVPL, except where the Group's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. The Group's policy is to designate equity instruments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as dividend income when the Group's right to receive payments is established.

Gains or losses on equity investments at FVPL are included in the 'Net gain from equity financial instruments carried at fair value through profit or loss' line in the profit or loss.

Modification of loans

The Group sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Group assesses whether or not the new terms are substantially different from the original terms. The Group does this by considering, among others, the following factors:

i. If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
ii. Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
iii. Significant extension of the loan term when the borrower is not in financial difficulty.
iv. Significant change in the interest rate.
v. Change in the currency the loan is denominated in.
vi. Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan.

If the terms are substantially different, the Group derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the assets. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss in net impairment of financial assets.

In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Group monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

Where modification did not result in derecognition, the estimate of probability of default reflects the Group's ability to collect the modified cash flows taking into account the Group's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. If a forborne loan is credit impaired due to the existence of evidence of credit impairment, the Group performs an ongoing assessment to ascertain if the problems of the exposure are cured, to determine if the loan is no longer credit-impaired. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Group transfers substantially all the risks and rewards of ownership, or (ii) the Group neither transfers nor retains substantially all the risks and rewards of ownership nor the Group has retained control.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(i) Investments, other financial assets and financial liabilities (continued)

Derecognition other than on a modification (continued)

The Group enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Group:

(i) Has no obligation to make payments unless it collects equivalent amounts from the assets;
(ii) Is prohibited from selling or pledging the assets; and
(iii) Has an obligation to remit any cash it collects from the assets without material delay.

Collateral (shares and bonds) furnished by the Group under standard repurchase agreements and securities lending and borrowing transactions are not derecognised because the Group retains substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met. This also applies to certain securitisation transactions in which the Group retains a subordinated residual interest.

Financial Liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group or a contract that will or may be settled in the Group's own equity instruments and is a non-derivative contract for which the Group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Group's own equity instruments.

(i) Classification and subsequent measurement

In both the current and prior period, financial liabilities are classified as subsequently measured at amortised cost, except for:

-Financial liabilities at fair value through profit or loss: this classification is applied to derivative financial instruments, financial liabilities held-for-trading and other financial liabilities designated as such at initial recognition. Gains or losses on financial liabilities designated at fair value through profit and loss are presented partially in other comprehensive income (the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability) and partially in statement of profit or loss (the remaining amount of change in the fair value of the liability). This is applicable unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains or losses attributable to changes in the credit risk of the liability are also presented in profit or loss;

-Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer. In subsequent periods, the Group recognises any expense incurred on the financial liability; and

-Financial guarantee contracts and loan commitments.

(ii) Derecognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expired).

The exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require 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. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance; and
- The premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

Loan commitments provided by the Group are measured as the amount of the loss allowance (calculated as described in note 20). The Group has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instruments.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(i) Investments, other financial assets and financial liabilities (continued)

Financial guarantee contracts and loan commitments (continued)

For loan commitments and financial guarantee contracts, the ECL is computed as follows:

- For undrawn loan commitments, the ECL is the difference between the present value of the difference between the contractual cash flows that are due to the Group if the holder of the commitment draws down the loan and the cash flows that the Group expects to receive if the loan is drawn down.

- For financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Group expects to receive from the holder, the debtor or any other party.

For contracts that include both a loan and an undrawn commitment and the Group cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

Hedge Accounting

Hedge accounting is a technique that modifies the normal basis for recognizing gains and losses (or revenues and expenses) on associated hedging instruments and hedged items, so that both are recognized in P&L (or OCI) in the same accounting period. This is a matching concept that eliminates or reduces the volatility in the statement of comprehensive income that otherwise would arise if the hedged item and the hedging instrument were accounted separately under IFRS.

The Bank has opted for a cash flow hedge strategy. The primary objective of this macro cash flow hedge is to mitigate the risk of fluctuating interest income due to anticipated declines in interest rates. The Bank aims to protect its budgeted Net Interest Margin (NIM) by stabilizing interest cash flows from its floating rate assets, which are funded by non-interest bearing deposits.

The risk being hedged in a cash flow hedge is the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability, an unrecognised firm commitment (currency risk only) or a highly probable forecast transaction, and could affect P&L. Future cash flows might relate to existing assets and liabilities, such as future interest payments or receipts on floating-rate debt. Future cash flows can also relate to highly probable forecast sales or purchases in a foreign currency. Volatility in future cash flows might result from changes in interest rates, exchange rates, equity prices or commodity prices.

Provided the hedge is effective, changes in the fair value of the hedging instrument are initially recognised in OCI and taken to a separate component of equity. Any ineffective portion of the change in the fair value of the hedging instrument is recognised directly in P&L.

The amount recognised in the separate component of equity should be the lower of:

- the cumulative gain or loss on the hedging instrument from the inception of the hedge; and
- the cumulative change in the fair value (present value) of the expected cash flows on the hedged item from the inception of the hedge.

If the cumulative change in the hedging instrument exceeds the change in the hedged item (sometimes referred to as an ‘over-hedge’), ineffectiveness will be recognised in P&L for the excess. If the cumulative change in the hedging instrument is less than the change in the hedged item (sometimes referred to as an ‘under-hedge’), no ineffectiveness will be recognised. This is different from a fair value hedge, in which ineffectiveness is recognised on both over- and under-hedges.

For cash flow hedges of a forecast transaction which subsequently results in the recognition of a non-financial item (such as property, plant and equipment inventory or an IFRS 15 contract liability), or where a hedged forecast transaction for a non-financial asset or a non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the carrying value of that item must be adjusted for the accumulated gains or losses recognised directly in equity. This is often referred to as a ‘basis adjustment in a cash flow hedge’. This is not a reclassification adjustment, as defined in IAS 1, and hence it does not affect other comprehensive income.

For other cash flow hedges, the accumulated gains and losses recorded in equity should be reclassified to P&L as a reclassification adjustment, as defined in IAS 1, in the same period or periods during which the hedged expected future cash flows affect P&L. This might be where interest income or expense is recognised or a forecast sale occurs.

Where there is a cumulative loss on the hedging instrument and it is no longer expected that the loss will be recovered, it must be immediately recognised in P&L.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(j) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Group recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes.
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

Three-Stage approach to ECL

IFRS 9 requires entities to recognise ECL based on a Stage allocation methodology, with such categorisation informing the level of provisioning required. The financial assets recorded in each stage have the following characteristics:

- Stage 1: These financial assets are unimpaired and without significant increase in credit risk on which a 12-month allowance for ECL is recognised.

- Stage 2: A significant increase in credit risk has been experienced on these financial assets since initial recognition for which a lifetime ECL is recognised.

- Stage 3: There is objective evidence of impairment and the financial assets are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

Definition of Default

The definition of default is critical to the determination of the ECL. It is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Group considers the following as constituting an event of default:

- The borrower is past due more than 90 days on any material credit obligation to the Group; or
- The borrower is unlikely to pay its credit obligations in full to the Group.

The definition of default is appropriately tailored to reflect different characteristics of different type of assets. Overdrafts are considered as being past due once the customer has breached an advised limit or accounts are overdrawn for more than 90 days. When assessing if the borrower is unlikely to pay its credit obligation, the Group takes into account both qualitative and quantitative indicators such as breach of covenants and financial performance. The Group uses a variety of sources of information to assess default which are either developed internally or obtained from external sources such as Guideline on Credit Impairment Measurement and Income Recognition.

Credit impaired

A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. It is credit impaired and is in Stage 3 when contractual payments or accounts in excess are past due by more than 90 days and/or other quantitative and qualitative factors indicate that the obligator is unlikely to honour its credit obligations.

Evidence of credit-impairment includes observable data about the following events:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider ;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Group assesses whether debt instruments that are financial assets measured at amortised cost or FVOCI are credit-impaired at each reporting date. To assess if sovereign and corporate debt instruments are credit impaired, the Group considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(j) Impairment of financial assets (continued)

Significant increase in credit risk

The Group monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather than 12-month ECL. The Group's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result the Group monitors all financial assets, issued loan commitments and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group 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, based on the Group's historical experience and expert credit assessment including forward-looking information.

The Group uses forward-looking information that is available without undue cost or effort in its assessment of significant increase of credit risk as well as in its measurement of ECL. The Group employs experts who use external and internal information to generate a 'base case' scenario of future forecast of relevant economic variables along with a representative range of other possible forecast scenarios. The external information used includes economic data and forecasts published by governmental bodies and monetary authorities.

Measurement of ECL

The key inputs used for measuring ECL are:

- probability of default (PD)
- loss given default (LGD)
- exposure at default (EAD)

These figures are generally derived from internally developed statistical models and other historical data and they are adjusted to reflect probability-weighted forward-looking information.

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. The calculation is based on statistical rating models, and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on market data (where available), as well as internal data comprising both quantitative and qualitative factors. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates. The estimation is based on current conditions, adjusted to take into account estimates of future conditions that will impact PD.

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from any collateral. The LGD models for secured assets consider forecasts of future collateral valuation taking into account sale discounts, time to realisation of collateral, cross collateralisation and seniority of claim, cost of realisation of collateral and cure rates (i.e. exit from non-performing status). LGD models for unsecured assets consider time of recovery, recovery rates and seniority of claims. The calculation is on a discounted cash flow basis, where the cash flows are discounted by the original EIR of the loan.

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, and expected drawdowns on committed facilities. The Group's modelling approach for EAD reflects expected changes in the balance outstanding over the lifetime of the loan exposure that are permitted by the current contractual terms, such as amortisation profiles, early repayment or overpayment, changes in utilisation of undrawn commitments and credit mitigation actions taken before default. The Group uses EAD models that reflect the characteristics of the portfolios.

Write off Policy

Financial assets are written off either partially or in its entirety when the Group has no reasonable expectations of recovering them. This occurs when the Group determines that the customer does not have the capacity to repay the amount due or the collateral given by the customer is not sufficient to cover the exposure. The write off does not mean that the Group has forfeited its legal right to claim the sums due. The Group retains the right to proceed with enforcement actions under the Group's recovery procedure and any recovery will be recognised in the statement of profit or loss under 'Net impairment of financial assets' as recoveries of advances written off.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(k) Property, plant and equipment

Property, plant and equipment are carried at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is calculated to write down the cost of such assets to their residual values on a straight-line basis over their estimated useful lives as follows:

Buildings	50 years
Computer and other equipment	5-10 years
Furniture, fittings and vehicles	5-15 years

Land and work in progress are not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with effect of any changes in estimate accounted for on a prospective basis.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains or losses on disposal of property, plant and equipment are determined by reference to their disposal proceeds and their carrying amounts and are recognised as income or expense in profit or loss. Repairs and renewals are charged to profit or loss when the expenditure is incurred.

(l) Intangible assets

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly attributable with the design of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- the directors intend to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available;
- the expenditure attributable to the software product during its development can be reliably measured.

Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads.

Expenditure that enhances or extends the benefits of computer software programmes beyond their original specifications and lives is recognised as a capital improvement and added to the original cost of the software. Computer software development costs recognised as assets are amortised using the straight-line method over their useful lives, but not exceeding a period of ten years.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(m) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise unrestricted cash and balances with Central Bank, treasury bills and amounts due to and from other banks which are short term, highly liquid with original maturities of 90 days or less, and borrowings of original maturities of 90 days or less that can fluctuate in value changing from an asset to a liability and vice versa across periods.

(n) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(o) Deposits from banks and customers

Deposits from banks and customers are classified as financial liabilities at amortised cost. They are initially measured at fair value and subsequently carried at amortised cost.

(p) Employee benefits

The Group operates a number of defined benefit and defined contribution plans and provides for the requirements under the Workers' Rights Act (WRA) 2019. The defined benefit plan is fully funded. The assets of the funded plan are held independently and administered by The Mauritius Commercial Bank Limited Superannuation Fund.

(i) Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the notes.

Payments to defined contribution plans are recognised as an expense when employees have rendered service that entitle them to the contributions.

As from 1 July 2015, the Group has introduced a Defined Contribution Cash Balanced scheme (DCCB) for its employees.

With the introduction of DCCB, new employees automatically join the DCCB scheme, whilst existing employees had a one-time opportunity to choose from one of the options listed below:

Option A: To stay in the Defined Benefit (DB) scheme for all service.

Option B: To keep the accrued past pension benefits until 30 June 2015 in the DB scheme and join the DCCB scheme as from 1 July 2015.

Option C: To join the DCCB scheme as from 1 July 2015 and transfer the total accrued benefits as at 30 June 2015 from the DB scheme into the DCCB scheme.

(ii) Defined benefit plans

A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The main assumptions made in the actuarial valuation of the pension fund are listed in note 17 to the financial statements.

The Group determines the net interest expense/income on the net defined benefit liability/asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability/asset, taking into account any changes in the net defined benefit liability/asset during the period as a result of contributions and benefit payments. Net interest expense/income is recognised in profit or loss.

Service costs comprising current service cost, past service cost, as well as gains and losses on curtailments and settlements are recognised immediately in profit or loss.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), is recognised immediately in other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income shall not be reclassified to profit or loss in subsequent period.

(iii) Gratuity on retirement

For employees who are not covered (or who are insufficiently covered by the above pension plans), the net present value of gratuity on retirement payable under the Workers' Rights Act (WRA) 2019 is calculated by a qualified actuary and provided for. The obligations arising under this item are not funded.

(iv) Termination Benefits

Termination benefits are payable when employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(v) Vacation leave

The vacation pay as per Section 47 of the Workers' Rights Act benefit qualifies as "other long-term benefit" as per IAS 19 and has to be accounted for by the companies in respect of all employees who will be eligible for this upon completion of the 5-year period. An estimate of the value of the benefit is made and accounted for at the reporting date irrespective of whether the Company settles the vacation pay in cash or grants leave to its employees.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(q) Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(i) Current income tax

The current income tax charge is based on taxable income for the year calculated on the basis of tax laws enacted or substantively enacted by the end of the reporting period and includes the Corporate Social Responsibility charge, Corporate Climate Responsibility levy and Bank levy. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

(ii) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities

Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply in the period when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(r) Borrowings

Borrowings are recognised initially at fair value, being their issue proceeds (fair value of consideration received) net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between net proceeds and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(s) Dividend declared and unpaid

Dividend declared and unpaid to the Bank's shareholder at reporting date is recognised as a liability in the period in which dividend is declared.

(t) Acceptances

Acceptances comprise undertakings by the Group to pay bills of exchange drawn on customers. The Group expects most acceptances to be settled simultaneously with the reimbursement from the customers. Acceptances are disclosed as liabilities with corresponding contra-assets.

(u) Stated capital

Ordinary shares are classified as equity.
Share issue costs are incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(v) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised until such time as the assets are substantially ready for their intended use or sale.
Other borrowing costs are expensed.

1. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(w) Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee except or short term leases (leases with a lease term of 12 month or less) and low value leases (leases of less than MUR 250,000). For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to branches or office premises.
The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses the Key rate.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in 'Property, plant and equipment' in the Statement of Financial Position and further elaborated in Note 10. The lease liability is recorded under 'Other liabilities' in the Statement of Financial Position.

The interest on lease liabilities is recorded under Interest expense while the expense related to short term and low value leases are included in 'Other Non-Interest expense' line in the Statement of Profit or loss. The depreciation charge for leases are included in depreciation of property plant and equipment under Non-interest expense.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(x) Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Any impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(y) Earnings per share

Earnings per share are determined by dividing the profit or loss attributable to owners of the Group by the weighted average number of shares outstanding during the reporting year.

(z) Operating segments

The Group's segmental reporting is in accordance with IFRS 8 Operating segment. Operating segments are reported in a manner consistent with internal reporting provided to Chief Executive Officer and management who are responsible for allocating resources and assessing performance of the operating segment. The Chief Operating Decision Maker (CODM) is the CEO and ultimately the Board. Information provided for resource allocation and assessment of performance can be split into three segments namely the Domestic, Foreign and Global Business segments.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

As part of the process of preparing the financial statements of the Group, management is called upon to make judgement, estimates and assumptions. This affect the reported amount of revenues, expenses, assets, liabilities and the disclosures. Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.
The Group makes estimates, assumptions and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

(b) Significant increase in credit risk

As explained in note 3, ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

(c) Pension benefits

The cost of the defined benefit pension plan and other post-employment benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(d) Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values should be first calculated with reference to observable inputs where these are available. Only where these are unavailable that the Group employs less observable inputs. Unobservable input are used where observable or less observable input are unavailable.
The fair value of securities not quoted in an active market may be determined by the Group using valuation techniques including third party transaction values, earnings, net asset value or discounted cash flows, whichever is considered to be appropriate. The Group would exercise judgement and estimates on the quantity and quality of pricing sources used. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(e) Asset lives and residual values

Property, plant and equipment are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values. Consideration is also given to the extent of current profits and losses on the disposal of similar assets.

Management therefore makes estimates based on historical experience and use best judgement to assess the useful lives of assets and to forecast the expected residual values of the assets at the end of their expected useful lives.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS(continued)

(f) Deferred Tax

Deferred Tax are recognized to the extent that it is probable that future taxable income will be available against which unused tax losses can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Recognition of deferred tax assets depends on management's intention of the Group to generate future taxable profits which will be used against temporary differences and to obtain tax benefit thereon. The outcome of their actual utilization may be different.

(g) Provision and Contingencies

Provision is recognised in the financial statements when the Group has a present obligation as a result of a past event and it is probable that a transfer of economic benefits will be required to settle the obligation. A reliable estimate is required to be made. Management makes various assumptions in order to determine whether to recognise a provision and its amount thereafter. For potential litigation and claims, management relies on the advice of the Group's legal Strategic Business Unit(SBU) and counsel.

(h) Measurement of expected credit loss

The measurement of expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanations of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in the Risk and Capital Management report, which also sets out the key sensitivities of the ECL to changes in those elements. A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk
- Choosing appropriate models and assumptions for the measurement of ECL
- Establishing the number and relative weightings of forward looking scenarios for each type of market and associated ECL
- Establishing groups of similar financial assets for the purposes of measuring ECL

Detailed information about the judgements and estimates made by the Bank in above areas is set out in the Risk and Capital Management report.

(i) Significant influence in Banque Française Commerciale Ocean Indien

The Group holds 49.99% of Banque Française Commerciale Ocean Indien (BFCOI) and it is considered as an associate. Management considers that the Group only has significant influence over BFCOI since it does not have the practical ability to control the relevant activities of BFCOI.

(j) Leases

The adoption of IFRS 16 requires significant judgement and estimate. Critical judgement like the determination of whether an extension or termination option will be exercised. Other key assumption and estimate are:

- Determination of the appropriate rate to discount the lease payments
- Estimating the lease term
- Assessing whether the right of use is impaired

3. FINANCIAL RISK MANAGEMENT

(a) Financial risk management

The Group is actively engaged in delivery of financial services, which includes retail and commercial banking, treasury services, custody and credit card. Managing financial risk is a fundamental part of its business activity. The main sources of financial risk that the Group faces arise from financial instruments, which are fundamental to the Group's business and constitute the core of its operations.

The Group has exposure to the following risks from financial instruments:

(i) Credit Risk
(ii) Liquidity Risk
(iii) Market risk

Given that the Mauritius Commercial Bank Ltd (the Bank) comprises a significant portion of the Group, the details provided relate mainly to the Bank, unless otherwise stated.

The Group devotes considerable resources to measure, manage, mitigate and control each of these risks and ensures that its risk management systems and procedures are fitted to meet the needs of the business. The Group's risk management policies and processes are designed to identify and analyse these risks; set appropriate risk appetites; limits and controls; and to constantly monitor the risks and adherence to limits.

Risk Management Strategy

The Bank applies hedge accounting to represent, to the maximum possible extent permitted under accounting standards, the economic effects of its interest and currency risk management strategies. When derivatives, held for risk management purposes, meet the required criteria for documentation and hedge effectiveness, the Bank shall apply cash flow hedge accounting. The assessment of the effectiveness of hedge relationships are performed on a cumulative life to date basis. The Bank assesses on an ongoing basis whether the hedge has been highly effective. A hedge is regarded as highly effective only when offsetting changes in fair value or cash flows attributable to the hedged risk during the period are within a range of between 80% and 125%.

Cash flow hedge Accounting

Cash flow hedges are used by the Bank with the primary objective of protecting against cash flow variability arising from the Bank exposure to interest rate risk.
To achieve this objective, MCB uses Overnight Index Swap (OIS) to convert the floating rate exposure of its assets into fixed rate cash flows. This strategy aims to protect MCB's interest income from the adverse impact of declining interest rates, ensuring financial stability.

The effective portion of gains and losses on hedging instruments is recognised in other comprehensive income and the ineffective portion of the change in fair value of derivative hedging instruments that are part of a cash flow hedge relationship is recognised immediately in the income statement within 'Net trading income'. The accumulated gains and losses recognised in other comprehensive income are reclassified to the income statement in the same periods in which the hedged item affects profit or loss. When a hedge relationship is discontinued, or partially discontinued, any cumulative gain or loss recognised in other comprehensive income remains in equity until the forecast transaction is recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss previously recognised in other comprehensive income is immediately reclassified to the income statement.

The profile and timing of hedging instrument designated in cash flow hedge relationships based on notional amounts are as follows:

	Up to 1 month	1-3 months	3-6 months	6-12 months	1-3 years	Over 3 years
Interest rate risk - Interest rate swaps (RS'M)	(6,756)	-	-	-	6,756	-

3. FINANCIAL RISK MANAGEMENT

(b) Credit risk

Credit risk arises when customers or counterparties are not able to fulfill their contractual obligations. Credit Risk Management at the Bank is under the responsibility of the Credit Risk Business Unit (CRBU). The CRBU has the task of reviewing the Bank's credit policies and guidelines to ensure that best lending practices are upheld at all times. Risk assessments are carried out to assist in portfolio management decisions including exposure levels and the constitution of required provisions.

Credit related commitments

The main purpose of credit related commitments is to ensure that funds are available to a customer as required. Guarantees and standby letters of credit, which represent irrevocable assurances that the Group will make payments in the event that a customer cannot meet its obligations to third parties, carry the same credit risk as loans. Documentary and commercial letters of credit, which are written undertakings by the Group to pay a third party, on behalf of its customers up to a stipulated amount under specific terms and conditions, are collateralised by the underlying shipments of goods to which they relate and therefore carry less risk than a direct borrowing.

Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments since most commitments to extend credit are contingent upon customers maintaining specific credit standards.

The Group monitors the term to maturity of credit commitments because longer term commitments generally have a greater degree of credit risk than shorter term commitments.

3. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Credit quality

The following tables set out the credit quality of exposures measured at amortised cost by different segments for the year ended 30 June 2025.

At 30 June 2025	Stage 1			Stage 2			Stage 3			
	Gross exposure	12 months ECL	Net exposure	Gross exposure	Lifetime ECL	Net exposure	Gross exposure	Lifetime ECL (Credit Impaired)	Interest in suspense	Net exposure
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
Portfolio										
Retail	70,739	489	70,250	841	158	683	1,235	509	146	726
Wholesale	979,014	5,012	974,002	9,982	2,570	7,412	10,674	9,938	2,465	736
Total	**1,049,753**	**5,501**	**1,044,252**	**10,823**	**2,728**	**8,095**	**11,909**	**10,447**	**2,611**	**1,462**
Retail										
Housing loans	48,064	156	47,908	511	40	471	512	159	27	353
SME	8,886	89	8,797	73	21	52	338	190	41	148
Unsecured and revolving	8,865	196	8,669	139	73	66	167	123	18	44
Other secured loans	4,924	48	4,876	118	24	94	218	37	60	181
Total Retail	**70,739**	**489**	**70,250**	**841**	**158**	**683**	**1,235**	**509**	**146**	**726**
Wholesale										
Sovereign	369,897	140	369,757	-	-	-	-	-	-	-
Financial institutions	116,355	178	116,177	-	-	-	-	-	-	-
Project finance	10,947	439	10,508	329	82	247	-	-	-	-
Energy & commodities	245,849	1,580	244,269	1,397	564	833	1,670	1,670	208	-
Corporate	235,966	2,675	233,291	8,256	1,924	6,332	9,004	8,268	2,257	736
Total Wholesale	**979,014**	**5,012**	**974,002**	**9,982**	**2,570**	**7,412**	**10,674**	**9,938**	**2,465**	**736**

The Bank allocates each exposure to credit risk grade based on a variety of data that is determined to be predictive of risk of default and applying experienced credit judgement. For the wholesale portfolio, credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of the borrower. It involves assigning a rating to each counterparty according to an internal scale of 1 to 20 . The following table presents the Bank's internal rating scale and the corresponding scale of Moody's Investors Service.

Internal Rating	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Moody's Equivalent Rating	Aaa	Aa1	Aa2	Aa3	A1	A2	A3	Baa1	Baa2	Baa3	Ba1	Ba2	Ba3	B1	B2	B3	Caa1	Caa2	Caa3	D

3. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Credit quality (continued)

An analysis of credit exposures using the Bank's grading system is as follows.

At 30 June 2025	Gross exposure			Expected credit loss			Net exposure		
Internal Rating	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
Total Wholesale									
2	72,894	-	-	2	-	-	72,892	-	-
3	8,788	-	-	1	-	-	8,787	-	-
4	30,237	-	-	20	-	-	30,217	-	-
5	31,503	-	-	9	-	-	31,494	-	-
6	4,473	-	-	2	-	-	4,471	-	-
7	17,994	-	-	3	-	-	17,991	-	-
8	6,575	-	-	2	-	-	6,573	-	-
9	226	-	-	-	-	-	226	-	-
10	322,180	-	-	175	-	-	322,005	-	-
11	67,449	175	-	197	104	-	67,252	71	-
12	107,164	-	-	418	-	-	106,746	-	-
13	109,121	598	-	582	148	-	108,539	450	-
14	122,517	2,795	-	923	596	-	121,594	2,199	-
15	39,365	1,076	-	1,297	174	-	38,068	902	-
16	26,495	3,364	-	551	1,054	-	25,944	2,310	-
17	11,611	1,974	-	809	494	-	10,802	1,480	-
18	422	-	-	21	-	-	401	-	-
20	-	-	10,674	-	-	9,938	-	-	736
Total	**979,014**	**9,982**	**10,674**	**5,012**	**2,570**	**9,938**	**974,002**	**7,412**	**736**
Sovereign									
2	72,894	-	-	2	-	-	72,892	-	-
4	9,724	-	-	-	-	-	9,724	-	-
10	286,701	-	-	118	-	-	286,583	-	-
13	175	-	-	1	-	-	174	-	-
18	403	-	-	19	-	-	384	-	-
Total	**369,897**	**-**	**-**	**140**	**-**	**-**	**369,757**	**-**	**-**
Financial Institutions									
3	8,788	-	-	1	-	-	8,787	-	-
4	1,576	-	-	-	-	-	1,576	-	-
5	31,503	-	-	9	-	-	31,494	-	-
6	4,473	-	-	2	-	-	4,471	-	-
7	17,542	-	-	3	-	-	17,539	-	-
8	6,575	-	-	2	-	-	6,573	-	-
9	69	-	-	-	-	-	69	-	-
10	11,725	-	-	1	-	-	11,724	-	-
11	6,355	-	-	2	-	-	6,353	-	-
13	15,302	-	-	45	-	-	15,257	-	-
14	2,931	-	-	5	-	-	2,926	-	-
15	517	-	-	1	-	-	516	-	-
16	4,263	-	-	78	-	-	4,185	-	-
17	4,717	-	-	27	-	-	4,690	-	-
18	19	-	-	2	-	-	17	-	-
Total	**116,355**	**-**	**-**	**178**	**-**	**-**	**116,177**	**-**	**-**

3. **FINANCIAL RISK MANAGEMENT (continued)**

(b) **Credit risk (continued)**

Credit quality (continued)

At 30 June 2025	Gross exposure			Expected credit loss			Net exposure		
Internal Rating	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
Project Finance									
12	601	-	-	-	-	-	601	-	-
13	2,280	-	-	4	-	-	2,276	-	-
14	4,736	-	-	48	-	-	4,688	-	-
17	3,330	329	-	387	82	-	2,943	247	-
Total	**10,947**	**329**	**-**	**439**	**82**	**-**	**10,508**	**247**	**-**
Energy & Commodities									
4	18,936	-	-	19	-	-	18,917	-	-
10	20,982	-	-	56	-	-	20,926	-	-
11	24,319	-	-	49	-	-	24,270	-	-
12	44,638	-	-	103	-	-	44,535	-	-
13	19,916	-	-	77	-	-	19,839	-	-
14	74,141	499	-	397	250	-	73,744	249	-
15	22,186	-	-	455	-	-	21,731	-	-
16	20,731	898	-	424	314	-	20,307	584	-
20	-	-	1,670	-	-	1,670	-	-	-
Total	**245,849**	**1,397**	**1,670**	**1,580**	**564**	**1,670**	**244,269**	**833**	**-**
Corporate									
7	452	-	-	-	-	-	452	-	-
9	157	-	-	-	-	-	157	-	-
10	2,772	-	-	-	-	-	2,772	-	-
11	36,775	175	-	146	104	-	36,629	71	-
12	61,925	-	-	315	-	-	61,610	-	-
13	71,448	598	-	456	148	-	70,992	450	-
14	40,710	2,296	-	473	346	-	40,237	1,950	-
15	16,662	1,076	-	841	174	-	15,821	902	-
16	1,501	2,466	-	49	741	-	1,452	1,725	-
17	3,564	1,645	-	395	411	-	3,169	1,234	-
20	-	-	9,004	-	-	8,268	-	-	736
Total	**235,966**	**8,256**	**9,004**	**2,675**	**1,924**	**8,268**	**233,291**	**6,332**	**736**

3. **FINANCIAL RISK MANAGEMENT (continued)**

(b) **Credit risk (continued)**
Credit quality

The following tables set out the credit quality of exposures measured at amortised cost by different segments for the year ended 30 June 2024.

At 30 June 2024	Stage 1			Stage 2			Stage 3			
	Gross exposure	12 months ECL	Net exposure	Gross exposure	Lifetime ECL	Net exposure	Gross exposure	Lifetime ECL (Credit Impaired)	Interest in suspense	Net exposure
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
Portfolio										
Retail	62,506	837	61,669	170	23	147	1,137	431	124	706
Wholesale	916,582	3,572	913,010	9,363	2,172	7,191	11,100	8,554	1,885	2,546
Total	**979,088**	**4,409**	**974,679**	**9,533**	**2,195**	**7,338**	**12,237**	**8,985**	**2,009**	**3,252**
Retail										
Housing loans	40,740	498	40,242	84	7	77	441	158	23	283
SME	10,127	136	9,991	31	3	28	284	134	24	150
Unsecured and revolving	7,189	144	7,045	42	12	30	149	102	14	47
Other secured loans	4,450	59	4,391	13	1	12	263	37	63	226
Total Retail	**62,506**	**837**	**61,669**	**170**	**23**	**147**	**1,137**	**431**	**124**	**706**
Wholesale										
Sovereign	336,382	139	336,243	-	-	-	296	30	60	266
Financial institutions	94,559	356	94,203	-	-	-	-	-	-	-
Project finance	3,420	57	3,363	-	-	-	24	12	-	12
Energy & commodities	256,090	796	255,294	3,078	549	2,529	1,755	1,755	-	-
Corporate	226,131	2,224	223,907	6,285	1,623	4,662	9,025	6,757	1,825	2,268
Total Wholesale	**916,582**	**3,572**	**913,010**	**9,363**	**2,172**	**7,191**	**11,100**	**8,554**	**1,885**	**2,546**

3. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Credit quality (continued)

An analysis of credit exposures using the Bank's grading system is as follows.

At 30 June 2024	Gross exposure			Expected credit loss			Net exposure		
Internal Rating	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
Total Wholesale									
2	74,034	-	-	3	-	-	74,031	-	-
3	1,101	-	-	-	-	-	1,101	-	-
4	9,902	-	-	1	-	-	9,901	-	-
5	20,022	-	-	5	-	-	20,017	-	-
6	6,392	-	-	1	-	-	6,391	-	-
7	19,894	-	-	5	-	-	19,889	-	-
8	13,799	-	-	2	-	-	13,797	-	-
9	478	-	-	-	-	-	478	-	-
10	272,808	16	-	84	3	-	272,724	13	-
11	37,111	-	-	120	-	-	36,991	-	-
12	90,515	105	-	287	22	-	90,228	83	-
13	105,580	375	-	476	87	-	105,104	288	-
14	157,040	2,504	-	825	513	-	156,215	1,991	-
15	38,449	2,267	-	396	557	-	38,053	1,710	-
16	51,910	1,841	-	395	183	-	51,515	1,658	-
17	15,455	1,203	-	725	440	-	14,730	763	-
18	283	449	-	14	247	-	269	202	-
19	1,809	603	-	233	120	-	1,576	483	-
20	-	-	11,100	-	-	8,554	-	-	2,546
Total	**916,582**	**9,363**	**11,100**	**3,572**	**2,172**	**8,554**	**913,010**	**7,191**	**2,546**
Sovereign									
2	74,034	-	-	3	-	-	74,031	-	-
4	8,003	-	-	1	-	-	8,002	-	-
10	253,474	-	-	84	-	-	253,390	-	-
13	204	-	-	-	-	-	204	-	-
19	667	-	-	51	-	-	616	-	-
20	-	-	296	-	-	30	-	-	266
Total	**336,382**	**-**	**296**	**139**	**-**	**30**	**336,243**	**-**	**266**
Financial Institutions									
3	1,101	-	-	-	-	-	1,101	-	-
4	1,899	-	-	-	-	-	1,899	-	-
5	20,022	-	-	5	-	-	20,017	-	-
6	6,392	-	-	1	-	-	6,391	-	-
7	19,423	-	-	5	-	-	19,418	-	-
8	13,799	-	-	2	-	-	13,797	-	-
9	478	-	-	-	-	-	478	-	-
10	15,956	-	-	-	-	-	15,956	-	-
11	2,214	-	-	1	-	-	2,213	-	-
12	262	-	-	1	-	-	261	-	-
13	953	-	-	2	-	-	951	-	-
14	3,430	-	-	11	-	-	3,419	-	-
15	356	-	-	3	-	-	353	-	-
16	1,805	-	-	60	-	-	1,745	-	-
17	6,461	-	-	264	-	-	6,197	-	-
19	8	-	-	1	-	-	7	-	-
Total	**94,559**	**-**	**-**	**356**	**-**	**-**	**94,203**	**-**	**-**

3. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Credit quality (continued)

At 30 June 2024	Gross exposure			Expected credit loss			Net exposure		
Internal Rating	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
Project Finance									
13	2,264	-	-	8	-	-	2,256	-	-
14	55	-	-	1	-	-	54	-	-
15	498	-	-	8	-	-	490	-	-
16	115	-	-	3	-	-	112	-	-
17	306	-	-	26	-	-	280	-	-
18	182	-	-	11	-	-	171	-	-
20	-	-	24	-	-	12	-	-	12
Total	**3,420**	**-**	**24**	**57**	**-**	**12**	**3,363**	**-**	**12**
Energy & Commodities									
11	1,257	-	-	2	-	-	1,255	-	-
12	30,837	-	-	66	-	-	30,771	-	-
13	43,059	-	-	81	-	-	42,978	-	-
14	105,577	-	-	290	-	-	105,287	-	-
15	24,750	1,340	-	73	287	-	24,677	1,053	-
16	47,312	1,289	-	251	15	-	47,061	1,274	-
17	3,197	-	-	30	-	-	3,167	-	-
18	101	449	-	3	247	-	98	202	-
20	-	-	1,755	-	-	1,755	-	-	-
Total	**256,090**	**3,078**	**1,755**	**796**	**549**	**1,755**	**255,294**	**2,529**	**-**
Corporate									
7	471	-	-	-	-	-	471	-	-
10	3,378	16	-	-	3	-	3,378	13	-
11	33,640	-	-	117	-	-	33,523	-	-
12	59,416	105	-	220	22	-	59,196	83	-
13	59,100	375	-	385	87	-	58,715	288	-
14	47,978	2,504	-	523	513	-	47,455	1,991	-
15	12,845	927	-	312	270	-	12,533	657	-
16	2,678	552	-	81	168	-	2,597	384	-
17	5,491	1,203	-	405	440	-	5,086	763	-
19	1,134	603	-	181	120	-	953	483	-
20	-	-	9,025	-	-	6,757	-	-	2,268
Total	**226,131**	**6,285**	**9,025**	**2,224**	**1,623**	**6,757**	**223,907**	**4,662**	**2,268**

3. **FINANCIAL RISK MANAGEMENT (continued)**

(b) **Credit risk (continued)**
Credit quality (continued)

The following tables set out the credit quality of exposures measured at amortised cost by different segments for the year ended 30 June 2023.

At 30 June 2023	Stage 1			Stage 2			Stage 3			
	Gross exposure	12 months ECL	Net exposure	Gross exposure	Lifetime ECL	Net exposure	Gross exposure	Lifetime ECL (Credit Impaired)	Interest in suspense	Net exposure
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
Portfolio										
Retail	56,177	174	56,003	807	609	198	1,027	308	120	719
Wholesale	762,525	3,972	758,553	18,464	3,289	15,175	10,767	7,517	1,995	3,250
Total	**818,702**	**4,146**	**814,556**	**19,271**	**3,898**	**15,373**	**11,794**	**7,825**	**2,115**	**3,969**
Retail										
Housing loans	36,852	48	36,804	437	314	123	511	153	26	358
SME	9,445	33	9,412	118	84	34	200	55	25	145
Unsecured and revolving	5,557	88	5,469	126	121	5	98	74	12	24
Other secured loans	4,323	5	4,318	126	90	36	218	26	57	192
Total Retail	**56,177**	**174**	**56,003**	**807**	**609**	**198**	**1,027**	**308**	**120**	**719**
Wholesale										
Sovereign	288,634	110	288,524	-	-	-	285	28	26	257
Financial institutions	85,668	847	84,821	-	-	-	-	-	-	-
Project finance	5,618	93	5,525	70	35	35	410	408	17	2
Energy & commodities	179,799	532	179,267	4,848	911	3,937	890	733	13	157
Corporate	202,806	2,390	200,416	13,546	2,343	11,203	9,182	6,348	1,939	2,834
Total Wholesale	**762,525**	**3,972**	**758,553**	**18,464**	**3,289**	**15,175**	**10,767**	**7,517**	**1,995**	**3,250**

3. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Credit quality (continued)

An analysis of credit exposures using the Bank's grading system is as follows.

At 30 June 2023	Gross exposure			Expected credit loss			Net exposure		
Internal Rating	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
Total Wholesale									
2	73,352	-	-	1	-	-	73,351	-	-
3	1,505	-	-	-	-	-	1,505	-	-
4	19,540	-	-	1	-	-	19,539	-	-
5	32,164	-	-	7	-	-	32,157	-	-
6	3,978	-	-	1	-	-	3,977	-	-
7	17,975	-	-	8	-	-	17,967	-	-
8	202,687	-	-	28	-	-	202,659	-	-
9	35	-	-	-	-	-	35	-	-
10	6,470	-	-	-	-	-	6,470	-	-
11	29,548	121	-	63	-	-	29,485	121	-
12	58,873	564	-	231	88	-	58,642	476	-
13	118,331	1,780	-	611	88	-	117,720	1,692	-
14	58,986	3,074	-	578	278	-	58,408	2,796	-
15	114,788	2,935	-	1,259	368	-	113,529	2,567	-
16	12,594	4,562	-	430	1,117	-	12,164	3,445	-
17	7,589	3,505	-	475	744	-	7,114	2,761	-
18	2,042	1,386	-	102	513	-	1,940	873	-
19	2,068	537	-	177	93	-	1,891	444	-
20	-	-	10,767	-	-	7,517	-	-	3,250
Total	762,525	18,464	10,767	3,972	3,289	7,517	758,553	15,175	3,250
Sovereign									
2	73,352	-	-	1	-	-	73,351	-	-
4	15,546	-	-	1	-	-	15,545	-	-
8	198,648	-	-	28	-	-	198,620	-	-
13	213	-	-	-	-	-	213	-	-
19	875	-	-	80	-	-	795	-	-
20	-	-	285	-	-	28	-	-	257
Total	288,634	-	285	110	-	28	288,524	-	257
Financial Institutions									
3	1,505	-	-	-	-	-	1,505	-	-
4	105	-	-	-	-	-	105	-	-
5	32,164	-	-	7	-	-	32,157	-	-
6	2,044	-	-	1	-	-	2,043	-	-
7	17,975	-	-	8	-	-	17,967	-	-
8	4,039	-	-	-	-	-	4,039	-	-
9	35	-	-	-	-	-	35	-	-
10	6,344	-	-	-	-	-	6,344	-	-
11	2,391	-	-	7	-	-	2,384	-	-
12	262	-	-	1	-	-	261	-	-
13	1,419	-	-	10	-	-	1,409	-	-
15	3,708	-	-	36	-	-	3,672	-	-
16	4,675	-	-	244	-	-	4,431	-	-
17	7,143	-	-	440	-	-	6,703	-	-
18	1,859	-	-	93	-	-	1,766	-	-
Total	85,668	-	-	847	-	-	84,821	-	-

3. **FINANCIAL RISK MANAGEMENT (continued)**

(b) **Credit risk (continued)**

Credit quality (continued)

At 30 June 2023	Gross exposure			Expected credit loss			Net exposure		
Internal Rating	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
Project Finance									
13	4,193	-	-	34	-	-	4,159	-	-
14	113	-	-	1	-	-	112	-	-
15	507	70	-	11	35	-	496	35	-
16	236	-	-	6	-	-	230	-	-
17	386	-	-	32	-	-	354	-	-
18	183	-	-	9	-	-	174	-	-
20	-	-	410	-	-	408	-	-	2
Total	5,618	70	410	93	35	408	5,525	35	2
Energy & Commodities									
4	3,889	-	-	-	-	-	3,889	-	-
6	1,934	-	-	-	-	-	1,934	-	-
11	3,383	-	-	2	-	-	3,381	-	-
12	10,009	-	-	10	-	-	9,999	-	-
13	44,741	1,367	-	81	68	-	44,660	1,299	-
14	29,564	-	-	60	-	-	29,504	-	-
15	81,885	888	-	291	99	-	81,594	789	-
16	4,394	-	-	88	-	-	4,306	-	-
17	-	1,569	-	-	358	-	-	1,211	-
18	-	1,024	-	-	386	-	-	638	-
20	-	-	890	-	-	733	-	-	157
Total	179,799	4,848	890	532	911	733	179,267	3,937	157
Corporate									
10	126	-	-	-	-	-	126	-	-
11	23,774	121	-	54	-	-	23,720	121	-
12	48,602	564	-	220	88	-	48,382	476	-
13	67,765	413	-	486	20	-	67,279	393	-
14	29,309	3,074	-	517	278	-	28,792	2,796	-
15	28,688	1,977	-	921	234	-	27,767	1,743	-
16	3,289	4,562	-	92	1,117	-	3,197	3,445	-
17	60	1,936	-	3	386	-	57	1,550	-
18	-	362	-	-	127	-	-	235	-
19	1,193	537	-	97	93	-	1,096	444	-
20	-	-	9,182	-	-	6,348	-	-	2,834
Total	202,806	13,546	9,182	2,390	2,343	6,348	200,416	11,203	2,834

3. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Credit quality (continued)

Restructured financial assets

The Group defines "rescheduling" as any amendments to restructuring or rescheduling of any exposure and includes concession, relaxation, forgiveness or postponement of any material term or condition of the original sanction. The underlying allowance for credit loss is realised wherever there is a material economic loss.

The following table provides information on financial assets which were restructured while they had a loss allowance measured at an amount equal to lifetime ECL.

	2025 RS 'M	2024 RS 'M	2023 RS 'M
Amortised cost before restructure	**25**	95	12
Net modification gain or loss	**3**	2	8
Gross carrying amount at the end of the reporting year when the loss allowance was measured at an amount equal to lifetime ECL and for which the loss allowance has changed during the year to an amount of 12 months ECL	**-**	1	4

Assets obtained by taking possession of collateral

Details of assets obtained by the Group during the year by taking possession of collateral held as security against loans and advances held at 30 June are shown below:

	2025 RS 'M	2024 RS 'M	2023 RS 'M
Property	**103**	105	104

Maximum exposure to credit risk - Financial instruments measured at fair value through profit or loss

The following table contains an analysis of the maximum credit risk exposure from financial assets not subject to impairment (i.e. fair value through profit or loss).

	2025 RS 'M	2024 RS 'M	2023 RS 'M
Derivative financial instruments	**3,745**	2,071	1,214
Investment securities	**9,447**	3,485	1,521

Collateral held and other credit enhancements

The Group's potential credit losses are mitigated through a range of instruments including collaterals and credit protection such as cash, real estate, marketable securities, inventories, standby letters of credit and other physical and/or financial collateral.

Credit risk policies are in place to determine the eligibility of collateral to mitigate the credit risk assumed and appropriate haircuts are applied to the market value of collateral, reflecting the underlying nature, quality and liquidity of the collateral.

In the event of default, the Group has the ability to call on the different types of collaterals which in turn are driven by portfolio, product or counterparty type. The Bank considers that it is sufficiently collateralised against its impaired book.

Fixed and floating charges on properties and other assets constitute the bulk of our collateral while cash and marketable securities are immaterial.

Long-term finance and lending to corporate entities are generally secured whilst revolving individual credit facilities are generally unsecured. When the borrower’s credit worthiness is not sufficient to justify an extension of credit, corporate guarantees are required.

In extending credit facilities to small and medium sized enterprises, the Group often resorts to personal guarantees from principal directors to ensure their commitment to repayment. Debt securities, treasury and other eligible bills are generally unsecured with the exception of asset-backed securities.

For derivatives, repurchase agreements with financial market counterparties, collateral arrangements are covered under market-standard documentation such as International Swaps and Derivatives Association Agreements (ISDA) and Master Repurchase Agreements.

The Group did not hold any financial instrument for which no loss allowance is recognised because of collateral. There was no change in the Group's collateral policy during the year.

3. **FINANCIAL RISK MANAGEMENT (continued)**

(b) **Credit risk (continued)**

Credit quality (continued)

As part of IFRS 9, the Group needs to convert the through the circle (TTC) PDs to point in time (PIT) PDs.
This conversion of TTC PDs to PIT PDs entailed the inclusion of forward-looking scenarios for both wholesale and retail portfolios.

Macroeconomic variables used for the Forward-Looking PDs (Probability of Default)

Wholesale Portfolio

The variables used for the inclusion of forward-looking aspects to our PDs i.e. for the conversion of TTC PDs to PIT PDs are as follows:

- Credit index (-2)*
- Credit index (-1)*
- GDP growth
- ln (lending rate)

Retail Portfolio

The retail portfolio is broken into SME, housing, secured and unsecured.
The following macroeconomic variables have been used for the respective portfolio:

(a) SME

Ln (GDP at basic prices)
Average Lending rate

(b) Housing

Ln (GDP at basic prices)
Unemployment rate for the year

(c) Secured

Ln (GDP at market prices)
Average lending rate

(d) Unsecured

Ln (GDP at basic prices)
Average CPI
Average lending rate

Credit concentration of risk by industry sectors

Corporate notes and credit facilities extended by the Group to any closely-related customers for amounts aggregating more than 10% of its Tier 1 capital, classified by industry sectors.

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
Agriculture and fishing	**269**	298	481	**269**	298	481
Manufacturing	**4,923**	545	7,562	**4,923**	545	7,562
Tourism	**3,068**	3,741	12,401	**3,068**	3,737	12,401
Transport	**187**	1,838	2,507	**185**	1,835	2,504
Construction	**7,829**	8,065	6,993	**7,829**	8,065	6,993
Financial and business services	**29,710**	16,774	13,683	**29,710**	16,774	13,683
Traders	**263,215**	259,493	216,036	**263,215**	259,493	216,036
of which Petroleum & Energy products	***236,471***	*247,907*	*189,045*	***236,471***	*247,907*	*189,045*
Global Business Licence holders	**1,376**	435	8,144	**1,376**	435	8,144
Others	**1,987**	9,861	8,218	**1,984**	9,861	8,218
	312,564	301,050	276,025	**312,559**	301,043	276,022

Refer to the risk management report for further details on concentration risk management

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk

Market risk refers to the potential of market price fluctuations, such as those in interest rates, equity prices, foreign exchange rates, and market credit spreads, impacting a bank's income or the valuation of its financial instrument holdings. The primary objective of market risk management is to proficiently handle and regulate these exposures within acceptable benchmarks, all while optimizing returns from risk-associated endeavors.

The formulation of market risk management policies within the Bank lies under the jurisdiction of the Board Risk Monitoring Committee. The execution of these policies and the oversight of this risk category are entrusted to both the Risk Business Unit (BU) and the Asset and Liability Committee (ALCO). Central to the supervision and control of market risk activities are the Market Risk Business Unit (MRBU) and the Assets, Liabilities and Capital Management (ALCM) Unit. These units play a pivotal role in the ongoing monitoring and regulation of market risk activities.

The MRBU is devoted to ensuring the effective adherence to market risk policies and guidelines, as well as maintaining a vigilant watch over predetermined limits. Similarly, the ALM Unit concentrates on monitoring the interest rate risk in the banking book. Their collective efforts contribute to a comprehensive approach to risk management within the Bank.

(i) Investment Price risk

Investment price risk pertains to the vulnerability of an investment's value to shifts in market prices. This risk emanates from a multitude of factors, including the interplay of supply and demand, prevailing economic conditions, geopolitical occurrences, and prevailing market sentiment. The Bank designates a portion of its investments under the categories of Fair Value through Other Comprehensive Income (FVOCI) and Fair Value through Profit or Loss (FVPL).

The table below summarises the impact of increases/decreases in fair value of the investments on the Bank's equity. The analysis is based on the assumption that the fair value had increased/decreased by 5%.

	GROUP & BANK		
	2025	2024	2023
	RS 'M	RS 'M	RS 'M
Financial assets at fair value through other comprehensive income	**144**	108	97
Financial assets at fair value through profit or loss	**472**	346	225
	616	454	322

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(ii) Currency risk

Currency risk is defined as the risk that movements in foreign exchange rates adversely affect the value of the Bank's foreign currency positions. Exposure resulting from trading activities is monitored through the use of limits. Limits are given to the individual trader and monitored by the Head of Financial Markets. Such limits include daily stop-loss and position limits. Overall exposure to foreign exchange including those resulting from non-trading activities is monitored against both the regulatory guideline and an internal target validated by the ALCM.

Value-at-Risk

The Bank utilizes the statistical technique “Value-at-Risk” (VaR) for estimating potential losses on risk positions as a result of adverse movements in market rates and prices over a specified time horizon and to a given level of confidence.

Our VaR model is based on historical simulation and encompasses the following features and principles:

- Historical market rates and prices such as FX rates, Interest rates, Commodity prices, Bond prices and associated volatilities (risk factors) that are representative of the bank’s position.
- The definition of 250 scenarios, corresponding to one-day variations in these market parameters over a sliding one year period. These scenarios are updated daily with the inclusion of a new scenario and the removal of the oldest scenario.
- The application of these 250 scenarios to the daily market parameters. This approach assumes that historical changes in market values are representative of the distribution of potential outcomes in the immediate future.
- The full revaluation of daily positions, on the basis of the adjusted daily market conditions, and the incorporation of non-linear option features on the underlying exposures.
- Calculations to a 99% confidence interval for a one-day holding period on the basis of exposures outstanding at the close of business. The 99% VaR is the largest loss that would be incurred after eliminating the top 1% of most unfavorable occurrences. Over one year, or 250 scenarios, it corresponds to the average of the second and third largest losses involved.

The VaR methodology implicitly takes into account the correlation between all markets and the distribution of variations in market parameters. The nature of the model means an increase in observed market volatility will lead to an increase in VaR without any changes in underlying positions.

To capture material market risks arising from trading portfolios, comprehensive VaR calculations are performed daily for Financial Markets business lines whose activities give rise to market risk. The VaR results across those trading portfolios are aggregated at bank level and are reported as appropriate to various groups including the bank’s Senior Management and the Board Risk Committee.

As VaR is based on historical data, it is an imperfect measure of market risk exposure and potential future losses. In addition, based on their reliance on available historical data, limited time horizons, and other factors, VaR measures are inherently limited in their ability to measure certain risks and to predict losses, particularly those associated with market illiquidity and sudden or severe shifts in market conditions.

For certain products, specific risk parameters are not captured in VaR due to the lack of liquidity and availability of appropriate historical data. The bank uses proxies to estimate the VaR for these and other products when daily time series are not available.

Backtesting

The performance and adequacy of our VaR model is validated by backtesting the VaR metric against the hypothetical P&L (HPL) daily in order to verify whether the number of days for which the negative results exceeds the VaR complies with the 99% confidence interval. The hypothetical P&L reflects the P&L that would be realized if positions were held constant from the end of one trading day to the next, and excludes items such as fees, commissions and revenue of intra-day transactions. The VaR backtesting is carried out at set levels of the Bank entity hierarchy.

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(ii) Currency risk (continued)

The Bank also calculates a Stressed Value-at-Risk (SVaR), with its methodology and coverage consistent with the VaR: historical simulation on the Bank's entire trading book positions, computed with a 99% one-tailed confidence interval and a 1-day holding period. The SVaR model inputs are however calibrated to historical data from a continuous twelve-month period of significant financial stress relevant to the bank's trading portfolio: the Great Financial Crash of 2008-09.

SVaR complements VaR by providing a realistic measure of market risk tailored for stressed environments. Its purpose is to capture the impact of exceptional but plausible large loss events that are not reflected in the historical VaR scenarios.

The Trading 1-Day 99% VaR and SVaR as at June 2025 are shown in the table below:

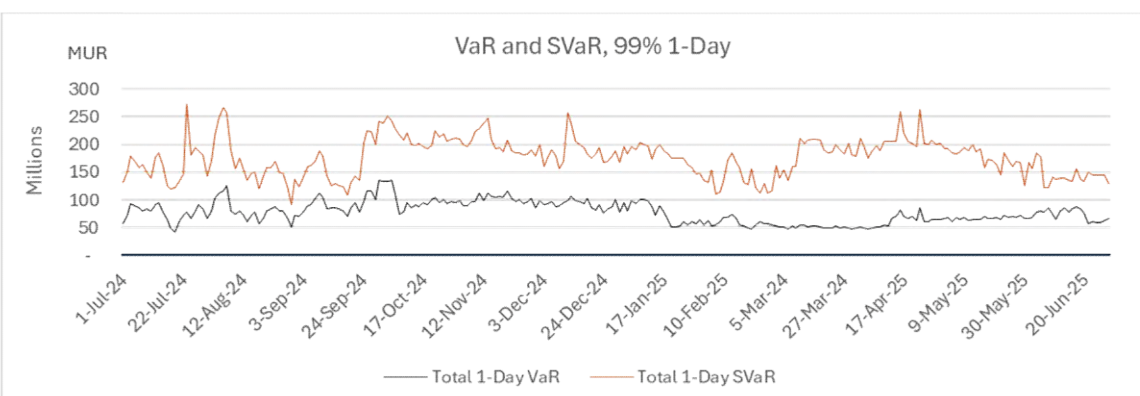
		FY25		
MUR million	Year end	Average	Maximum	Minimum
Foreign Exchange	57	58	125	33
Interest Rate	49	56	94	10
Diversification Effect	(41)	(37)	n/a	n/a
1-Day VaR	**65**	**77**	**135**	**41**
1-Day Stressed-VaR	**130**	**177**	**272**	**91**

(a) Diversification benefit represents the difference between the portfolio VaR and the sum of its individual components. This reflects the non-additive nature of VaR due to imperfect correlation across LOBs and risk types. Same concept applies for SVaR.

(b) A negative number represents the benefit of portfolio diversification.

(c) For maximum and minimum VaR/SVaR, diversification benefit is not meaningful as the maximum and minimum VaR/SVaR for each portfolio may have occurred on different trading days than the components

Evolution over the last financial year



The VaR metric was higher this financial year, averaging MUR 77M Vs. MUR 60M in FY 24. This increase is mainly due to larger Bond and Swap holdings during the year, coupled with the entry of new and more volatile scenarios mostly driven by the US elections and geopolitical tensions.

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(ii) Currency risk (continued)

	GROUP					
At 30 June 2025	**EURO**	**USD**	**GBP**	**MUR**	**OTHER**	**TOTAL**
	RS 'M	**RS 'M**	**RS 'M**	**RS 'M**	**RS 'M**	**RS 'M**
Financial Assets						
Cash and cash equivalents	8,617	56,916	5,337	55,391	6,139	132,400
Derivative financial instruments	52	2,978	-	715	-	3,745
Loans to and placements with banks	7,233	19,661	3,205	582	-	30,681
Loans and advances to customers	43,230	195,270	213	149,381	6,851	394,945
Investment securities	12,641	83,457	88	229,673	3,366	329,225
Other financial assets	2,981	8,467	502	32,431	1,385	45,766
	74,754	366,749	9,345	468,173	17,741	936,762
Less allowances for credit impairment						(21,052)
Total						**915,710**
Financial liabilities						
Deposits from banks	1,834	14,606	436	775	2,507	20,158
Deposits from customers	66,450	247,875	7,528	355,534	12,977	690,364
Derivative financial instruments	52	2,980	-	1,036	-	4,068
Other borrowed funds	2,657	81,815	1,013	20	166	85,671
Debt securities	-	13,707	-	-	(58)	13,649
Subordinated liabilities	-	6,939	-	-	(50)	6,889
Other financial liabilities	107	457	21	2,340	174	3,099
Total	71,100	368,379	8,998	359,705	15,716	**823,898**
Net on-balance sheet position	3,654	(1,630)	347	108,468	2,025	112,864
Less allowances for credit impairment						(21,052)
						91,812
Off balance sheet net notional position	20,381	57,961	648	-	6,575	85,565
Credit commitments	7,760	200,289	141	21,420	2,889	232,499

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(ii) Currency risk (continued)

	BANK					
At 30 June 2025	**EURO**	**USD**	**GBP**	**MUR**	**OTHER**	**TOTAL**
	RS 'M	**RS 'M**	**RS 'M**	**RS 'M**	**RS 'M**	**RS 'M**
Financial Assets						
Cash and cash equivalents	8,595	56,940	5,338	55,391	5,422	131,686
Derivative financial instruments	52	2,978	-	715	-	3,745
Loans to and placements with banks	7,269	19,839	3,205	582	-	30,895
Loans and advances to customers	42,415	193,901	213	149,381	183	386,093
Investment securities	12,641	83,457	88	229,673	-	325,859
Other financial assets	2,981	8,467	502	32,464	1	44,415
	73,953	365,582	9,346	468,206	5,606	922,693
Less allowances for credit impairment						(20,377)
Total						**902,316**
Financial liabilities						
Deposits from banks	1,727	14,631	438	777	56	17,629
Deposits from customers	65,957	247,578	7,528	355,534	4,930	681,527
Derivative financial instruments	52	2,980	-	1,036	-	4,068
Other borrowed funds	2,334	81,374	1,013	19	2	84,742
Debt securities	-	13,707	-	-	(58)	13,649
Subordinated liability	-	6,757	-	-	(50)	6,707
Other financial liabilities	107	457	21	2,373	6	2,964
Total	70,177	367,484	9,000	359,739	4,886	**811,286**
Net on-balance sheet position	3,776	(1,902)	346	108,467	720	111,407
Less allowances for credit impairment						(20,377)
						91,030
Off balance sheet net notional position	20,040	56,632	648	-	6,292	83,612
Credit commitments	7,760	200,289	141	21,420	2,889	232,499

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(ii) Currency risk (continued)

	GROUP					
At 30 June 2024	**EURO**	**USD**	**GBP**	**MUR**	**OTHER**	**TOTAL**
	RS 'M	**RS 'M**	**RS 'M**	**RS 'M**	**RS 'M**	**RS 'M**
Financial Assets						
Cash and cash equivalents	8,655	46,587	7,879	20,210	8,610	91,941
Derivative financial instruments	258	1,484	-	329	-	2,071
Loans to and placements with banks	2,797	10,130	-	(12)	39	12,954
Loans and advances to customers	39,963	223,637	388	129,264	5,859	399,111
Investment securities	9,678	81,292	9	232,120	2,368	325,467
Other financial assets	2,957	4,688	492	30,353	1,165	39,655
	64,308	367,818	8,768	412,264	18,041	871,199
Less allowances for credit impairment						(17,848)
Total						**853,351**
Financial liabilities						
Deposits from banks	1,104	38,441	451	948	57	41,001
Deposits from customers	58,439	244,613	6,894	316,950	14,741	641,637
Derivative financial instruments	(85)	1,829	-	246	-	1,990
Other borrowed funds	3,309	59,173	808	(296)	2,361	65,355
Debt securities	-	14,393	-	(79)	-	14,314
Subordinated liability	-	7,057	-	-	-	7,057
Other financial liabilities	187	645	39	2,082	212	3,165
Total	62,954	366,151	8,192	319,851	17,371	**774,519**
Net on-balance sheet position	1,354	1,667	576	92,413	670	96,680
Less allowances for credit impairment						(17,848)
						78,832
Off balance sheet net notional position	16,681	54,992	973	-	5,214	77,860
Credit commitments	4,838	197,103	165	20,545	2,248	224,899

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(ii) Currency risk (continued)

	BANK					
At 30 June 2024	**EURO**	**USD**	**GBP**	**MUR**	**OTHER**	**TOTAL**
	RS 'M	**RS 'M**	**RS 'M**	**RS 'M**	**RS 'M**	**RS 'M**
Financial Assets						
Cash and cash equivalents	8,544	46,541	7,877	20,209	7,531	90,702
Derivative financial instruments	258	1,484	-	329	-	2,071
Loans to and placements with banks	2,797	11,089	-	(12)	39	13,913
Loans and advances to customers	39,214	222,230	388	129,264	360	391,456
Investment securities	9,678	81,292	9	232,120	-	323,099
Other financial assets	2,957	4,688	492	30,384	218	38,739
	63,448	367,324	8,766	412,294	8,148	859,980
Less allowances for credit impairment						(17,305)
Total						**842,675**
Financial liabilities						
Deposits from banks	1,104	38,441	451	948	77	41,021
Deposits from customers	57,905	244,342	6,894	316,950	8,201	634,292
Derivative financial instruments	(85)	1,829	-	246	-	1,990
Other borrowed funds	2,955	59,017	808	(296)	45	62,529
Debt securities	-	14,393	-	(79)	-	14,314
Subordinated liability	-	7,057	-	-	-	7,057
Other financial liabilities	187	645	39	2,113	29	3,013
Total	62,066	365,724	8,192	319,882	8,352	**764,216**
Net on-balance sheet position	1,382	1,600	574	92,412	(204)	95,764
Less allowances for credit impairment						(17,305)
						78,459
Off balance sheet net notional position	16,490	53,708	973	-	4,913	76,084
Credit commitments	4,838	197,103	165	20,545	2,248	224,899

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(ii) Currency risk (continued)

	GROUP					
At 30 June 2023	**EURO RS 'M**	**USD RS 'M**	**GBP RS 'M**	**MUR RS 'M**	**OTHER RS 'M**	**TOTAL RS 'M**
Financial Assets						
Cash and cash equivalents	11,242	36,116	6,044	54,157	6,545	114,104
Derivative financial instruments	446	242	-	526	-	1,214
Loans to and placements with banks	310	14,413	-	2	(28)	14,697
Loans and advances to customers	30,759	189,025	379	127,749	5,205	353,117
Investment securities	11,988	81,314	4,247	150,269	1,500	249,318
Other financial assets	2,963	4,772	510	24,426	1,067	33,738
	57,708	325,882	11,180	357,129	14,289	766,188
Less allowances for credit impairment						(17,859)
Total						**748,329**
Financial liabilities						
Deposits from banks	941	12,748	449	784	21	14,943
Deposits from customers	50,023	209,024	6,621	277,689	11,732	555,089
Derivative financial instruments	456	242	-	518	-	1,216
Other borrowed funds	3,615	81,688	288	(117)	1,043	86,517
Debt securities	-	13,759	-	-	-	13,759
Subordinated liabilities	-	7,113	-	(54)	-	7,059
Other financial liabilities	243	566	55	3,006	147	4,017
Total	55,278	325,140	7,413	281,826	12,943	**682,600**
Net on-balance sheet position	2,430	742	3,767	75,303	1,346	83,588
Less allowances for credit impairment						(17,859)
						65,729
Off balance sheet net notional position	9,406	18,968	5,156	-	2,085	35,615
Credit commitments	4,655	108,353	153	20,370	1,542	135,073

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(ii) Currency risk (continued)

	BANK					
At 30 June 2023	**EURO RS 'M**	**USD RS 'M**	**GBP RS 'M**	**MUR RS 'M**	**OTHER RS 'M**	**TOTAL RS 'M**
Financial Assets						
Cash and cash equivalents	11,215	36,869	6,038	54,156	5,365	113,643
Derivative financial instruments	446	242	-	526	-	1,214
Loans to and placements with banks	310	14,596	-	2	(28)	14,880
Loans and advances to customers	30,092	187,422	379	127,749	296	345,938
Investment securities	11,988	81,314	4,247	150,269	2	247,820
Other financial assets	2,963	4,835	510	24,426	351	33,085
	57,014	325,278	11,174	357,128	5,986	756,580
Less allowances for credit impairment						(17,525)
Total						**739,055**
Financial liabilities						
Deposits from banks	943	13,535	449	784	41	15,752
Deposits from customers	49,556	208,505	6,621	277,689	5,215	547,586
Derivative financial instruments	456	242	-	518	-	1,216
Other borrowed funds	3,370	80,867	288	(118)	15	84,422
Debt securities	-	13,759	-	-	-	13,759
Subordinated liabilities	-	7,113	-	(54)	-	7,059
Other financial liabilities	243	629	55	3,006	26	3,959
Total	54,568	324,650	7,413	281,825	5,297	**673,753**
Net on-balance sheet position	2,446	628	3,761	75,303	689	82,827
Less allowances for credit impairment						(17,525)
						65,302
Off balance sheet net notional position	9,196	18,099	5,156	-	1,746	34,197
Credit commitments	4,655	108,353	153	20,370	1,542	135,073

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iii) Interest rate risk

Interest rate risk in the banking book encompasses the potential adverse effects on earnings resulting from fluctuations in market interest rates. This risk primarily affects non-traded assets and liabilities, specifically encompassing loans, deposits, and financial instruments held without the intent of trading. To effectively manage this risk, the Assets, Liabilities and Capital Management (ALCM) Unit, situated within the Finance Strategic Business Unit employs a variety of strategies, including the use of interest rate derivatives.

Net interest income (NII) sensitivity stands as a key metric, evaluating the anticipated changes in net interest income across diverse interest rate scenarios, while holding all other economic factors constant. ALCO oversees the fluctuations in net interest income sensitivity.

The calculations of NII sensitivity assume uniform interest rate movements across all maturities within the 'up-shock' scenario. In contrast, the 'down-shock' scenario assumes a floor at zero for rates, except when market rates are already negative, as seen in the Euro case.

The following tables delineate the carrying amount of the Group's and Bank's financial instruments, categorized by the earlier of contractual repricing or maturity dates.

Interest Rate Risk Earnings Impact Analysis

The Group is exposed to Interest Rate Risk (IRR), primarily manifested as repricing risk. To effectively measure and oversee this particular risk, the Group employs an interest rate risk gap analysis, illustrated below. One of the methodologies utilized involves the Bank of Mauritius (BOM) framework, which incorporates a 200 basis point parallel shift in interest rates. This framework provides insights into estimating the potential one-year earnings impact based on a static balance sheet scenario.

	BANK		
	2025	2024	2023
	RS 'M	RS 'M	RS 'M
Impact on Earnings	**1,657**	741	1,833

Interest sensitivity of assets and liabilities- repricing analysis

	GROUP							
At 30 June 2025	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-interest bearing* RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	129,942	-	-	-	-	-	2,458	132,400
Derivative financial instruments	136	-	-	-	-	-	3,609	3,745
Loans to and placements with banks	538	936	5,631	23,141	91	27	317	30,681
Loans and advances to customers	251,302	47,659	48,648	22,863	4,068	10,990	9,415	394,945
Investment securities	14,251	41,812	37,783	59,056	76,273	93,782	6,268	329,225
Other financial assets	-	-	-	-	-	-	45,766	45,766
	396,169	90,407	92,062	105,060	80,432	104,799	67,833	936,762
Less allowances for credit impairment								(21,052)
Total								**915,710**
Financial liabilities								
Deposits from banks	11,821	3,963	1,695	2,062	495	-	122	20,158
Deposits from customers	360,029	35,901	19,856	18,989	8,273	2,256	245,060	690,364
Derivative financial instruments	-	633	-	-	-	-	3,435	4,068
Other borrowed funds	3,212	61,379	10,789	10,240	60	96	(105)	85,671
Debt securities	-	-	-	-	13,513	-	136	13,649
Subordinated liabilities	6,621	-	-	-	-	182	86	6,889
Other financial liabilities		-	-	-	-	-	3,099	3,099
Total	381,683	101,876	32,340	31,291	22,341	2,534	251,833	**823,898**
On balance sheet interest sensitivity gap	14,486	(11,469)	59,722	73,769	58,091	102,265	(184,000)	112,864
Less allowances for credit impairment								(21,052)
								91,812

* Includes interest receivable

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iii) Interest rate risk (continued)

Interest sensitivity of assets and liabilities- repricing analysis (continued)

	BANK							
At 30 June 2025	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-interest bearing* RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	129,385	-	-	-	-	-	2,301	131,686
Derivative financial instruments	136	-	-	-	-	-	3,609	3,745
Loans to and placements with banks	538	1,150	5,631	23,141	91	27	317	30,895
Loans and advances to customers	242,539	47,659	48,648	22,863	4,068	10,990	9,326	386,093
Investment securities	14,250	41,686	37,680	58,810	73,824	93,782	5,827	325,859
Other financial assets	-	-	-	-	-	-	44,415	44,415
	386,848	90,495	91,959	104,814	77,983	104,799	65,795	922,693
Less allowances for credit impairment								(20,377)
Total								**902,316**
Financial liabilities								
Deposits from banks	11,913	1,341	1,695	2,063	495	-	122	17,629
Deposits from customers	353,929	35,397	19,051	17,917	8,056	2,256	244,921	681,527
Derivative financial instruments	-	633	-	-	-	-	3,435	4,068
Other borrowed funds	3,212	61,414	10,789	9,276	60	96	(105)	84,742
Debt securities	-	-	-	-	13,513	-	136	13,649
Subordinated liability	6,621	-	-	-	-	-	86	6,707
Other financial liabilities	-	-	-	-	-	-	2,964	2,964
Total	375,675	98,785	31,535	29,256	22,124	2,352	251,559	**811,286**
On balance sheet interest sensitivity gap	11,173	(8,290)	60,424	75,558	55,859	102,447	(185,764)	111,407
Less allowances for credit impairment								(20,377)
								91,030

* Includes interest receivable

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iii) Interest rate risk (continued)

Interest sensitivity of assets and liabilities- repricing analysis (continued)

	GROUP							
At 30 June 2024	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-interest bearing* RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	88,972	38	-	-	-	-	2,931	91,941
Derivative financial instruments	89	-	-	-	-	-	1,982	2,071
Loans to and placements with banks	2,074	7,776	865	1,372	828	-	39	12,954
Loans and advances to customers	220,942	82,646	47,617	19,695	8,093	9,426	10,692	399,111
Investment securities	21,975	34,619	26,809	51,242	112,747	68,792	9,283	325,467
Other financial assets	-	-	-	-	-	-	39,655	39,655
	334,052	125,079	75,291	72,309	121,668	78,218	64,582	871,199
Less allowances for credit impairment								(17,848)
Total								**853,351**
Financial liabilities								
Deposits from banks	31,194	4,138	3,641	1,753	-	-	275	41,001
Deposits from customers	354,998	24,580	11,689	20,914	9,516	1,033	218,907	641,637
Derivative financial instruments	-	-	-	153	(151)	-	1,988	1,990
Other borrowed funds	111	45,073	5,724	4,952	9,378	-	117	65,355
Debt securities	-	1,128	2,256	-	-	10,805	125	14,314
Subordinated liability	6,953	-	-	-	-	-	104	7,057
Other financial liabilities	-	-	-	-	-	-	3,165	3,165
Total	393,256	74,919	23,310	27,772	18,743	11,838	224,681	**774,519**
On balance sheet interest sensitivity gap	(59,204)	50,160	51,981	44,537	102,925	66,380	(160,099)	96,680
Less allowances for credit impairment								(17,848)
								78,832

* Includes interest receivable

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iii) Interest rate risk (continued)

Interest sensitivity of assets and liabilities- repricing analysis (continued)

	BANK							
At 30 June 2024	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-interest bearing* RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	88,753	38	-	-	-	-	1,911	90,702
Derivative financial instruments	89	-	-	-	-	-	1,982	2,071
Loans to and placements with banks	3,033	7,776	865	1,372	828	-	39	13,913
Loans and advances to customers	213,796	82,646	47,617	19,695	8,093	9,426	10,183	391,456
Investment securities	21,774	34,513	26,703	50,827	111,460	68,792	9,030	323,099
Other financial assets	-	-	-	-	-	-	38,739	38,739
	327,445	124,973	75,185	71,894	120,381	78,218	61,884	859,980
Less allowances for credit impairment								(17,305)
Total								**842,675**
Financial liabilities								
Deposits from banks	31,214	4,138	3,641	1,753	-	-	275	41,021
Deposits from customers	348,057	24,297	11,669	20,903	9,516	1,033	218,817	634,292
Derivative financial instruments	-	-	-	153	(151)	-	1,988	1,990
Other borrowed funds	882	42,605	5,724	3,826	9,378	-	114	62,529
Debt securities	-	1,128	2,256	-	-	10,805	125	14,314
Subordinated liability	6,953	-	-	-	-	-	104	7,057
Other financial liabilities	-	-	-	-	-	-	3,013	3,013
Total	387,106	72,168	23,290	26,635	18,743	11,838	224,436	**764,216**
On balance sheet interest sensitivity gap	(59,661)	52,805	51,895	45,259	101,638	66,380	(162,552)	95,764
Less allowances for credit impairment								(17,305)
								78,459

* Includes interest receivable

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iii) Interest rate risk (continued)

Interest sensitivity of assets and liabilities- repricing analysis (continued)

	GROUP							
At 30 June 2023	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-interest bearing* RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	111,438	906	-	-	-	-	1,760	114,104
Derivative financial instruments	6	-	-	-	-	-	1,208	1,214
Loans to and placements with banks	1,378	9,892	3,015	-	101	311	-	14,697
Loans and advances to customers	210,904	50,507	34,247	15,026	19,993	10,948	11,492	353,117
Investment securities	27,171	14,543	23,208	38,585	72,297	66,941	6,573	249,318
Other financial assets	-	-	-	-	-	-	33,738	33,738
	350,897	75,848	60,470	53,611	92,391	78,200	54,771	766,188
Less allowances for credit impairment								(17,859)
Total								**748,329**
Financial liabilities								
Deposits from banks	8,837	1,064	3,938	1,104	-	-	-	14,943
Deposits from customers	291,324	13,000	9,796	17,142	9,340	634	213,853	555,089
Derivative financial instruments	-	-	-	-	2	-	1,214	1,216
Other borrowed funds	3,142	49,199	19,323	2,003	12,492	50	308	86,517
Debt securities	-	-	-	-	-	13,566	193	13,759
Subordinated liabilities	6,696	273	-	-	-	-	90	7,059
Other financial liabilities	-	-	-	-	-	-	4,017	4,017
Total	309,999	63,536	33,057	20,249	21,834	14,250	219,675	**682,600**
On balance sheet interest sensitivity gap	40,898	12,312	27,413	33,362	70,557	63,950	(164,904)	83,588
Less allowances for credit impairment								(17,859)
								65,729

* Includes interest receivable

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iii) Interest rate risk (continued)

Interest sensitivity of assets and liabilities- repricing analysis (continued)

	BANK							
At 30 June 2023	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-interest bearing* RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	111,667	905	-	-	-	-	1,071	113,643
Derivative financial instruments	6	-	-	-	-	-	1,208	1,214
Loans to and placements with banks	1,560	9,893	3,015	-	101	311	-	14,880
Loans and advances to customers	204,015	50,507	34,247	15,026	19,993	10,948	11,202	345,938
Investment securities	27,171	14,343	23,158	38,439	71,298	66,941	6,470	247,820
Other financial assets	-	-	-	-	-	-	33,085	33,085
	344,419	75,648	60,420	53,465	91,392	78,200	53,036	756,580
Less allowances for credit impairment								(17,525)
Total								**739,055**
Financial liabilities								
Deposits from banks	9,645	1,065	3,938	1,104	-	-	-	15,752
Deposits from customers	284,367	12,545	9,785	17,136	9,340	634	213,779	547,586
Derivative financial instruments	-	-	-	-	2	-	1,214	1,216
Other borrowed funds	1,047	49,199	19,323	2,003	12,492	50	308	84,422
Debt securities	-	-	-	-	-	13,566	193	13,759
Subordinated liabilities	6,696	273	-	-	-	-	90	7,059
Other financial liabilities	-	-	-	-	-	-	3,959	3,959
Total	301,755	63,082	33,046	20,243	21,834	14,250	219,543	**673,753**
On balance sheet interest sensitivity gap	42,664	12,566	27,374	33,222	69,558	63,950	(166,507)	82,827
Less allowances for credit impairment								(17,525)
								65,302

* Includes interest receivable

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iv) Liquidity risk

Liquidity risk entails the risk of being unable to procure readily available funds to satisfy immediate or near-term obligations in a cost-efficient manner. The Group recognizes the indispensable nature of skillfully managing liquidity, not only to foster market confidence but also to ensure the enduring viability of its operations.

In order to effectively navigate liquidity and funding risk, the Group has established a robust internal framework that synergizes Risk, Finance, and Treasury Management functions, all of which operate under the vigilant oversight of the Asset and Liability Committee (ALCO). The Group has implemented a series of key strategies to proficiently manage liquidity risk:

- Proactively forecast future cash flows and devise plans to address both routine operational necessities as well as diverse potential scenarios and contingencies.
- Oversee day-to-day liquidity by closely monitoring intra-day liquidity dynamics and projecting future cash flows, thereby guaranteeing the capability to meet all outgoing fund requirements.
- Uphold a reserve of liquid assets that can be promptly mobilized in situations of unanticipated cash outflows.
- Foster a diversified and stable funding foundation to fortify the Group's financial resilience.
- Rigorously monitor a set of early warning indicators that signal potential liquidity stress.
- Maintain a comprehensive Contingency Funding Plan to address liquidity emergencies.

The below table provides a breakdown of financial assets and liabilities according to their remaining contractual maturities as of the end of the reporting period. The Group also holds financial assets and financial liabilities for which the expected cash flows are significantly different from the contractual cash flows. The most common examples of such instruments are the current deposits from customers which are largely repayable on demand are not expected to be withdrawn immediately but to remain stable or increase. Similarly, retail mortgage loans might have a longer average contractual maturity but the average expected maturity could be lower since customers may take advantage of early repayment options.

The amounts disclosed in the following tables are undiscounted.

Maturities of assets and liabilities

	GROUP							
At 30 June 2025	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-maturity items RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	120,199	4,659	-	-	-	-	615	125,473
Derivative financial instruments	-	-	-	-	103	33	1,199	1,335
Loans to and placements with banks	14,660	1,349	6,490	8,181	28	40	-	30,748
Loans and advances to customers	69,498	35,315	31,001	71,985	93,004	144,282	11,360	456,445
Investment securities	16,039	39,514	29,378	56,120	91,866	137,049	5,288	375,254
Other financial assets	-	-	-	-	-	-	45,766	45,766
	220,396	80,837	66,869	136,286	185,001	281,404	64,228	1,035,021
Less allowances for credit impairment								(21,052)
Total								**1,013,969**
Financial liabilities								
Deposits from banks	11,982	4,036	1,751	2,146	493	-	-	20,408
Deposits from customers	591,858	37,017	20,677	22,996	15,015	6,170	-	693,733
Derivative financial instruments	-	-	-	-	-	1,037	149	1,186
Other borrowed funds	2,605	1,396	19,407	24,678	10,237	16,335	(146)	74,512
Debt securities	-	-	534	537	15,852	-	(58)	16,865
Subordinated liabilities	-	-	-	-	6,621	74	160	6,855
Other financial liabilities	-	-	-	70	206	19	2,804	3,099
Lease liabilities	*-*	*-*	*-*	*70*	*206*	*19*	*-*	*295*
Total	606,445	42,449	42,369	50,427	48,424	23,635	2,909	**816,658**
Net liquidity gap	(386,049)	38,388	24,500	85,859	136,577	257,769	61,319	218,363
Less allowances for credit impairment								(21,052)
								197,311
Off balance sheet net notional position	36,576	36,576	36,576	36,576	36,576	36,576		219,456
Credit commitments	1,529	288	4,430	1,367	988	461,963	-	470,565

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iv) Liquidity risk

The amounts disclosed in the following tables are undiscounted.

Maturities of assets and liabilities

	BANK							
At 30 June 2025	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-maturity items RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	119,644	4,659	-	-	-	-	458	124,761
Derivative financial instruments	-	-	-	-	103	33	1,199	1,335
Loans to and placements with banks	14,660	1,563	6,490	8,181	28	40	-	30,962
Loans and advances to customers	63,086	34,988	30,844	71,877	91,749	143,690	11,360	447,594
Investment securities	16,039	39,357	29,248	55,808	89,100	137,049	5,288	371,889
Other financial assets	-	-	-	-	-	-	44,415	44,415
	213,429	80,567	66,582	135,866	180,980	280,812	62,720	1,020,956
Less allowances for credit impairment								(20,377)
Total								**1,000,579**
Financial liabilities								
Deposits from banks	12,073	1,413	1,751	2,146	493	-	-	17,876
Deposits from customers	585,619	36,514	19,873	21,925	14,798	6,170	-	684,899
Derivative financial instruments	-	-	-	-	-	1,037	149	1,186
Other borrowed funds	2,605	1,431	19,407	23,714	10,237	16,335	(146)	73,583
Debt securities	-	-	534	537	15,852	-	(58)	16,865
Subordinated liability	-	-	-	-	6,621	(108)	193	6,706
Other financial liabilities	-	-	-	70	163	18	2,713	2,964
Lease liabilities				*70*	*163*	*18*	*-*	*251*
Total	600,297	39,358	41,565	48,392	48,164	23,452	2,851	**804,079**
Net liquidity gap	(386,868)	41,209	25,017	87,474	132,816	257,360	59,869	216,877
Less allowances for credit impairment								(20,377)
								196,500
Off balance sheet net notional position	35,477	43,500	7,740	50,739	73,086	7,695	-	218,237
Credit commitments	1,529	288	4,430	1,367	988	461,963	-	470,565

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iv) Liquidity risk (continued)

Maturities of assets and liabilities (continued)

	GROUP							
At 30 June 2024	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-maturity items RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	89,576	-	-	-	-	-	151	89,727
Derivative financial instruments	-	-	-	-	-	-	921	921
Loans to and placements with banks	7,215	177	64	5,199	479	-	-	13,134
Loans and advances to customers	93,706	56,447	26,278	28,438	101,916	143,224	16,542	466,551
Investment securities	9,018	36,208	27,666	49,765	123,618	102,207	8,081	356,563
Other financial assets	-	-	-	-	-	-	39,655	39,655
	199,515	92,832	54,008	83,402	226,013	245,431	65,350	966,551
Less allowances for credit impairment								(17,848)
Total								**948,703**
Financial liabilities								
Deposits from banks	31,339	4,165	3,835	1,837	-	-	-	41,176
Deposits from customers	553,563	28,050	14,334	25,577	18,531	7,522	-	647,577
Derivative financial instruments	-	1	1	2	4	-	397	405
Other borrowed funds	151	3,199	870	2,793	44,908	5,603	(287)	57,237
Debt securities	-	137	753	564	2,250	15,317	125	19,146
Subordinated liability	-	-	-	6,953	-	-	104	7,057
Other financial liabilities	-	-	-	14	92	135	2,924	3,165
Lease liabilities	-	-	-	*14*	*92*	*135*	-	*241*
Total	585,053	35,552	19,793	37,740	65,785	28,577	3,263	**775,763**
Net liquidity gap	(385,538)	57,280	34,215	45,662	160,228	216,854	62,087	190,788
Less allowances for credit impairment								(17,848)
								172,940
Off balance sheet net notional position	17,922	23,195	5,576	45,794	84,795	9,605	-	186,887
Credit commitments	11,168	19,803	4,436	2,335	5,432	432,593	-	475,767

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iv) Liquidity risk (continued)

Maturities of assets and liabilities (continued)

	BANK							
At 30 June 2024	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-maturity items RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	88,490	-	-	-	-	-	-	88,490
Derivative financial instruments	-	-	-	-	-	-	921	921
Loans to and placements with banks	8,175	177	64	5,199	479	-	-	14,094
Loans and advances to customers	89,630	56,019	26,099	28,360	100,905	141,946	15,936	458,895
Investment securities	8,791	36,092	27,534	49,289	122,201	102,207	8,081	354,195
Other financial assets	-	-	-	-	-	-	38,739	38,739
	195,086	92,288	53,697	82,848	223,585	244,153	63,677	955,334
Less allowances for credit impairment								(17,305)
Total								**938,029**
Financial liabilities								
Deposits from banks	31,359	4,165	3,835	1,837	-	-	-	41,196
Deposits from customers	548,674	27,342	13,496	24,727	18,470	7,522	-	640,231
Derivative financial instruments	-	1	1	2	4	-	397	405
Other borrowed funds	922	728	870	1,667	44,908	5,603	(287)	54,411
Debt securities	-	137	753	564	2,250	15,317	125	19,146
Subordinated liability	-	-	-	6,953	-	-	104	7,057
Other financial liabilities	-	-	-	14	52	135	2,812	3,013
Lease liabilities	-	-	-	*14*	*52*	*135*	-	*201*
Total	580,955	32,373	18,955	35,764	65,684	28,577	3,151	**765,459**
Net liquidity gap	(385,869)	59,915	34,742	47,084	157,901	215,576	60,526	189,875
Less allowances for credit impairment								(17,305)
								172,570
Off balance sheet net notional position	16,926	22,984	5,523	45,703	84,753	9,222	-	185,111
Credit commitments	11,168	19,803	4,436	2,335	5,432	432,593	-	475,767

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iv) Liquidity risk (continued)

Maturities of assets and liabilities (continued)

	GROUP							
At 30 June 2023	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-maturity items RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	112,755	-	-	-	-	-	1,245	114,000
Derivative financial instruments	-	-	-	-	-	-	1,202	1,202
Loans to and placements with banks	1,361	7,035	2,043	87	4,125	311	-	14,962
Loans and advances to customers	105,134	32,637	30,686	22,649	87,248	133,509	12,092	423,955
Investment securities	27,002	11,963	20,383	36,746	81,495	86,949	4,836	269,374
Other financial assets	-	-	-	-	-	-	33,738	33,738
	246,252	51,635	53,112	59,482	172,868	220,769	53,113	857,231
Less allowances for credit impairment								(17,859)
Total								**839,372**
Financial liabilities								
Deposits from banks	9,094	808	3,949	1,159	45	-	-	15,055
Deposits from customers	489,928	14,462	11,974	20,807	17,507	4,321	-	558,999
Derivative financial instruments	-	1	1	2	5	-	1,204	1,213
Other borrowed funds	2,478	26,786	10,937	4,929	43,792	4,662	63	93,647
Debt securities	-	-	543	543	2,176	15,835	193	19,290
Subordinated liabilities	-	296	-	6,696	-	-	(63)	6,929
Other financial liabilities	-	-	-	52	75	104	3,728	3,959
Lease liabilities	-	-	-	*52*	*75*	*104*	-	*231*
Total	501,500	42,353	27,404	34,188	63,600	24,922	5,125	**699,092**
Net liquidity gap	(255,248)	9,282	25,708	25,294	109,268	195,847	47,988	158,139
Less allowances for credit impairment								(17,859)
								140,280
Off balance sheet net notional position	7,252	3,852	5,227	30,015	48,984	10,724	-	106,054
Credit commitments	5,425	10,808	6,359	1,678	2,799	373,184	-	400,253

3. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(iv) Liquidity risk (continued)

Maturities of assets and liabilities (continued)

	BANK							
At 30 June 2023	**Up to 1 month RS 'M**	**1-3 months RS 'M**	**3-6 months RS 'M**	**6-12 months RS 'M**	**1-3 years RS 'M**	**Over 3 years RS 'M**	**Non-maturity items RS 'M**	**Total RS 'M**
Financial Assets								
Cash and cash equivalents	112,981	-	-	1	-	-	671	113,653
Derivative financial instruments	-	-	-	-	-	-	1,202	1,202
Loans to and placements with banks	1,543	7,217	2,043	87	4,125	311	-	15,326
Loans and advances to customers	101,393	28,896	30,570	22,595	86,502	131,743	11,738	413,437
Investment securities	27,002	11,963	20,319	36,595	80,441	86,949	4,836	268,105
Other financial assets	-	-	-	-	-	-	33,085	33,085
	242,919	48,076	52,932	59,278	171,068	219,003	51,532	844,808
Less allowances for credit impairment								(17,525)
Total								**827,283**
Financial liabilities								
Deposits from banks	9,902	808	3,949	1,159	45	-	-	15,863
Deposits from customers	483,153	13,933	11,963	20,801	17,507	4,321	-	551,678
Derivative financial instruments	-	1	1	2	5	-	1,204	1,213
Other borrowed funds	2,478	26,683	10,937	2,935	43,792	4,662	(118)	91,369
Debt securities	-	-	543	543	2,176	15,835	193	19,290
Subordinated liabilities	-	296	-	6,696	-	-	(63)	6,929
Other financial liabilities	-	-	-	52	75	73	3,759	3,959
Lease liabilities	-	-	-	*52*	*75*	*73*	-	*200*
Total	495,533	41,721	27,393	32,188	63,600	24,891	4,975	**690,301**
Net liquidity gap	(252,614)	6,355	25,539	27,090	107,468	194,112	46,557	154,507
Less allowances for credit impairment								(17,525)
								136,982
Off balance sheet net notional position	6,576	3,615	5,141	29,647	48,950	10,708	-	104,637
Credit commitments	5,425	10,808	6,359	1,678	2,799	373,184	-	400,253

3. FINANCIAL RISK MANAGEMENT (continued)

(d) Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price.These instruments are included in level 1. Instruments included in level 1 comprise primarily quoted equity investments and instruments for which a market, which is considered to be the most representative price, is readily available. These financial assets have been classified as fair value through profit or loss and fair value through other comprehensive income.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on specific estimates. If all significant input required to fair value an instrument is observable, the instrument is included in level 2.

If one or more significant inputs are not based on observable market data, the instrument is included in level 3.

Specific techniques used to value financial instruments include:
- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest swaps is calculated as the present value of the estimated future cashflows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using foreign exchange rates at the end of the reporting period, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

(e) Capital risk management

Disclosures relating to capital risk management are available in the Risk and Capital Management Report.

(f) Financial instruments by category

	GROUP					
	Amortised cost	Fair value through profit or loss		Fair value through other comprehensive income		Total
		Designated	Mandatory	Debt instrument	Equity instrument	
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
At 30 June 2025						
Financial assets						
Cash and cash equivalents	132,323	-	-	-	-	132,323
Derivative financial instruments	-	-	3,745	-	-	3,745
Loans to and placements with banks	30,577	-	-	-	-	30,577
Loans and advances to customers	375,178	-	-	-	-	375,178
Investment securities	315,792	9,447	-	1,514	1,368	328,121
Other financial assets	45,766	-	-	-	-	45,766
Total	**899,636**	**9,447**	**3,745**	**1,514**	**1,368**	**915,710**
Financial liabilities						
Deposits from banks	20,158	-	-	-	-	20,158
Deposits from customers	690,364	-	-	-	-	690,364
Derivative financial instruments	-	-	4,068	-	-	4,068
Other borrowed funds	85,671	-	-	-	-	85,671
Debt securities	13,649	-	-	-	-	13,649
Subordinated liabilities	6,889	-	-	-	-	6,889
Other financial liabilities	3,099	-	-	-	-	3,099
Total	**819,830**	**-**	**4,068**	**-**	**-**	**823,898**
Net on-balance sheet position	**79,806**	**9,447**	**(323)**	**1,514**	**1,368**	**91,812**

3. FINANCIAL RISK MANAGEMENT (continued)

(f) Financial instruments by category(continued)

	BANK					
	Amortised cost	Fair value through profit or loss		Fair value through other comprehensive income		Total
		Designated	Mandatory	Debt instrument	Equity instrument	
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
At 30 June 2025						
Financial assets						
Cash and cash equivalents	131,612	-	-	-	-	131,612
Derivative financial instruments	-	-	3,745	-	-	3,745
Loans to and placements with banks	30,791	-	-	-	-	30,791
Loans and advances to customers	366,970	-	-	-	-	366,970
Investment securities	312,454	9,447	-	1,514	1,368	324,783
Other financial assets	44,415	-	-	-	-	44,415
Total	**886,242**	**9,447**	**3,745**	**1,514**	**1,368**	**902,316**
Financial liabilities						
Deposits from banks	17,629	-	-	-	-	17,629
Deposits from customers	681,527	-	-	-	-	681,527
Derivative financial instruments	-	-	4,068	-	-	4,068
Other borrowed funds	84,742	-	-	-	-	84,742
Debt securities	13,649	-	-	-	-	13,649
Subordinated liability	6,707	-	-	-	-	6,707
Other financial liabilities	2,964	-	-	-	-	2,964
Total	**807,218**	**-**	**4,068**	**-**	**-**	**811,286**
Net on-balance sheet position	**79,024**	**9,447**	**(323)**	**1,514**	**1,368**	**91,030**

3. FINANCIAL RISK MANAGEMENT (continued)

(f) Financial instruments by category (continued)

GROUP

	Amortised cost	Fair value through profit or loss		Fair value through other comprehensive income		Total
		Designated	Mandatory	Debt instrument	Equity instrument	
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
At 30 June 2024						
Financial assets						
Cash and cash equivalents	91,907	-	-	-	-	91,907
Derivative financial instruments	-	-	2,071	-	-	2,071
Loans to and placements with banks	12,623	-	-	-	-	12,623
Loans and advances to customers	382,533	-	-	-	-	382,533
Investment securities	315,482	6,914	-	893	1,273	324,562
Other financial assets	39,655	-	-	-	-	39,655
Total	**842,200**	**6,914**	**2,071**	**893**	**1,273**	**853,351**
Financial liabilities						
Deposits from banks	41,001	-	-	-	-	41,001
Deposits from customers	641,637	-	-	-	-	641,637
Derivative financial instruments	-	-	1,990	-	-	1,990
Other borrowed funds	65,355	-	-	-	-	65,355
Debt securities	14,314	-	-	-	-	14,314
Subordinated liability	7,057	-	-	-	-	7,057
Other financial liabilities	3,165	-	-	-	-	3,165
Total	**772,529**	**-**	**1,990**	**-**	**-**	**774,519**
Net on-balance sheet position	**69,671**	**6,914**	**81**	**893**	**1,273**	**78,832**

BANK

	Amortised cost	Fair value through profit or loss		Fair value through other comprehensive income		Total
		Designated	Mandatory	Debt instrument	Equity instrument	
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
At 30 June 2024						
Financial assets						
Cash and cash equivalents	90,669	-	-	-	-	90,669
Derivative financial instruments	-	-	2,071	-	-	2,071
Loans to and placements with banks	13,582	-	-	-	-	13,582
Loans and advances to customers	375,404	-	-	-	-	375,404
Investment securities	313,130	6,914	-	893	1,273	322,210
Other financial assets	38,739	-	-	-	-	38,739
Total	**831,524**	**6,914**	**2,071**	**893**	**1,273**	**842,675**
Financial liabilities						
Deposits from banks	41,021	-	-	-	-	41,021
Deposits from customers	634,292	-	-	-	-	634,292
Derivative financial instruments	-	-	1,990	-	-	1,990
Other borrowed funds	62,529	-	-	-	-	62,529
Debt securities	14,314	-	-	-	-	14,314
Subordinated liability	7,057	-	-	-	-	7,057
Other financial liabilities	3,013	-	-	-	-	3,013
Total	**762,226**	**-**	**1,990**	**-**	**-**	**764,216**
Net on-balance sheet position	**69,298**	**6,914**	**81**	**893**	**1,273**	**78,459**

3. **FINANCIAL RISK MANAGEMENT (continued)**

(f) **Financial instruments by category (continued)**

	GROUP					
	Amortised cost	Fair value through profit or loss		Fair value through other comprehensive income		Total
		Designated	Mandatory	Debt instrument	Equity instrument	
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
At 30 June 2023						
Financial assets						
Cash and cash equivalents	114,065	-	-	-	-	114,065
Derivative financial instruments	-	-	1,214	-	-	1,214
Loans to and placements with banks	13,909	-	-	-	-	13,909
Loans and advances to customers	336,512	-	-	-	-	336,512
Investment securities	242,458	4,497	-	715	1,221	248,891
Other financial assets	33,738	-	-	-	-	33,738
Total	**740,682**	**4,497**	**1,214**	**715**	**1,221**	**748,329**
Financial liabilities						
Deposits from banks	14,943	-	-	-	-	14,943
Deposits from customers	555,089	-	-	-	-	555,089
Derivative financial instruments	-	-	1,216	-	-	1,216
Other borrowed funds	86,517	-	-	-	-	86,517
Debt securities	13,759	-	-	-	-	13,759
Subordinated liabilities	7,059	-	-	-	-	7,059
Other financial liabilities	4,017	-	-	-	-	4,017
Total	**681,384**	**-**	**1,216**	**-**	**-**	**682,600**
Net on-balance sheet position	**59,298**	**4,497**	**(2)**	**715**	**1,221**	**65,729**

	BANK					
	Amortised cost	Fair value through profit or loss		Fair value through other comprehensive income		Total
		Designated	Mandatory	Debt instrument	Equity instrument	
	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M	RS 'M
At 30 June 2023						
Financial assets						
Cash and cash equivalents	113,609	-	-	-	-	113,609
Derivative financial instruments	-	-	1,214	-	-	1,214
Loans to and placements with banks	14,092	-	-	-	-	14,092
Loans and advances to customers	329,650	-	-	-	-	329,650
Investment securities	240,972	4,497	-	715	1,221	247,405
Other financial assets	33,085	-	-	-	-	33,085
Total	**731,408**	**4,497**	**1,214**	**715**	**1,221**	**739,055**
Financial liabilities						
Deposits from banks	15,752	-	-	-	-	15,752
Deposits from customers	547,586	-	-	-	-	547,586
Derivative financial instruments	-	-	1,216	-	-	1,216
Other borrowed funds	84,422	-	-	-	-	84,422
Debt securities	13,759	-	-	-	-	13,759
Subordinated liabilities	7,059	-	-	-	-	7,059
Other financial liabilities	3,959	-	-	-	-	3,959
Total	**672,537**	**-**	**1,216**	**-**	**-**	**673,753**
Net on-balance sheet position	**58,871**	**4,497**	**(2)**	**715**	**1,221**	**65,302**

3. FINANCIAL RISK MANAGEMENT (continued)

(g) Financial instruments not measured at fair value

The following table summarises the carrying amounts and fair values of those financial assets and financial liabilities not presented on the Bank's statement of financial position at their fair values.

	Carrying value	Fair value	Level 1	Level 2
	RS 'M	RS 'M	RS 'M	RS 'M
At 30 June 2025				
Financial assets				
Loans to and placements with banks	30,791	30,804	-	30,804
Loans and advances to customers	366,970	366,802	-	366,802
Investment securities	312,454	307,277	307,277	-
Financial liabilities				
Deposits from banks	17,629	17,628	-	17,628
Deposits from customers	681,527	681,531	-	681,531
Other borrowed funds	84,742	84,637	-	84,637
Debt securities	13,649	14,411	14,411	-
Subordinated liability	6,707	6,705	-	6,705
At 30 June 2024				
Financial assets				
Loans to and placements with banks	13,582	13,569	-	13,569
Loans and advances to customers	375,404	375,038	-	375,038
Investment securities	313,130	308,342	308,342	-
Financial liabilities				
Deposits from banks	41,021	41,010	-	41,010
Deposits from customers	634,292	634,189	-	634,189
Other borrowed funds	62,529	62,137	-	62,137
Debt securities	14,314	14,669	14,669	-
Subordinated liability	7,057	7,055	-	7,055
At 30 June 2023				
Financial assets				
Loans to and placements with banks	14,092	14,092	-	14,092
Loans and advances to customers	329,650	328,812	-	328,812
Investment securities	240,972	232,272	232,272	-
Financial liabilities				
Deposits from banks	15,752	15,762	-	15,762
Deposits from customers	547,586	547,908	-	547,908
Other borrowed funds	84,422	85,376	-	85,376
Debt securities	13,759	13,985	13,985	-
Subordinated liabilities	7,059	7,060	-	7,060

(i) Loans and advances to banks and to customers

Loans and advances are net of provisions for impairment. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

(ii) Deposits at amortised cost

The estimated fair value of deposits with no stated maturity, which includes non-interest-bearing deposits, is the amount repayable on demand.
The estimated fair value of fixed interest-bearing deposits and debt securities issued and not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

(iii) Debt securities in issue

Fair values of other debt securities in issue are based on quoted prices where available, or where the instruments are short dated, carrying amount approximates fair value.

(iv) Subordinated liabilities

The estimated fair value of the loan capital and not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

4. CASH AND CASH EQUIVALENTS

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
Cash in hand	**3,764**	3,556	3,163	**3,631**	3,419	3,059
Foreign currency notes and coins	**265**	222	143	**239**	206	132
Unrestricted balances with Central Banks*	**1,813**	2,268	1,245	**1,813**	1,399	671
Balances due in clearing	**467**	396	408	**458**	391	400
Treasury bills and bonds	**1,264**	2,297	46,344	**1,264**	2,297	46,344
Money market placements with banks	**78,152**	50,929	12,165	**77,638**	50,848	11,663
Balances with banks abroad	**40,315**	32,273	50,636	**40,286**	32,142	51,374
Balances with local bank and interbank loans	**6,360**	-	-	**6,357**	-	-
	132,400	91,941	114,104	**131,686**	90,702	113,643
Allowances for credit impairment (12 months expected credit loss)	**(77)**	(34)	(39)	**(74)**	(33)	(34)
	132,323	91,907	114,065	**131,612**	90,669	113,609

* Unrestricted balances with Central Banks represent amounts above the minimum cash reserve requirement.

Money market placements, balances with banks abroad, balances with local bank and interbank loans represent loans to and placements with banks with original maturity less than three months.

The elements within cash and cash equivalents are classified as current assets.

Allowances for credit impairment	**GROUP**	**BANK**
	Stage 1	**Stage 1**
	RS'M	**RS'M**
At 1 July 2024	**34**	**33**
Provision for credit impairment for the year	**27**	**25**
Provision released during the year	**(2)**	**(2)**
Financial assets that have been derecognised	**(3)**	**(3)**
Changes in models/risk parameters	**21**	**21**
At 30 June 2025	**77**	**74**
At 1 July 2023	39	34
Provision for credit impairment for the year	15	15
Provision released during the year	(12)	(8)
Financial assets that have been derecognised	(8)	(8)
At 30 June 2024	34	33
At 1 July 2022	40	40
Provision for credit impairment for the year	75	70
Provision released during the year	(23)	(23)
Financial assets that have been derecognised	(1)	(1)
Changes in models/risk parameters	(52)	(52)
At 30 June 2023	39	34

Cash and cash equivalents as shown in the statement of cash flows

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
Cash and cash equivalents	**132,400**	91,941	114,104	**131,686**	90,702	113,643
Other borrowed funds (see note 14(a))	**(127)**	(6)	-	**(127)**	(6)	-
Net cash and cash equivalents	**132,273**	91,935	114,104	**131,559**	90,696	113,643
Change in year	**40,338**	(22,169)	50,871	**40,863**	(22,947)	51,084
Effect of foreign exchange rate changes	**(78)**	54	37	**-**	-	-
Increase/(Decrease) in cash and cash equivalents	**40,260**	(22,115)	50,908	**40,863**	(22,947)	51,084

5. DERIVATIVE FINANCIAL INSTRUMENTS

The Group utilises the following derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk:
-Currency forwards represent commitments to purchase foreign and domestic currency, including undelivered spot transactions.
-Currency swaps and interest rate swaps are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of currencies, or interest rates, or a combination of all these.

Except for certain currency swaps, no exchange of principal takes place. The Group's credit risk represents the potential cost to replace the swap contracts if counterparties fail to perform their obligation. This risk is monitored on an ongoing basis with reference to the current fair value, a proportion of the notional amount of the contracts and the liquidity of the market. To control the level of credit risk taken, the Group assesses counterparties using the same techniques as for its lending activities.

Commodity options provide the buyer, for a premium, the right, but not the obligation, either to purchase or sell a fixed quantity of a certain commodity at a specified price on or before a future date. All commodity contracts are fully back-to-back transactions such that the Group is not exposed to market risks.

(a) Fair values of derivative financial instruments

The fair values of derivative financial instruments held are set out below:

	GROUP & BANK		
	Contractual/ Nominal Amount RS'M	Fair value assets RS'M	Fair value liabilities RS'M
Fair value through profit or loss - Level 2*			
Derivative Instruments			
At 30 June 2025			
Currency forwards	**33,563**	**447**	**488**
Interest rate swaps**	**40,358**	**622**	**792**
Currency swaps	**32,532**	**130**	**414**
Commodities	**106,266**	**2,247**	**2,238**
Others	**12,750**	**299**	**136**
	225,469	**3,745**	**4,068**
At 30 June 2024			
Currency forwards	28,624	125	106
Interest rate swaps	36,309	531	680
Currency swaps	25,244	176	123
Commodities	60,875	993	993
Others	16,160	246	88
	167,212	2,071	1,990
At 30 June 2023			
Currency forwards	21,263	470	473
Interest rate swaps	4,792	266	627
Currency swaps	14,994	43	47
Commodities	4,643	63	63
Others	13,225	372	6
	58,917	1,214	1,216

*Refer to definition of Level 2 in note 7.
**Includes cash flow hedge instrument as disclosed in note 5(b).
The derivative financial instruments are classified as non-current assets or non-current liabilities.

5. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

(b) Hedge Accounting

The table below shows the cash flow hedge which are carried on the Bank's and Group's Statements of financial position:

At 30 June 2025 Hedge Type	Risk category	Nominal amount	Carrying amount Assets	 Liabilities
		RS 'M	RS 'M	RS 'M
Cash flow	Interest rate Risk	6,756	18	29

The effect on income statement and other comprehensive income of recycling amounts in respect of cash flow hedge is set out below:

At 30 June 2025

Description of hedged relationship and hedged risk	Amount recycled from other comprehensive income due to hedge item affecting income statement	Amount recycled from other comprehensive income due to cash flow not expected to occur
	RS 'M	RS 'M
Cash flow hedge of interest rate risk		
Recycled to net trading income	55	-

A detailed reconciliation of the movements of the cash flow hedging reserve

	Cash flow hedging reserve
	Rs' M
Balance at 1 July	-
Hedging loss	(66)
Amount reclassified in relation to cash flow affecting the statement of profit or loss	55
Balance at 30 June 2025	(11)

6. LOANS

(a) Loans to and placements with banks

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
(i) Loans to and placements with banks						
in Mauritius	**64,320**	22,612	-	**64,320**	22,612	-
outside Mauritius	**91,188**	73,544	77,498	**90,856**	74,291	77,917
	155,508	96,156	77,498	**155,176**	96,903	77,917
Less:						
Loans to and placements with banks with original maturity less than 3 months and included in cash and cash equivalents	**(124,827)**	(83,202)	(62,801)	**(124,281)**	(82,990)	(63,037)
	30,681	12,954	14,697	**30,895**	13,913	14,880
Less:						
Allowances for credit impairment	**(104)**	(331)	(788)	**(104)**	(331)	(788)
	30,577	12,623	13,909	**30,791**	13,582	14,092
(ii) Remaining term to maturity						
Up to 3 months	**11,894**	5,714	8,096	**12,108**	6,674	8,278
Over 3 months and up to 6 months	**6,287**	1,189	2,139	**6,287**	1,189	2,139
Over 6 months and up to 1 year	**12,435**	5,269	-	**12,435**	5,269	-
Over 1 year and up to 5 years	**64**	774	4,462	**64**	774	4,463
Over 5 years	**1**	8	-	**1**	7	-
	30,681	12,954	14,697	**30,895**	13,913	14,880
Loans to and placements with banks can be classified as :						
Current	**30,616**	12,172	10,235	**30,830**	13,132	10,417
Non-current	**65**	782	4,462	**65**	781	4,463
	30,681	12,954	14,697	**30,895**	13,913	14,880

(iii) Reconciliation of gross carrying amount

	GROUP			BANK		
	Stage 1	**Stage 3**	**Total**	**Stage 1**	**Stage 3**	**Total**
	RS'M	**RS'M**	**RS'M**	**RS'M**	**RS'M**	**RS'M**
At 1 July 2024	**12,954**	**-**	**12,954**	**13,913**	**-**	**13,913**
New loans and placements with banks, originated or purchased	**30,052**	**3**	**30,055**	**30,266**	**3**	**30,269**
Loans and placements with banks derecognised or repaid (excluding write off)	**(12,325)**	**-**	**(12,325)**	**(13,284)**	**-**	**(13,284)**
Write offs	**-**	**(3)**	**(3)**	**-**	**(3)**	**(3)**
At 30 June 2025	**30,681**	**-**	**30,681**	**30,895**	**-**	**30,895**
At 1 July 2023	14,697	-	14,697	14,880	-	14,880
New loans and placements with banks, originated or purchased	11,788	13	11,801	12,747	13	12,760
Loans and placements with banks derecognised or repaid (excluding write off)	(13,531)	-	(13,531)	(13,714)	-	(13,714)
Write offs	-	(13)	(13)	-	(13)	(13)
At 30 June 2024	12,954	-	12,954	13,913	-	13,913
At 1 July 2022	24,007	-	24,007	24,407	-	24,407
New loans and placements with banks, originated or purchased	11,938	-	11,938	11,938	-	11,938
Loans and placements with banks derecognised or repaid (excluding write off)	(21,248)	-	(21,248)	(21,465)	-	(21,465)
At 30 June 2023	14,697	-	14,697	14,880	-	14,880

6. LOANS (continued)
(a) Loans to and placements with banks (continued)

(iv) Allowances for credit impairment

	GROUP & BANK Stage 1 RS'M
At 1 July 2024	**331**
Provision for credit impairment for the year	**68**
Provision released during the year	**(24)**
Financial assets that have been derecognised	**(297)**
Changes in models/risk parameters	**26**
Provision and interest in suspense at 30 June 2025	**104**
At 1 July 2023	788
Provision for credit impairment for the year	325
Provision released during the year	(105)
Financial assets that have been derecognised	(678)
Changes in models/risk parameters	1
Provision and interest in suspense at 30 June 2024	331
At 1 July 2022	473
Provision for credit impairment for the year	657
Provision released during the year	(76)
Financial assets that have been derecognised	(257)
Changes in models/risk parameters	(9)
Provision and interest in suspense at 30 June 2023	788

(b) Loans and advances to customers

	GROUP			BANK		
	2025 RS'M	2024 RS'M	2023 RS'M	**2025 RS'M**	2024 RS'M	2023 RS'M
(i) Loans and advances to customers						
Retail customers:						
Credit cards	**1,098**	1,375	979	**1,098**	1,375	979
Mortgages	**48,715**	40,879	37,362	**48,680**	40,843	37,332
Other retail loans	**13,948**	11,464	10,189	**13,684**	11,223	9,976
Corporate customers	**143,549**	123,058	139,606	**134,996**	115,680	132,670
Entities outside Mauritius	**187,635**	222,335	164,981	**187,635**	222,335	164,981
	394,945	399,111	353,117	**386,093**	391,456	345,938
Less:						
Allowances for credit impairment	**(19,767)**	(16,578)	(16,605)	**(19,123)**	(16,052)	(16,288)
	375,178	382,533	336,512	**366,970**	375,404	329,650

(ii) Remaining term to maturity

	GROUP 2025	GROUP 2024	GROUP 2023	BANK 2025	BANK 2024	BANK 2023
Up to 3 months	**137,942**	156,009	133,931	**131,203**	151,371	129,433
Over 3 months and up to 6 months	**16,245**	13,062	20,585	**16,088**	12,962	20,469
Over 6 months and up to 1 year	**25,357**	13,045	13,002	**25,249**	12,883	12,948
Over 1 year and up to 5 years	**106,997**	110,510	88,240	**105,149**	108,210	86,342
Over 5 years	**108,404**	106,485	97,359	**108,404**	106,030	96,746
	394,945	399,111	353,117	**386,093**	391,456	345,938
Loans and advances to customers can be classified as :						
Current	**179,544**	182,116	167,518	**172,540**	177,216	162,850
Non-current	**215,401**	216,995	185,599	**213,553**	214,240	183,088
	394,945	399,111	353,117	**386,093**	391,456	345,938

6. LOANS (continued)

(b) Loans and advances to customers (continued)

(iii) Reconciliation of gross carrying amount

	GROUP			
	Stage 1	Stage 2	Stage 3	Total
	RS'M	RS'M	RS'M	RS'M
At 1 July 2024	**375,121**	**9,515**	**14,475**	**399,111**
Exchange adjustment	**(583)**	**332**	**9**	**(242)**
Transfer to Stage 1	**786**	**(691)**	**(95)**	**-**
Transfer to Stage 2	**(5,927)**	**6,057**	**(130)**	**-**
Transfer to Stage 3	**(1,090)**	**(1,362)**	**2,452**	**-**
New loans and advances to customers, originated or purchased	**211,082**	**2,837**	**3,111**	**217,030**
Loans and advances to customers derecognised or repaid (excluding write off)	**(210,325)**	**(5,568)**	**(3,418)**	**(219,311)**
Write offs	**-**	**-**	**(1,643)**	**(1,643)**
At 30 June 2025	**369,064**	**11,120**	**14,761**	**394,945**
At 1 July 2023	319,618	19,236	14,263	353,117
Exchange adjustment	631	(320)	241	552
Transfer to Stage 1	3,166	(2,959)	(207)	-
Transfer to Stage 2	(829)	841	(12)	-
Transfer to Stage 3	(843)	(1,895)	2,738	-
New loans and advances to customers, originated or purchased	234,242	3,014	5,135	242,391
Loans and advances to customers derecognised or repaid (excluding write off)	(180,864)	(8,402)	(1,267)	(190,533)
Write offs	-	-	(6,416)	(6,416)
At 30 June 2024	375,121	9,515	14,475	399,111
At 1 July 2022	292,753	17,447	13,986	324,186
Exchange adjustment	(480)	(24)	51	(453)
Transfer to Stage 1	2,144	(1,855)	(289)	-
Transfer to Stage 2	(3,697)	4,596	(899)	-
Transfer to Stage 3	(1,772)	(609)	2,381	-
New loans and advances to customers, originated or purchased	191,834	6,580	1,147	199,561
Loans and advances to customers derecognised or repaid (excluding write off)	(161,164)	(6,899)	(1,834)	(169,897)
Write offs	-	-	(280)	(280)
At 30 June 2023	319,618	19,236	14,263	353,117

6. LOANS (continued)

(b) Loans and advances to customers (continued)

(iii) Reconciliation of gross carrying amount

	BANK			
	Stage 1	Stage 2	Stage 3	Total
	RS'M	RS'M	RS'M	RS'M
At 1 July 2024	**368,056**	**9,530**	**13,870**	**391,456**
Exchange adjustment	**-**	**-**	**82**	**82**
Transfer to Stage 1	**484**	**(389)**	**(95)**	**-**
Transfer to Stage 2	**(5,650)**	**5,739**	**(89)**	**-**
Transfer to Stage 3	**(1,090)**	**(1,362)**	**2,452**	**-**
New loans and advances to customers, originated or purchased	**208,369**	**2,820**	**2,956**	**214,145**
Loans and advances to customers derecognised or repaid (excluding write off)	**(209,025)**	**(5,519)**	**(3,403)**	**(217,947)**
Write offs	**-**	**-**	**(1,643)**	**(1,643)**
At 30 June 2025	**361,144**	**10,819**	**14,130**	**386,093**
At 1 July 2023	313,244	18,785	13,909	345,938
Exchange adjustment	-	-	168	168
Transfer to Stage 1	2,860	(2,671)	(189)	-
Transfer to Stage 2	(710)	722	(12)	-
Transfer to Stage 3	(801)	(1,893)	2,694	-
New loans and advances to customers, originated or purchased	232,870	2,957	4,980	240,807
Loans and advances to customers derecognised or repaid (excluding write off)	(179,407)	(8,370)	(1,264)	(189,041)
Write offs	-	-	(6,416)	(6,416)
At 30 June 2024	368,056	9,530	13,870	391,456
At 1 July 2022	287,648	17,225	13,647	318,520
Exchange adjustment	-	-	82	82
Transfer to Stage 1	1,961	(1,679)	(282)	-
Transfer to Stage 2	(3,402)	4,300	(898)	-
Transfer to Stage 3	(1,715)	(592)	2,307	-
New loans and advances to customers, originated or purchased	189,018	6,394	1,113	196,525
Loans and advances to customers derecognised or repaid (excluding write off)	(160,266)	(6,863)	(1,780)	(168,909)
Write offs	-	-	(280)	(280)
At 30 June 2023	313,244	18,785	13,909	345,938

6. **LOANS (continued)**

(b) **Loans and advances to customers (continued)**

(iv) **Allowances for credit impairment**

	GROUP			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	RS'M	**RS'M**	**RS'M**	**RS'M**
At 1 July 2024	**3,285**	**2,212**	**8,951**	**14,448**
Exchange adjustment	**(1)**	**(1)**	**(375)**	**(377)**
Transfer to Stage 1	**204**	**(165)**	**(39)**	**-**
Transfer to Stage 2	**(50)**	**79**	**(29)**	**-**
Transfer to Stage 3	**(17)**	**(308)**	**325**	**-**
Provision for credit impairment for the year	**2,045**	**2,074**	**5,296**	**9,415**
Provision released during the year	**(1,472)**	**(383)**	**(719)**	**(2,574)**
Financial assets that have been derecognised	**(1,092)**	**(958)**	**(1,828)**	**(3,878)**
Write offs	**-**	**-**	**(1,099)**	**(1,099)**
Changes in models/risk parameters	**886**	**181**	**-**	**1,067**
At 30 June 2025	**3,788**	**2,731**	**10,483**	**17,002**
Interest in suspense	**-**	**-**	**2,765**	**2,765**
Provision and interest in suspense at 30 June 2025	**3,788**	**2,731**	**13,248**	**19,767**
At 1 July 2023	2,566	3,849	7,985	14,400
Exchange adjustment	3	-	181	184
Transfer to Stage 1	301	(245)	(56)	-
Transfer to Stage 2	(5)	9	(4)	-
Transfer to Stage 3	(11)	(416)	427	-
Provision for credit impairment for the year	2,373	1,394	6,235	10,002
Provision released during the year	(908)	(988)	(431)	(2,327)
Financial assets that have been derecognised	(856)	(1,376)	(587)	(2,819)
Write offs	-	-	(4,799)	(4,799)
Changes in models/risk parameters	(178)	(15)	-	(193)
At 30 June 2024	3,285	2,212	8,951	14,448
Interest in suspense	-	-	2,130	2,130
Provision and interest in suspense at 30 June 2024	3,285	2,212	11,081	16,578
At 1 July 2022	3,322	3,060	4,429	10,811
Exchange adjustment	(6)	(2)	71	63
Transfer to Stage 1	292	(223)	(69)	-
Transfer to Stage 2	(57)	705	(648)	-
Transfer to Stage 3	(36)	(100)	136	-
Provision for credit impairment for the year	1,684	2,166	4,624	8,474
Provision released during the year	(1,892)	(1,447)	(187)	(3,526)
Financial assets that have been derecognised	(568)	(299)	(176)	(1,043)
Write offs	-	-	(195)	(195)
Changes in models/risk parameters	(173)	(11)	-	(184)
At 30 June 2023	2,566	3,849	7,985	14,400
Interest in suspense	-	-	2,205	2,205
Provision and interest in suspense at 30 June 2023	2,566	3,849	10,190	16,605

6. **LOANS (continued)**

(b) **Loans and advances to customers (continued)**

(iv) **Allowances for credit impairment**

	BANK			
	Stage 1	Stage 2	Stage 3	Total
	RS'M	RS'M	RS'M	RS'M
At 1 July 2024	**3,238**	**2,195**	**8,623**	**14,056**
Exchange adjustment	**-**	**-**	**(366)**	**(366)**
Transfer to Stage 1	**185**	**(146)**	**(39)**	**-**
Transfer to Stage 2	**(47)**	**76**	**(29)**	**-**
Transfer to Stage 3	**(17)**	**(308)**	**325**	**-**
Provision for credit impairment for the year	**2,022**	**2,068**	**5,199**	**9,289**
Provision released during the year	**(1,447)**	**(381)**	**(717)**	**(2,545)**
Financial assets that have been derecognised	**(1,090)**	**(958)**	**(1,819)**	**(3,867)**
Write offs	**-**	**-**	**(1,099)**	**(1,099)**
Changes in models/risk parameters	**886**	**181**	**-**	**1,067**
At 30 June 2025	**3,730**	**2,727**	**10,078**	**16,535**
Interest in suspense	**-**	**-**	**2,588**	**2,588**
Provision and interest in suspense at 30 June 2025	**3,730**	**2,727**	**12,666**	**19,123**
At 1 July 2023	2,516	3,832	7,825	14,173
Exchange adjustment	-	-	168	168
Transfer to Stage 1	294	(239)	(55)	-
Transfer to Stage 2	(4)	8	(4)	-
Transfer to Stage 3	(11)	(416)	427	-
Provision for credit impairment for the year	2,364	1,388	6,076	9,828
Provision released during the year	(887)	(987)	(430)	(2,304)
Financial assets that have been derecognised	(856)	(1,376)	(585)	(2,817)
Write offs	-	-	(4,799)	(4,799)
Changes in models/risk parameters	(178)	(15)	-	(193)
At 30 June 2024	3,238	2,195	8,623	14,056
Interest in suspense	-	-	1,996	1,996
Provision and interest in suspense at 30 June 2024	3,238	2,195	10,619	16,052
At 1 July 2022	3,248	3,039	4,322	10,609
Exchange adjustment	-	-	82	82
Transfer to Stage 1	275	(207)	(68)	-
Transfer to Stage 2	(51)	699	(648)	-
Transfer to Stage 3	(36)	(98)	134	-
Provision for credit impairment for the year	1,656	2,151	4,561	8,368
Provision released during the year	(1,840)	(1,444)	(187)	(3,471)
Financial assets that have been derecognised	(563)	(297)	(176)	(1,036)
Write offs	-	-	(195)	(195)
Changes in models/risk parameters	(173)	(11)	-	(184)
At 30 June 2023	2,516	3,832	7,825	14,173
Interest in suspense	-	-	2,115	2,115
Provision and interest in suspense at 30 June 2023	2,516	3,832	9,940	16,288

6. LOANS (continued)

(b) Loans and advances to customers (continued)

(v) Allowances for credit impairment by industry sectors

	GROUP					
	2025					
	Gross amount of loans	**Non performing loans***	**Stage 1**	**Stage 2**	**Stage 3**	**Total provision**
	RS'M	**RS'M**	**RS'M**	**RS'M**	**RS'M**	**RS'M**
Agriculture and fishing	**5,363**	**193**	**14**	**-**	**96**	**110**
Manufacturing	**26,490**	**334**	**253**	**361**	**347**	**961**
Tourism	**20,403**	**3,046**	**113**	**218**	**3,508**	**3,839**
Transport	**5,376**	**39**	**87**	**580**	**53**	**720**
Construction	**14,027**	**486**	**89**	**180**	**490**	**759**
Financial and business services	**76,909**	**1,363**	**1,161**	**29**	**1,330**	**2,520**
Traders	**126,607**	**2,361**	**1,166**	**890**	**2,468**	**4,524**
of which Petroleum & Energy products	***100,574***	***1,670***	***971***	***646***	***1,878***	***3,495***
Personal	**63,384**	**917**	**307**	**136**	**432**	**875**
of which credit cards	***1,086***	***48***	***14***	***3***	***44***	***61***
of which housing	***48,715***	***511***	***81***	***40***	***185***	***306***
Professional	**593**	**4**	**6**	**3**	**3**	**12**
Global Business Licence holders	**31,891**	**3,033**	**73**	**240**	**4,341**	**4,654**
Others	**23,902**	**220**	**519**	**94**	**180**	**793**
Of which Energy and Commodities Asset Backed financing	***12,095***	***-***	***85***	***-***	***-***	***85***
	394,945	**11,996**	**3,788**	**2,731**	**13,248**	**19,767**

	2024					
	Gross amount of loans	**Non performing loans***	**Stage 1**	**Stage 2**	**Stage 3**	**Total provision**
	RS'M	**RS'M**	**RS'M**	**RS'M**	**RS'M**	**RS'M**
Agriculture and fishing	5,568	93	43	16	76	135
Manufacturing	21,683	241	183	260	209	652
Tourism	25,059	3,209	118	535	2,349	3,002
Transport	9,208	52	79	27	67	173
Construction	15,778	209	83	217	140	440
Financial and business services	63,232	333	528	224	345	1,097
Traders	151,989	2,630	676	790	2,313	3,779
of which Petroleum & Energy products	*127,909*	*1,755*	*553*	*694*	*1,755*	*3,002*
Personal	53,325	870	126	20	407	553
of which credit cards	*1,354*	*39*	*10*	*1*	*36*	*47*
of which housing	*40,879*	*439*	*50*	*7*	*181*	*238*
Professional	491	3	3	-	2	5
Global Business Licence holders	15,442	4,134	83	122	4,914	5,119
Others	37,336	571	1,363	1	259	1,623
Of which Energy and Commodities Asset Backed financing	*15,082*	*-*	*30*	*-*	*-*	*30*
	399,111	12,345	3,285	2,212	11,081	16,578

	2023					
	Gross amount of loans	**Non performing loans***	**Stage 1**	**Stage 2**	**Stage 3**	**Total provision**
	RS'M	**RS'M**	**RS'M**	**RS'M**	**RS'M**	**RS'M**
Agriculture and fishing	8,668	646	95	166	913	1,174
Manufacturing	16,388	140	155	178	87	420
Tourism	28,849	469	377	1,389	447	2,213
Transport	7,723	30	102	12	36	150
Construction	13,190	119	110	105	91	306
Financial and business services	53,747	325	449	225	253	927
Traders	117,291	742	541	880	1,249	2,670
of which Petroleum & Energy products	*93,224*	*-*	*322*	*823*	*-*	*1,145*
Personal	48,304	849	124	64	357	545
of which credit cards	*959*	*30*	*9*	*3*	*27*	*39*
of which housing	*37,362*	*511*	*47*	*22*	*178*	*247*
Professional	295	11	4	1	4	9
Global Business Licence holders	23,849	7,285	44	63	6,595	6,702
Others	34,813	1,441	565	766	158	1,489
Of which Energy and Commodities Asset Backed financing	*17,126*	*890*	*74*	*89*	*746*	*909*
	353,117	12,057	2,566	3,849	10,190	16,605

*Non performing loans excludes interest in suspense.

6. LOANS (continued)

(b) Loans and advances to customers (continued)

(v) Allowances for credit impairment by industry sectors

BANK

2025

	Gross amount of loans	Non performing loans*	Stage 1	Stage 2	Stage 3	Total provision
	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
Agriculture and fishing	**4,800**	**180**	**11**	**-**	**80**	**91**
Manufacturing	**22,420**	**235**	**232**	**358**	**199**	**789**
Tourism	**20,381**	**3,044**	**113**	**218**	**3,506**	**3,837**
Transport	**5,111**	**20**	**85**	**580**	**14**	**679**
Construction	**13,794**	**424**	**88**	**179**	**395**	**662**
Financial and business services	**76,080**	**1,306**	**1,155**	**27**	**1,287**	**2,469**
Traders	**123,849**	**2,164**	**1,142**	**894**	**2,253**	**4,289**
of which Petroleum & Energy products	***100,574***	***1,670***	***971***	***646***	***1,878***	***3,495***
Personal	**63,384**	**917**	**307**	**136**	**432**	**875**
of which credit cards	***1,086***	***48***	***14***	***3***	***44***	***61***
of which housing	***48,680***	***511***	***81***	***40***	***185***	***306***
Professional	**593**	**4**	**6**	**3**	**3**	**12**
Global Business Licence holders	**31,891**	**3,033**	**73**	**240**	**4,341**	**4,654**
Others	**23,790**	**215**	**518**	**92**	**156**	**766**
Of which Energy and Commodities Asset Backed financing	***12,095***	***-***	***85***	***-***	***-***	***85***
	386,093	**11,542**	**3,730**	**2,727**	**12,666**	**19,123**

2024

	Gross amount of loans	Non performing loans*	Stage 1	Stage 2	Stage 3	Total provision
	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
Agriculture and fishing	4,956	79	41	16	65	122
Manufacturing	17,931	137	164	249	57	470
Tourism	25,029	3,207	118	535	2,347	3,000
Transport	8,926	31	77	27	29	133
Construction	15,491	107	82	211	51	344
Financial and business services	62,542	304	520	223	272	1,015
Traders	150,064	2,437	662	791	2,226	3,679
of which Petroleum & Energy products	*127,909*	*1,755*	*553*	*694*	*1,755*	*3,002*
Personal	53,289	870	126	20	407	553
of which credit cards	*1,354*	*39*	*10*	*1*	*36*	*47*
of which housing	*40,843*	*439*	*50*	*7*	*181*	*238*
Professional	491	3	3	-	2	5
Global Business Licence holders	15,442	4,134	83	122	4,914	5,119
Others	37,295	565	1,362	1	249	1,612
Of which Energy and Commodities Asset Backed financing	*15,082*	*-*	*30*	*-*	*-*	*30*
	391,456	11,874	3,238	2,195	10,619	16,052

2023

	Gross amount of loans	Non performing loans*	Stage 1	Stage 2	Stage 3	Total provision
	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
Agriculture and fishing	8,150	633	93	166	904	1,163
Manufacturing	12,810	41	136	164	22	322
Tourism	28,815	461	377	1,389	444	2,210
Transport	7,414	11	99	12	7	118
Construction	12,875	58	107	105	28	240
Financial and business services	53,112	290	441	225	216	882
Traders	115,564	719	528	875	470	1,873
of which Petroleum & Energy products	*93,224*	*-*	*322*	*823*	*-*	*1,145*
Personal	48,274	849	124	64	357	545
of which credit cards	*959*	*30*	*9*	*3*	*27*	*39*
of which housing	*37,332*	*511*	*47*	*22*	*178*	*247*
Professional	295	11	4	1	4	9
Global Business Licence holders	23,849	7,285	44	63	6,595	6,702
Others	34,780	1,436	563	768	893	2,224
Of which Energy and Commodities Asset Backed financing	*17,126*	*890*	*74*	*89*	*746*	*909*
	345,938	11,794	2,516	3,832	9,940	16,288

*Non performing loans excludes interest in suspense.

7. INVESTMENT SECURITIES

(a) Investment securities

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
Investment in debt securities at amortised cost (note 7(b))	**316,896**	316,387	242,885	**313,530**	314,019	241,387
Less allowances for credit impairment on investment in debt securities at amortised cost	**(1,104)**	(905)	(427)	**(1,076)**	(889)	(415)
	315,792	315,482	242,458	**312,454**	313,130	240,972
Investment in debt and equity securities measured at fair value through other comprehensive income (note 7(c))	**2,882**	2,166	1,936	**2,882**	2,166	1,936
Investment in debt and equity securities measured at fair value through profit or loss (note 7(d))	**9,447**	6,914	4,497	**9,447**	6,914	4,497
	328,121	324,562	248,891	**324,783**	322,210	247,405

Credit impaired investments at fair value through other comprehensive income amounted to Rs 1M/Provision Rs 1M (2024: Rs 1M). At 30 June 2023, there were no credit impaired investments fair valued through other comprehensive income.

Investment securities (gross of allowances for credit impairment) can be classified as:

Current	**131,381**	121,113	91,279	**130,791**	120,162	90,835
Non-current	**197,844**	204,354	158,039	**195,068**	202,937	156,985

	2025	2024	2023	**2025**	2024	2023
(b) (i) Investment in debt securities at amortised cost	**RS'M**	RS'M	RS'M	**RS'M**	RS'M	RS'M
Government of Mauritius and Bank of Mauritius bonds	**147,198**	133,768	106,753	**147,198**	133,768	106,753
Treasury bills	**46,171**	65,698	34,944	**42,805**	63,330	33,446
Foreign bonds	**86,949**	83,886	72,775	**86,949**	83,886	72,775
Notes	**36,182**	32,637	28,019	**36,182**	32,637	28,019
Index linked note	**396**	398	394	**396**	398	394
	316,896	316,387	242,885	**313,530**	314,019	241,387

(ii) Remaining term to maturity

	GROUP					
	2025					
	Up to 3 months RS'M	**3 - 6 months RS'M**	**6 - 12 months RS'M**	**1 - 5 years RS'M**	**Over 5 years RS'M**	**Total RS'M**
Government of Mauritius and Bank of Mauritius bonds	**16,197**	**8,888**	**18,472**	**53,526**	**50,115**	**147,198**
Treasury bills	**22,820**	**9,610**	**10,965**	**2,776**	**-**	**46,171**
Foreign bonds	**11,483**	**5,715**	**14,504**	**37,060**	**18,187**	**86,949**
Notes	**180**	**1,309**	**1,583**	**22,419**	**10,691**	**36,182**
Index linked note	**-**	**208**	**-**	**14**	**174**	**396**
	50,680	**25,730**	**45,524**	**115,795**	**79,167**	**316,896**

	2024					
	Up to 3 months RS'M	3 - 6 months RS'M	6 - 12 months RS'M	1 - 5 years RS'M	Over 5 years RS'M	Total RS'M
Government of Mauritius and Bank of Mauritius bonds	5,383	4,847	13,019	74,679	35,840	133,768
Treasury bills	36,063	10,485	17,733	1,417	-	65,698
Foreign bonds	-	9,482	17,179	47,029	10,196	83,886
Notes	511	2,412	514	16,537	12,663	32,637
Index linked note	-	-	-	228	170	398
	41,957	27,226	48,445	139,890	58,869	316,387

	2023					
	Up to 3 months RS'M	3 - 6 months RS'M	6 - 12 months RS'M	1 - 5 years RS'M	Over 5 years RS'M	Total RS'M
Government of Mauritius and Bank of Mauritius bonds	7,980	5,428	13,324	56,431	23,590	106,753
Treasury bills	23,370	9,386	1,134	1,054	-	34,944
Foreign bonds	2,471	2,505	18,284	38,739	10,776	72,775
Notes	1,772	2,421	1,683	11,298	10,845	28,019
Index linked note	-	-	-	226	168	394
	35,593	19,740	34,425	107,748	45,379	242,885

7. **INVESTMENT SECURITIES (continued)**

(b) (ii) **Remaining term to maturity (continued)**

BANK

	Up to 3 months RS'M	3 - 6 months RS'M	6 - 12 months RS'M	1 - 5 years RS'M	Over 5 years RS'M	Total RS'M
2025						
Government of Mauritius and Bank of Mauritius bonds	**16,197**	**8,888**	**18,472**	**53,526**	**50,115**	**147,198**
Treasury bills	**22,662**	**9,480**	**10,663**	**-**	**-**	**42,805**
Foreign bonds	**11,483**	**5,715**	**14,504**	**37,060**	**18,187**	**86,949**
Notes	**180**	**1,309**	**1,583**	**22,419**	**10,691**	**36,182**
Index linked note	**-**	**208**	**-**	**14**	**174**	**396**
	50,522	**25,600**	**45,222**	**113,019**	**79,167**	**313,530**

	Up to 3 months RS'M	3 - 6 months RS'M	6 - 12 months RS'M	1 - 5 years RS'M	Over 5 years RS'M	Total RS'M
2024						
Government of Mauritius and Bank of Mauritius bonds	5,383	4,847	13,019	74,679	35,840	133,768
Treasury bills	35,720	10,353	17,257	-	-	63,330
Foreign bonds	-	9,482	17,179	47,029	10,196	83,886
Notes	511	2,412	514	16,537	12,663	32,637
Index linked note	-	-	-	228	170	398
	41,614	27,094	47,969	138,473	58,869	314,019

	Up to 3 months RS'M	3 - 6 months RS'M	6 - 12 months RS'M	1 - 5 years RS'M	Over 5 years RS'M	Total RS'M
2023						
Government of Mauritius and Bank of Mauritius bonds	7,980	5,428	13,324	56,430	23,591	106,753
Treasury bills	23,141	9,322	983	-	-	33,446
Foreign bonds	2,471	2,505	18,284	38,739	10,776	72,775
Notes	1,772	2,421	1,683	11,298	10,845	28,019
Index linked note	-	-	-	226	168	394
	35,364	19,676	34,274	106,693	45,380	241,387

7. INVESTMENT SECURITIES (continued)

(b) Investment in debt securities at amortised cost (continued)

(iii) Reconciliation of gross carrying amount of investment in debt securities at amortised cost

	GROUP				BANK			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
At 1 July 2024	**316,011**	**-**	**376**	**316,387**	**313,643**	**-**	**376**	**314,019**
Exchange adjustment	**(139)**	**-**	**-**	**(139)**	**-**	**-**	**-**	**-**
Investments originated or purchased	**123,041**	**-**	**15**	**123,056**	**120,925**	**-**	**15**	**120,940**
Investments derecognised or repaid	**(122,408)**	**-**	**-**	**(122,408)**	**(121,429)**	**-**	**-**	**(121,429)**
At 30 June 2025	**316,505**	**-**	**391**	**316,896**	**313,139**	**-**	**391**	**313,530**
At 1 July 2023	242,456	429	-	242,885	240,958	429	-	241,387
Exchange adjustment	87	-	-	87	-	-	-	-
Transfer to Stage 3	-	(167)	167	-	-	(167)	167	-
Investments originated or purchased	163,816	-	273	164,089	162,569	-	273	162,842
Investments derecognised or repaid	(90,348)	(262)	(64)	(90,674)	(89,884)	(262)	(64)	(90,210)
At 30 June 2024	316,011	-	376	316,387	313,643	-	376	314,019
At 1 July 2022	217,360	-	-	217,360	216,503	-	-	216,503
Exchange adjustment	(87)	-	-	(87)	-	-	-	-
Transfer to Stage 2	(422)	422	-	-	(422)	422	-	-
Investments originated or purchased	74,562	15	-	74,577	73,544	15	-	73,559
Investments derecognised or repaid	(48,957)	(8)	-	(48,965)	(48,667)	(8)	-	(48,675)
At 30 June 2023	242,456	429	-	242,885	240,958	429	-	241,387

(iv) Allowances for credit impairment on investment in debt securities at amortised cost

	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
At 1 July 2024	**530**	**-**	**362**	**892**	**514**	**-**	**362**	**876**
Exchange adjustment	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Provision for credit impairment for the year	**207**	**-**	**11**	**218**	**193**	**-**	**11**	**204**
Provision released during the year	**(418)**	**-**	**(5)**	**(423)**	**(416)**	**-**	**(5)**	**(421)**
Financial assets that have been derecognised	**(32)**	**-**	**-**	**(32)**	**(32)**	**-**	**-**	**(32)**
Changes in models/risk parameters	**428**	**-**	**-**	**428**	**428**	**-**	**-**	**428**
At 30 June 2025	**715**	**-**	**368**	**1,083**	**687**	**-**	**368**	**1,055**
Interest in suspense	**-**	**-**	**21**	**21**	**-**	**-**	**21**	**21**
Provision and interest in suspense at 30 June 2025	**715**	**-**	**389**	**1,104**	**687**	**-**	**389**	**1,076**
At 1 July 2023	362	65	-	427	350	65	-	415
Exchange adjustment	1	-	-	1	-	-	-	-
Transfer to Stage 3	-	(64)	64	-	-	(64)	64	-
Provision for credit impairment for the year	337	-	298	635	333	-	298	631
Provision released during the year	(93)	-	-	(93)	(92)	-	-	(92)
Financial assets that have been derecognised	(66)	(1)	-	(67)	(66)	(1)	-	(67)
Changes in models/risk parameters	(11)	-	-	(11)	(11)	-	-	(11)
At 30 June 2024	530	-	362	892	514	-	362	876
Interest in suspense	-	-	13	13	-	-	13	13
Provision and interest in suspense at 30 June 2024	530	-	375	905	514	-	375	889
At 1 July 2022	362	-	-	362	357	-	-	357
Transfer to Stage 2	(5)	5	-	-	(5)	5	-	-
Provision for credit impairment for the year	315	62	-	377	308	62	-	370
Provision released during the year	(120)	(3)	-	(123)	(120)	(3)	-	(123)
Financial assets that have been derecognised	(31)	-	-	(31)	(31)	-	-	(31)
Changes in models/risk parameters	(159)	1	-	(158)	(159)	1	-	(158)
At 30 June 2023	362	65	-	427	350	65	-	415

7. INVESTMENT SECURITIES (continued)

	GROUP & BANK		
	2025	2024	2023
(c) (i) Investment in debt and equity securities measured at fair value through other comprehensive income by levels	**RS'M**	RS'M	RS'M
Quoted - Level 1			
Official list : shares (equity instrument)	**964**	887	861
Bonds (debt instrument)	**662**	74	125
	1,626	961	986
Unquoted - Level 2			
Investment fund (debt instrument)	**852**	819	590
Unquoted - Level 3			
Shares (equity instrument)	**404**	386	360
	2,882	2,166	1,936

(ii) Reconciliation of level 3 fair value measurements

	2025	2024	2023
	RS'M	RS'M	RS'M
At 1 July	**386**	360	269
Additions	**2**	2	1
Movement in fair value	**16**	24	90
At 30 June	**404**	386	360

	2025	2024	2023
(d) Investment in debt and equity securities measured at fair value through profit or loss by levels	**RS'M**	RS'M	RS'M
Quoted - Level 1			
Foreign bonds (debt instrument)	**-**	-	136
Foreign shares (equity instrument)	**-**	3,429	2,976
	-	3,429	3,112
Unquoted - Level 2			
Government of Mauritius & Bank of Mauritius bonds (debt instrument)	**777**	1	1,021
Treasury bills (debt instrument)	**8,670**	3,484	364
	9,447	3,485	1,385
	9,447	6,914	4,497

Fair value hierarchy

The Group uses a hierarchy of valuation techniques based on whether the inputs to these valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions.

These two types of inputs have created the following fair value hierarchy:

Level 1 : Quoted prices (unadjusted) for identical assets. This level includes listed equity securities.

Level 2 : Inputs other than quoted prices that are observable for the assets.

Level 3 : Inputs for the assets that are not based on observable market data.

Unquoted shares

The Group holds shares in several investments where the fair value is determined as a percentage of the net asset value using latest available audited accounts and in some cases latest available management accounts. There are also some investments which are fair valued using the latest available share prices which were available upon recent events, e.g. rights issue.

Valuation techniques used to estimate the fair values of unquoted equity securities include models based on earnings/dividend growth, discounted cash flows and net asset values, whichever is considered to be appropriate. The Group has made certain assumptions for inputs in the models, including earnings before interest, depreciation, tax and amortisation (EBIDTA), risk free rate, risk premium, dividend growth rate, weighted average cost of capital, appropriate discounts for lack of liquidity and expected cash flows which may be different from actual. As such, fair value estimates may differ given the subjectivity of underlying assumptions used as model inputs. Inputs were based on information available at the reporting date.

8. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

(a) Investments in subsidiaries

(i) The Group has the following subsidiaries:

	Country of incorporation	Nature of business	Holding %	Proportion of ownership interests held by non-controlling interests %	Cost RS'M
Year ended 30 June 2025					
The Mauritius Commercial Bank(Madagascar) S.A	**Madagascar**	**Banking & Financial Services**	**80.00**	**20.00**	**118**
MCB Nigeria (Representative Office) Ltd	**Nigeria**	**Financial Services**	**100.00**	**-**	**3**
					121
Year ended 30 June 2024					
The Mauritius Commercial Bank(Madagascar) S.A	Madagascar	Banking & Financial Services	80.00	20.00	118
MCB Nigeria (Representative Office) Ltd	Nigeria	Financial Services	100.00	-	3
					121
Year ended 30 June 2023					
The Mauritius Commercial Bank(Madagascar) S.A	Madagascar	Banking & Financial Services	80.00	20.00	118

(b) Investments in associates

(i) The Bank's and Group's interest in its associates are as follows:

	Country of incorporation	Nature of business	Assets RS'M	Liabilities RS'M	Revenues RS'M	Profit RS'M	Holding %
At 30 June 2025							
Banque Française Commerciale Océan Indien	**Reunion**	**Banking & Financial Services**	**109,282**	**99,093**	**6,185**	**588**	**49.99**
At 30 June 2024							
Banque Française Commerciale Océan Indien	Reunion	Banking & Financial Services	107,653	97,909	6,091	614	49.99
At 30 June 2023							
Banque Française Commerciale Océan Indien	Reunion	Banking & Financial Services	107,314	97,619	5,125	978	49.99
Société Générale Moçambique, S.A	Mozambique	Banking & Financial Services	11,311	9,662	1,796	158	35.00

(ii) The above associates are accounted for using the equity method.

(iii) Banque Française Commerciale Océan Indien (BFCOI) and Société Générale Moçambique, S.A (SG Moçambique) are unquoted.

(iv) During the financial year 2024, the Group disposed of its 35% stake in SG Mozambique for Rs413m, which was received in July 2024. The loss on disposal amounted to Rs241m.

8. INVESTMENTS IN SUBSIDIARY AND ASSOCIATES (continued)

(b) Investments in associates(continued)

(v) Movements in investments in associates

	GROUP & BANK			
	BFCOI RS'M	SG Moçambique RS'M	Subordinated loan to BFCOI RS'M	Total RS'M
At 1 July 2022	4,493	563	513	5,569
Share of profit of associates	489	55	-	544
Exchange differences on translating foreign operations	287	7	-	294
Share of other movements in associates	54	-	-	54
Dividend received from associates	(410)	-	-	(410)
Adjustments	-	3	30	33
At 30 June 2023	4,913	628	543	6,084
Share of profit of associate	306	-	-	306
Exchange differences on translating foreign operations	126	26	-	152
Share of other movements in associate	12	-	-	12
Dividend received from associate	(420)	-	-	(420)
Adjustments	-	-	15	15
Disposal of associate	-	(654)	-	(654)
At 30 June 2024	**4,937**	**-**	**558**	**5,495**
Share of profit of associate	**294**	**-**	**-**	**294**
Exchange differences on translating foreign operations	**215**	**-**	**-**	**215**
Share of other movements in associate	**(38)**	**-**	**-**	**(38)**
Dividend received from associate	**(249)**	**-**	**-**	**(249)**
Adjustments	**-**	**-**	**23**	**23**
At 30 June 2025	**5,159**	**-**	**581**	**5,740**

(vi) Summarised financial information in respect of material entities:

Banque Française Commerciale Océan Indien (BFCOI)

	2025 RS'M	2024 RS'M	2023 RS'M
Summarised statement of financial position:			
Current assets	**21,431**	17,207	13,424
Non current assets	**87,851**	90,446	93,890
Current liabilities	**25,896**	26,239	23,904
Non current liabilities	**73,197**	71,670	73,715
Equity attributable to owners of BFCOI	**10,189**	9,744	9,695
Summarised statement of profit or loss and other comprehensive income:			
Revenue	**6,185**	6,091	5,125
Profit	**588**	614	978
Other comprehensive income	**(76)**	25	109
Total comprehensive income	**512**	639	1,087

The Directors are satisfied that there are no indications requiring an impairment of the Group's investment in its subsidiaries and investments in its associates. Investments in subsidiaries and associates are classified as non-current assets.

9. INTANGIBLE ASSETS

	GROUP			BANK		
	Computer software RS'M	Work in progress RS'M	Total RS'M	Computer software RS'M	Work in progress RS'M	Total RS'M
Cost						
At 1 July 2022	2,768	514	3,282	2,473	514	2,987
Additions	30	895	925	13	895	908
Exchange	(27)	-	(27)	-	-	-
Adjustment	675	-	675	675	-	675
Transfer	1,172	(1,172)	-	1,172	(1,172)	-
At 30 June 2023	4,618	237	4,855	4,333	237	4,570
Additions	23	979	1,002	13	979	992
Adjustment	(13)	-	(13)	(13)	-	(13)
Exchange	16	-	16	-	-	-
Transfer	925	(925)	-	925	(925)	-
At 30 June 2024	**5,569**	**291**	**5,860**	**5,258**	**291**	**5,549**
Additions	**6**	**1,005**	**1,011**	**-**	**1,005**	**1,005**
Adjustment	**(404)**	**-**	**(404)**	**(404)**	**-**	**(404)**
Exchange	**(10)**	**-**	**(10)**	**-**	**-**	**-**
Transfer	**745**	**(745)**	**-**	**745**	**(745)**	**-**
At 30 June 2025	**5,906**	**551**	**6,457**	**5,599**	**551**	**6,150**
Accumulated amortisation						
At 1 July 2022	1,311	-	1,311	1,091	-	1,091
Charge for the year	627	-	627	593	-	593
Exchange	(21)	-	(21)	-	-	-
Adjustment	675	-	675	675	-	675
At 30 June 2023	2,592	-	2,592	2,359	-	2,359
Charge for the year	663	-	663	641	-	641
Exchange	14	-	14	-	-	-
Adjustment	(2)	-	(2)	(2)	-	(2)
At 30 June 2024	**3,267**	-	**3,267**	**2,998**	-	**2,998**
Charge for the year	**663**	-	**663**	**642**	-	**642**
Exchange	**(8)**	-	**(8)**	-	-	-
Adjustment	**(404)**	-	**(404)**	**(404)**	-	**(404)**
At 30 June 2025	**3,518**	**-**	**3,518**	**3,236**	**-**	**3,236**
Net book values						
At 30 June 2025	**2,388**	**551**	**2,939**	**2,363**	**551**	**2,914**
At 30 June 2024	2,302	291	2,593	2,260	291	2,551
At 30 June 2023	2,026	237	2,263	1,974	237	2,211

Intangible assets are classified as non-current assets.

10. PROPERTY, PLANT AND EQUIPMENT

	GROUP						
	Land and buildings	Computer and other equipment	Furniture, fittings and vehicles	Work in progress	Right-of-Use assets (Land and Buildings)	Right-of-Use assets (Equipment)	Total
	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
Cost							
At 1 July 2022	5,087	3,608	1,095	187	445	-	10,422
Additions	21	275	31	179	157	-	663
Scrap	-	(78)	(1)	-	-	-	(79)
Disposals	-	(3)	(25)	-	(6)	-	(34)
Exchange adjustment	(27)	(8)	(14)	(3)	(11)	-	(63)
Adjustment on re-measurement	-	-	-	-	(59)	-	(59)
Adjustment	-	105	-	-	-	-	105
Transfer	42	76	33	(151)	-	-	-
At 30 June 2023	5,123	3,975	1,119	212	526	-	10,955
Additions	7	223	26	221	84	-	561
Scrap	-	(163)	(1)	-	-	-	(164)
Disposals	-	(4)	(17)	-	-	-	(21)
Exchange adjustment	14	5	7	2	7	-	35
Adjustment on re-measurement	-	-	-	-	23	-	23
Transfer	44	83	43	(170)	-	-	-
At 30 June 2024	**5,188**	**4,119**	**1,177**	**265**	**640**	**-**	**11,389**
Additions	**16**	**307**	**51**	**290**	**214**	**6**	**884**
Scrap	**-**	**(319)**	**(2)**	**-**	**-**	**-**	**(321)**
Disposals	**-**	**(1)**	**(10)**	**-**	**-**	**-**	**(11)**
Exchange adjustment	**(9)**	**(3)**	**(4)**	**-**	**(4)**	**-**	**(20)**
Adjustment on re-measurement	**-**	**-**	**-**	**-**	**(19)**	**-**	**(19)**
Transfer	**25**	**63**	**58**	**(146)**	**-**	**-**	**-**
At 30 June 2025	**5,220**	**4,166**	**1,270**	**409**	**831**	**6**	**11,902**
Accumulated depreciation							
At 1 July 2022	1,191	2,868	721	-	219	-	4,999
Charge for the year	92	328	71	-	80	-	571
Scrap adjustment	-	(78)	-	-	-	-	(78)
Exchange adjustment	(22)	(7)	(9)	-	13	-	(25)
Adjustment	-	105	-	-	-	-	105
Disposal adjustment	-	(4)	(23)	-	-	-	(27)
At 30 June 2023	1,261	3,212	760	-	312	-	5,545
Charge for the year	93	293	68	-	87	-	541
Scrap adjustment	-	(150)	(7)	-	-	-	(157)
Exchange adjustment	1	5	6	-	5	-	17
Disposal adjustment	-	(4)	(14)	-	-	-	(18)
At 30 June 2024	**1,355**	**3,356**	**813**	**-**	**404**	**-**	**5,928**
Charge for the year	**95**	**290**	**63**	**-**	**127**	**2**	**577**
Scrap adjustment	**-**	**(318)**	**(1)**	**-**	**-**	**-**	**(319)**
Exchange adjustment	**(1)**	**(2)**	**(2)**	**-**	**(3)**	**-**	**(8)**
Disposal adjustment	**-**	**(1)**	**(9)**	**-**	**-**	**-**	**(10)**
At 30 June 2025	**1,449**	**3,325**	**864**	**-**	**528**	**2**	**6,168**
Net book values							
At 30 June 2025	**3,771**	**841**	**406**	**409**	**303**	**4**	**5,734**
At 30 June 2024	3,833	763	364	265	236	-	5,461
At 30 June 2023	3,862	763	359	212	214	-	5,410

Property, plant and equipment are classified as non-current asset.

Following the adoption of IFRS 16, the Group has presented right-of-use assets within 'property, plant and equipment'.

The leases under Right-of-use Assets consist mainly of rental of space for ATMs and the lease terms are in the range of 1 to 5 years.

Moreover, the Group does not have the possibility of acquiring the asset at the end of the lease.

10. PROPERTY, PLANT AND EQUIPMENT (continued)

	BANK						
	Land and buildings	Computer and other equipment	Furniture, fittings and vehicles	Work in progress	Right-of-Use assets (Land and Buildings)	Right-of-Use assets (Equipment)	Total
	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
Cost							
At 1 July 2022	4,778	3,519	939	148	326	-	9,710
Additions	14	273	20	178	132	-	617
Scrap	-	(78)	(1)	-	-	-	(79)
Disposals	-	(4)	(16)	-	-	-	(20)
Adjustment on re-measurement	-	-	-	-	(39)	-	(39)
Adjustment	-	105	-	-	-	-	105
Transfer	40	72	31	(143)	-	-	-
At 30 June 2023	4,832	3,887	973	183	419	-	10,294
Additions	-	219	20	211	57	-	507
Scrap	-	(150)	(1)	-	-	-	(151)
Disposals	-	(4)	(17)	-	-	-	(21)
Adjustment on re-measurement	-	-	-	-	13	-	13
Transfer	44	83	43	(170)	-	-	-
At 30 June 2024	**4,876**	**4,035**	**1,018**	**224**	**489**	**-**	**10,642**
Additions	**-**	**295**	**30**	**240**	**186**	**6**	**757**
Scrap	**-**	**(319)**	**(2)**	**-**	**-**	**-**	**(321)**
Disposals	**-**	**(1)**	**(10)**	**-**	**-**	**-**	**(11)**
Adjustment on re-measurement	**-**	**-**	**-**	**-**	**(23)**	**-**	**(23)**
Transfer	**25**	**63**	**58**	**(146)**			**-**
At 30 June 2025	**4,901**	**4,073**	**1,094**	**318**	**652**	**6**	**11,044**
Accumulated depreciation							
At 1 July 2022	1,166	2,789	636	-	168	-	4,759
Charge for the year	81	324	58	-	60	-	523
Scrap adjustment	-	(78)	-	-	-	-	(78)
Adjustment	-	105	-	-	-	-	105
Disposal adjustment	-	(4)	(14)	-	-	-	(18)
At 30 June 2023	1,247	3,136	680	-	228	-	5,291
Charge for the year	81	287	59	-	65	-	492
Scrap adjustment	-	(150)	(1)	-	-	-	(151)
Disposal adjustment	-	(4)	(14)	-	-	-	(18)
At 30 June 2024	**1,328**	**3,269**	**724**	**-**	**293**	**-**	**5,614**
Charge for the year	**82**	**281**	**52**	**-**	**99**	**2**	**516**
Scrap adjustment	**-**	**(318)**	**(1)**	**-**	**-**	**-**	**(319)**
Disposal adjustment	**-**	**(1)**	**(9)**	**-**	**-**	**-**	**(10)**
At 30 June 2025	**1,410**	**3,231**	**766**	**-**	**392**	**2**	**5,801**
Net book values							
At 30 June 2025	**3,491**	**842**	**328**	**318**	**260**	**4**	**5,243**
At 30 June 2024	3,548	766	294	224	196	-	5,028
At 30 June 2023	3,585	751	293	183	191	-	5,003

11. DEFERRED TAX ASSETS

	GROUP					
	Balance as at 1 July	Effect of change in tax rate	Exchange adjustments	Recognised in Statement of profit or loss	Recognised in Statement of comprehensive income	Balance as at 30 June
	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
2025						
Provisions and post retirement benefits	**400**	**-**	**-**	**(25)**	**222**	**597**
Provisions for credit impairment	**3,807**	**-**	**-**	**590**	**-**	**4,397**
Accelerated tax depreciation	**(467)**	**-**	**-**	**(119)**	**-**	**(586)**
At 30 June 2025	**3,740**	**-**	**-**	**446**	**222**	**4,408**
2024						
Provisions and post retirement benefits	430	57	-	(63)	(24)	400
Provisions for credit impairment	2,694	360	-	753	-	3,807
Accelerated tax depreciation	(395)	(53)	-	(19)	-	(467)
At 30 June 2024	2,729	364	-	671	(24)	3,740
2023						
Provisions and post retirement benefits	195	30	-	166	39	430
Provisions for credit impairment	1,914	291	(3)	492	-	2,694
Accelerated tax depreciation	(284)	(43)	-	(68)	-	(395)
At 30 June 2023	1,825	278	(3)	590	39	2,729

The applied deferred tax rate is in the range of 17% to 20% (2024: from 17% to 20% & 2023: from 15% to 20%)
Deferred tax assets are classified as non-current asset.

11. DEFERRED TAX ASSETS

	BANK					
	Balance as at 1 July	Effect of change in tax rate	Exchange adjustments	Recognised in Statement of profit or loss	Recognised in Statement of comprehensive income	Balance as at 30 June
	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
2025						
Provisions and post retirement benefits	**400**	-	-	**(25)**	**222**	**597**
Provisions for credit impairment	**3,785**	-	-	**586**	-	**4,371**
Accelerated tax depreciation	**(466)**	-	-	**(119)**	-	**(585)**
At 30 June 2025	**3,719**	**-**	**-**	**442**	**222**	**4,383**
2024						
Provisions and post retirement benefits	430	57	-	(63)	(24)	400
Provisions for credit impairment	2,674	360	-	751	-	3,785
Accelerated tax depreciation	(394)	(53)	-	(19)	-	(466)
At 30 June 2024	2,710	364	-	669	(24)	3,719
2023						
Provisions and post retirement benefits	195	30	-	166	39	430
Provisions for credit impairment	1,892	291	(1)	492	-	2,674
Accelerated tax depreciation	(283)	(43)	-	(68)	-	(394)
At 30 June 2023	1,804	278	(1)	590	39	2,710

The applied deferred tax rate is 17% (2024: 17% & 2023:15%).
Deferred tax assets are classified as non-current asset.

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
12. OTHER ASSETS						
Mandatory balances with Central Banks	**42,010**	37,556	31,278	**40,969**	36,696	30,639
Prepayments and other receivables	**1,328**	1,835	1,883	**1,347**	1,859	1,939
Credit card clearing	**391**	506	1,169	**331**	469	1,162
Non-banking assets acquired in satisfaction of debts*	**103**	105	104	**103**	105	104
Impersonal and other accounts	**5,042**	5,335	5,822	**4,533**	4,719	5,217
	48,874	45,337	40,256	**47,283**	43,848	39,061

*The Group's policy is to dispose of such assets as soon as the market permits.
All elements under other assets are classified as current assets except 'non-banking assets acquired in satisfaction of debts' and 'impersonal and other accounts'.
Management has assessed the impact of ECLs on the balances as immaterial.

13. DEPOSITS

	GROUP			BANK		
	2025 RS'M	2024 RS'M	2023 RS'M	**2025 RS'M**	2024 RS'M	2023 RS'M
(a) Deposits from banks						
Demand deposits	**10,133**	11,159	7,054	**7,604**	11,111	7,795
Money market deposits with remaining term to maturity:						
Up to 3 months	**5,701**	24,260	2,802	**5,701**	24,328	2,870
Over 3 months and up to 6 months	**1,724**	3,754	3,893	**1,724**	3,754	3,893
Over 6 months and up to 1 year	**2,091**	1,828	1,150	**2,091**	1,828	1,150
Over 1 year and up to 5 years	**509**	-	44	**509**	-	44
	10,025	29,842	7,889	**10,025**	29,910	7,957
	20,158	41,001	14,943	**17,629**	41,021	15,752
Deposits from banks can be classified as:						
Current	**19,649**	41,001	14,899	**17,120**	41,021	15,708
Non-current	**509**	-	44	**509**	-	44
(b) Deposits from customers						
(i) Retail customers						
Demand deposits	**61,317**	55,231	49,693	**60,398**	54,474	49,119
Savings deposits	**257,226**	224,654	197,789	**254,392**	222,170	195,731
Time deposits with remaining term to maturity:						
Up to 3 months	**16,095**	13,680	6,410	**16,094**	13,680	6,410
Over 3 months and up to 6 months	**6,423**	5,630	3,803	**6,423**	5,630	3,803
Over 6 months and up to 1 year	**8,030**	8,966	6,446	**8,029**	8,965	6,445
Over 1 year and up to 5 years	**15,549**	13,225	12,069	**15,549**	13,225	12,069
Over 5 years	**25**	7	30	**25**	7	30
	46,122	41,508	28,758	**46,120**	41,507	28,757
	364,665	321,393	276,240	**360,910**	318,151	273,607
(ii) Corporate customers						
Demand deposits	**225,883**	210,163	208,133	**222,759**	207,492	205,448
Savings deposits	**7,115**	6,553	7,093	**5,335**	5,433	5,452
Time deposits with remaining term to maturity:						
Up to 3 months	**62,475**	71,248	34,472	**62,322**	70,965	33,943
Over 3 months and up to 6 months	**13,887**	7,682	7,673	**13,865**	7,663	7,662
Over 6 months and up to 1 year	**13,163**	15,581	13,617	**13,160**	15,571	13,613
Over 1 year and up to 5 years	**3,136**	8,985	7,710	**3,136**	8,985	7,710
Over 5 years	**-**	1	-	**-**	1	-
	92,661	103,497	63,472	**92,483**	103,185	62,928
	325,659	320,213	278,698	**320,577**	316,110	273,828
(iii) Government						
Demand deposits	**40**	31	95	**40**	31	95
Savings deposits	**-**	-	56	**-**	-	56
	40	31	151	**40**	31	151
	690,364	641,637	555,089	**681,527**	634,292	547,586
Deposits from customers can be classified as:						
Current	**671,654**	619,419	535,280	**662,817**	612,074	527,777
Non-current	**18,710**	22,218	19,809	**18,710**	22,218	19,809

14. OTHER BORROWED FUNDS

(a) Other borrowed funds comprise the following:

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
Borrowings from banks:						
in Mauritius	**7,930**	5,740	18,740	**7,497**	5,740	18,740
abroad	**77,741**	59,615	67,777	**77,245**	56,789	65,682
	85,671	65,355	86,517	**84,742**	62,529	84,422
Other borrowed funds include borrowings with original maturity of less than 3 months as shown in note 4	**127**	6	-	**127**	6	-

The carrying amounts of other borrowed funds are not materially different from their fair values.

(b) Remaining term to maturity:

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
On demand or within a period not exceeding 1 year	**61,779**	7,070	39,619	**60,850**	4,244	37,705
Within a period of more than 1 year but not exceeding 3 years	**9,067**	53,520	41,800	**9,067**	53,520	41,800
Within a period of more than 3 years	**14,825**	4,765	5,098	**14,825**	4,765	4,917
	85,671	65,355	86,517	**84,742**	62,529	84,422
Other borrowed funds can be classified as:						
Current	**61,779**	7,070	39,619	**60,850**	4,244	37,705
Non-current	**23,892**	58,285	46,898	**23,892**	58,285	46,717

In 2024, the Bank drew down on a three-year USD 500 million syndicated loan facility, secured in June 2023, and an additional USD 400 million sustainability-linked loan, accessed in March 2024. The proceeds from these facilities were deployed to repay existing obligations, either upon maturity or through early repayment.

15. Debt securities

	GROUP & BANK		
	2025	2024	2023
	RS'M	RS'M	RS'M
5-year senior unsecured notes maturing in 2028 at a fixed coupon rate of 7.95%	**14,314**	13,759	13,506
Exchange adjustments and others	**(665)**	555	253
	13,649	14,314	13,759

Debt securities are classified as non-current liabilities.

During the year 2023, the Bank launched a Global Medium Term Note Programme, which enables the Bank to tap into the international bond market for up to USD 3 billion. This programme has earned a Baa3 rating from Moody's and was registered on the International Securities Market of the London Stock Exchange in October 2022. It aims at diversifying the funding sources of the Bank and support its overall growth strategy.

Under this programme, the Bank issued its first bond for a notional value of USD 300 million on 26 April 2023.

16. SUBORDINATED LIABILITIES

Subordinated liabilities comprises the following:		GROUP			BANK		
		2025	2024	2023	**2025**	2024	2023
		RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
Opening balance		**7,057**	7,059	684	**7,057**	7,059	684
Repayment during the year (2024: USD 6M, 2023: USD 9M)	(i)	**-**	(271)	(404)	**-**	(271)	(404)
USD 147M floating rate unsecured Tier 2 notes maturing on 30 March 2033 at an average interest rate of 7.95% (2024 : 5.4%, 2023 : 8.6%)	(ii)	**-**	-	6,689	**-**	-	6,689
USD 4M from MCB Investment Holding Limited at undetermined maturity at an average interest rate of 9.9%		**177**	-	-	-	-	-
Exchange and other adjustments		**(345)**	269	90	**(350)**	269	90
		6,889	7,057	7,059	**6,707**	7,057	7,059
Subordinated liabilities can be classified as:							
Current		**-**	-	220	**-**	-	220
Non-current		**6,889**	7,057	6,839	**6,707**	7,057	6,839

The carrying amount of the subordinated liabilities are not materially different from their fair value.

(i) In 2013, the Bank secured USD 30 million through a 10-year amortizing subordinated debt arrangement with the African Development Bank. The remaining balance was fully repaid in August 2023.

(ii) On 31 March 2023, the Bank successfully concluded its inaugural Basel III compliant Tier 2 bond issuance, amounting to USD 147 million. This bond was issued under the umbrella of a private placement agreement with the African Development Bank. With an original maturity span of 10 years, it features semi-annual amortization, which comes into play starting from the sixth year.

This bond helps consolidate the capital of the Bank and provides the necessary buffer to support its growth strategy.

17 POST EMPLOYMENT BENEFIT LIABILITY/(ASSET)

		GROUP & BANK		
		2025	2024	2023
		Rs'M	Rs'M	Rs'M
	Post employee benefit liability/(asset)			
(a)	Staff superannuation fund (defined benefit section)	**34**	(1,001)	(689)
(b)	Residual retirement gratuities	**422**	247	234
		456	(754)	(455)

(a) Staff superannuation fund (defined benefit section)

	2025	2024	2023
	Rs'M	Rs'M	Rs'M
Reconciliation of net defined benefit liability/(asset)			
Opening balance	**(1,001)**	(689)	278
Amount recognised in statement of profit or loss	**239**	201	230
Amount recognised in statement of comprehensive income	**1,128**	(199)	234
Less employer contributions	**(332)**	(314)	(1,431)
Closing balance	**34**	(1,001)	(689)
Reconciliation of fair value of plan assets			
Opening balance	**11,224**	10,229	8,765
Interest income	**613**	580	492
Employer contributions	**332**	314	1,431
Benefits paid	**(510)**	(425)	(376)
Return on plan assets above/(below) interest income	**286**	526	(83)
Closing balance	**11,945**	11,224	10,229
Reconciliation of present value of defined benefit obligation			
Opening balance	**10,223**	9,540	9,043
Current service cost	**303**	249	253
Interest expense	**549**	532	469
Benefits paid	**(510)**	(425)	(376)
Liability experience loss	**1,411**	-	-
Liability loss due to change in financial assumptions	**3**	327	151
Closing balance	**11,979**	10,223	9,540
Components of amount recognised in statement of profit or loss			
Current service cost	**303**	249	253
Net interest on net defined benefit asset	**(64)**	(48)	(23)
Total	**239**	201	230
Analysed as follows:			
The Mauritius Commercial Bank Limited (see note 27(a))	**218**	179	195
Other members of The MCB Group Limited	**21**	22	35
	239	201	230
Components of amount recognised in statement of comprehensive income			
Return on plan assets (above)/below interest income	**(286)**	(526)	83
Liability experience loss	**1,411**	-	-
Liability loss due to change in financial assumptions	**3**	327	151
Total	**1,128**	(199)	234

17 POST EMPLOYMENT BENEFIT LIABILITY/(ASSET) (CONTINUED)

(a) Staff superannuation fund (defined benefit section) (continued)

	GROUP & BANK		
	2025	2024	2023
Allocation of plan assets at end of year	**%**	%	%
Equity - Local quoted	**32**	30	30
Equity - Local unquoted	**1**	1	1
Debt - Overseas quoted	**2**	1	1
Debt - Local quoted	**18**	19	13
Debt - Local unquoted	**6**	6	8
Property - Overseas	**-**	5	-
Property - Local	**4**	1	5
Investment funds	**35**	33	31
Cash and other	**2**	4	11
Total	**100**	100	100

Allocation of plan assets at end of year	**%**	%	%
Reporting entity's own transferable financial instruments	**13**	11	9
Property occupied by reporting entity	**4**	5	5
Other assets used by reporting entity	**1**	-	2

Principal assumptions used at end of year			
Discount rate	**6.0%**	5.5%	5.7%
Rate of salary increases	**4.7%**	4.2%	4.2%
Rate of pension increases	**3.2%**	2.7%	2.7%
Average retirement age (ARA)	**63**	63	63
Average life expectancy for:			
Male at ARA	**17.3 years**	17.3 years	17.3 years
Female at ARA	**21.7 years**	21.7 years	21.7 years

	2025 Rs'M	2024 Rs'M	2023 Rs'M
Sensitivity analysis on defined benefit obligation at end of year			
Increase due to 1% decrease in discount rate	**2,109**	1,882	1,718
Decrease due to 1% increase in discount rate	**1,666**	1,462	1,345
Increase due to 1% increase in salary increase rate	**887**	808	745
Decrease due to 1% decrease in salary increase rate	**767**	696	630
Increase due to 1% increase in pension increase rate	**1,126**	988	897
Decrease due to 1% decrease in pension increase rate	**970**	828	773

The above sensitivity analysis has been carried out by recalculating the present value of obligation at the end of the year after increasing or decreasing the discount rate, salary increase rate and pension increase rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

It has been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

The sensitivity analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

The Group sponsors a defined benefit pension plan for some of its employees which is self-administered and funded separately from the Group .The Group has recognised a total net defined benefit liability of Rs 34M as at 30 June 2025 for the defined benefit pension plan (2024: net defined asset of Rs 1,001M and 2023: net defined asset of Rs 689M).

The liability experience loss of Rs 1,411M is mainly due to actual average salary increases being higher than expected over the past year.

The liability loss due to change in financial assumptions amounting to Rs 3M is mainly due to the increase in the salary increase rate from 4.2% p.a. in 2024 to 4.7% p.a. in 2025 and the pension increase rate from 2.7% p.a. in 2024 to 3.2% p.a. in 2025. This loss is partly offset by a smaller gain due to the increase in the discount rate from 5.5% p.a. in 2024 to 6.0% p.a. in 2025.

The Group operates a final salary defined benefit pension or retirement plan for some of its employees which is self-administered and funded separately from the Group.

The plan exposes the Group to normal risks associated with defined benefit pension plans such as investment, interest, longevity and salary risks.

Investment risk: The plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan assets is below this rate, it will create a plan deficit and if it is higher, it will create a plan surplus.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this may be partially offset by an increase in the return on the plan's debt investments and a decrease in inflationary pressures on salary and pension increases.

17 POST EMPLOYMENT BENEFIT LIABILITY/(ASSET) (CONTINUED)

(a) Staff superannuation fund (defined benefit section) (continued)

Longevity risk: The plan liability is calculated by reference to the best estimate for the mortality of plan participants both during and after their employment. An increase in life expectancy of the plan participants will increase the plan liability.

Salary risk: The plan liability is calculated by reference to the future projected salaries of plan participants. As such, an increase in the salary of the plan participants above the assumed rate will increase the plan liability whereas an increase below the assumed rate will decrease the liability.

The Group had a residual obligation imposed by Workers' Rights Act (WRA) 2019 on top of its Defined Contribution (DC) plan. It is therefore particularly exposed to investment under-performance of the DC plan.

There has been no plan amendment, curtailment or settlement during the year, except for the change in retirement benefit formula.

Future cash flows

The funding policy is to pay contributions to an external legal entity at the rate recommended by the Bank's actuaries:

Expected employer contribution for the next year (Rs'M):	**298**
Weighted average duration of the defined benefit obligation:	**16 years**

Defined Contribution Cash Balance (DCCB)

As from 1 July 2015, the Group has introduced a Defined Contribution Cash Balanced Scheme "DCCB" for its employees.

Consequently, all employees joining the Group as from that date are automatically enrolled in the new scheme. Existing employees had the choice of either remaining in the Defined Benefit Scheme or to join the new scheme.

17 POST EMPLOYMENT BENEFIT LIABILITY/(ASSET) (CONTINUED)

(b) Residual retirement gratuities

Amounts recognised in the financial statements at end of year

	GROUP & BANK		
	2025	2024	2023
	Rs'M	Rs'M	Rs'M
Reconciliation of net defined benefit liability			
Opening balance	**247**	234	182
Amount recognised in statement of profit or loss (see note 27(a))	**55**	12	48
Amount recognised in statement of comprehensive income	**179**	58	29
Employer contributions	**(59)**	(57)	(25)
Closing balance	**422**	247	234
Reconciliation of present value of defined benefit obligation			
Opening balance	**247**	234	182
Current service cost	**43**	15	27
Interest expense	**12**	11	21
Past service cost	**-**	(14)	-
Other benefits paid	**(59)**	(57)	(25)
Liability experience loss	**178**	45	19
Liability loss due to change in financial assumptions	**1**	13	10
Closing balance	**422**	247	234
Components of amount recognised in statement of profit or loss			
Current service cost	**43**	15	27
Past service cost	**-**	(14)	-
Net interest on net defined benefit liability	**12**	11	21
Total (see note 27(a))	**55**	12	48
Components of amount recognised in other statement of comprehensive income			
Liability experience loss	**178**	45	19
Liability loss due to change in financial assumptions	**1**	13	10
Total	**179**	58	29
Principal assumptions used at end of year			
Discount rate	**6.0%**	5.5%	5.7%
Rate of salary increases	**4.7%**	4.2%	4.2%
Rate of pension increases	**3.2%**	2.7%	2.7%
Average retirement age (ARA)	**63**	63	63

	2025	2024	2023
	Rs'M	Rs'M	Rs'M
Sensitivity analysis on defined benefit obligation at end of year			
Increase due to 1% decrease in discount rate	**142**	86	52
Decrease due to 1% increase in discount rate	**114**	78	42
Increase due to 1% increase in salary increase rate	**125**	68	47
Decrease due to 1% decrease in salary increase rate	**99**	52	38
Increase due to 1% increase in pension increase rate	**16**	10	5
Decrease due to 1% decrease in pension increase rate	**18**	11	5

The Group has also recognised a net defined benefit liability of Rs 422M as at 30 June 2025 (2024: Rs 247M, 2023: Rs 234M) for all employees whose pension benefits are not expected to fully offset the company's retirement gratuity obligations under the Workers' Rights Act (WRA) 2019 and who are therefore entitled to residual retirement gratuities under the Workers' Rights Act (WRA) 2019.

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of year after increasing or decreasing the discount rate, salary increase rate and pension increase rate while leaving all other assumptions unchanged. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

The liability experience loss of Rs 178M disclosed is mainly due to actual average remuneration increases being higher than expected over the past year and returns earned on member's PMA being lower than expected, partly offset by a smaller gain due to a release of liabilities in respect of some leavers during the year.

The liability loss of Rs 1M is mainly due to the increase in the salary increase rate from 4.2% p.a. in 2024 to 4.7% p.a. in 2025, partly offset by a smaller gain due to the increase in the discount rate from 5.5% p.a. in 2024 to 6.0% p.a. in 2025.

Future cash flows
The funding policy is to pay benefits out of the reporting entity's cashflow as and when due:

Expected employer contribution for the next year (Rs'M):	**2**
Weighted average duration of the defined benefit obligation:	**23 years**

Note: The most recent actuarial valuation of planned assets and present value of post employment benefit obligation were carried out as at the reporting date by Actuarix Consulting Limited.

Post employee benefit liability/(asset) is classified as non-current liability/(asset).

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
18. OTHER LIABILITIES						
Allowances for credit impairment on off balance sheet exposures (18 (a))	**922**	313	470	**907**	292	459
Lease liabilities (18 (b))	**295**	241	231	**251**	201	200
Impersonal, other accounts and deferred income	**13,224**	13,063	11,189	**12,613**	12,444	10,593
Proposed dividend (see note 30)	**2,900**	2,500	2,300	**2,900**	2,500	2,300
	17,341	16,117	14,190	**16,671**	15,437	13,552

All elements under other liabilities are classified as current liabilities except 'impersonal, other accounts and deferred income' and 'lease liabilities' (amounts over 1 year).

(a) Allowances for credit impairment on off balance sheet exposures

	GROUP		BANK	
	Stage 1	**Total**	**Stage 1**	**Total**
	RS'M	**RS'M**	**RS'M**	**RS'M**
At 1 July 2024	**313**	**313**	**292**	**292**
Exchange adjustment	**(1)**	**(1)**	**-**	**-**
Provision for credit impairment for the year	**669**	**669**	**655**	**655**
Provision released during the year	**(111)**	**(111)**	**(92)**	**(92)**
Changes in models/risk parameters	**52**	**52**	**52**	**52**
At 30 June 2025	**922**	**922**	**907**	**907**
At 1 July 2023	470	470	459	459
Exchange adjustment	2	2	-	-
Provision for credit impairment for the year	221	221	211	211
Provision released during the year	(378)	(378)	(376)	(376)
Changes in models/risk parameters	(2)	(2)	(2)	(2)
At 30 June 2024	313	313	292	292
At 1 July 2022	489	489	484	484
Provision for credit impairment for the year	393	393	387	387
Provision released during the year	(353)	(353)	(353)	(353)
Changes in models/risk parameters	(59)	(59)	(59)	(59)
At 30 June 2023	470	470	459	459

(b) The lease liabilities can be analysed as follows:

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
Up to 1 year	**70**	15	52	**70**	15	52
Over 1 year and up to 5 years	**206**	143	178	**163**	104	148
Over 5 years	**19**	83	1	**18**	82	-
	295	241	231	**251**	201	200

19. STATED CAPITAL AND RESERVES

(a) Stated capital

	GROUP & BANK	
	Number of shares	RS'M
Issued and paid up share capital		
At 30 June 2023, 2024 and 2025	**887,960,247**	**8,880**

Fully paid ordinary shares carry one vote per share and the right to dividend.

(b) Reserves

(i) Capital reserve
The capital reserve represents the cumulative net change in the fair value of financial assets FVOCI until the financial instruments are derecognised or impaired.

(ii) Statutory reserve
Statutory reserve represents accumulated transfers from retained earnings in accordance with relevant local banking legislations. These reserves are not distributable. The statutory reserve should not exceed the stated capital.

(iii) Translation reserve
The translation reserve represents all foreign currency differences arising from the translation of the results and financial position of investments in associates.

(iv) Cash flow hedge reserve
Cash flow hedge reserve, which comprises the portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge.

20. CONTINGENT LIABILITIES

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
(a) Instruments						
Guarantees on account of customers	**69,388**	57,426	51,923	**68,178**	55,832	51,287
Letters of credit and other obligations on account of customers (net)	**107,989**	120,383	57,283	**107,272**	120,244	56,528
Other contingent items (net)	**6,226**	2,138	1,500	**6,202**	2,095	1,473
	183,603	179,947	110,706	**181,652**	178,171	109,288
(b) Commitments						
Loans and other facilities, including undrawn credit facilities	**14,261**	9,140	12,260	**14,261**	9,140	12,260
(c) Tax assessments	**-**	-	11	**-**	-	11
	197,864	189,087	122,977	**195,913**	187,311	121,559

21. INTEREST INCOME USING THE EFFECTIVE INTEREST METHOD

	GROUP			BANK		
	2025 RS'M	2024 RS'M	2023 RS'M	**2025 RS'M**	2024 RS'M	2023 RS'M
Loans to and placements with banks	**4,263**	5,207	3,634	**4,270**	5,226	3,620
Loans and advances to customers	**28,927**	28,228	21,430	**28,204**	27,560	20,882
Investments at amortised cost	**13,570**	10,342	7,286	**13,220**	10,136	7,199
Investments at fair value through other comprehensive income	**219**	14	38	**219**	14	38
	46,979	43,791	32,388	**45,913**	42,936	31,739

22. INTEREST EXPENSE

Deposits from banks	**1,167**	1,308	220	**1,218**	1,396	269
Deposits from customers	**14,807**	13,543	8,419	**14,300**	13,168	8,093
Debt securities	**1,122**	1,102	192	**1,122**	1,102	192
Subordinated liabilities	**594**	610	177	**575**	610	177
Other borrowed funds	**3,782**	4,327	4,564	**3,726**	4,225	4,511
Lease liabilities	**20**	18	21	**16**	14	17
	21,492	20,908	13,593	**20,957**	20,515	13,259

23. FEE AND COMMISSION INCOME

Cards and other related fees	**4,365**	4,291	3,728	**4,327**	4,250	3,697
Trade finance fees	**2,113**	1,862	1,362	**1,999**	1,781	1,283
Transaction fees	**1,583**	1,470	1,307	**1,523**	1,384	1,220
Guarantee fees	**1,182**	1,338	1,330	**1,177**	1,338	1,319
Loan related fees	**691**	551	497	**679**	551	484
Private banking and wealth management fees	**611**	496	439	**611**	496	439
Others	**109**	-	-	**22**	19	20
	10,654	10,008	8,663	**10,338**	9,819	8,462

24. FEE AND COMMISSION EXPENSE

Cards and other related fees	**2,581**	2,715	2,235	**2,436**	2,617	2,166
Loan related and trade finance fees	**489**	430	390	**481**	409	379
Transaction fees	**138**	129	98	**123**	116	73
	3,208	3,274	2,723	**3,040**	3,142	2,618

25. NET TRADING INCOME

Profit arising from dealing in foreign currencies	**3,851**	3,204	2,874	**3,743**	3,121	2,769
Net gain from derivative financial instruments fair valued through profit or loss	**201**	179	55	**201**	179	55
Net gain from investment securities fair valued through profit or loss	**693**	299	209	**693**	299	209
Cash flow hedge	**(55)**	-	-	**(55)**	-	-
Net gain from other investment securities	**5**	-	16	**5**	-	16
	4,695	3,682	3,154	**4,587**	3,599	3,049

		GROUP			BANK		
		2025 RS'M	2024 RS'M	2023 RS'M	**2025 RS'M**	2024 RS'M	2023 RS'M
26.	**DIVIDEND INCOME**						
	Quoted investments FVOCI	**50**	46	24	**50**	46	24
	Quoted investments FVPL	**-**	-	22	**-**	-	22
	Unquoted investments FVOCI	**21**	19	25	**21**	19	25
	Subsidiary	**-**	-	-	**32**	41	31
		71	65	71	**103**	106	102
27.	**NON - INTEREST EXPENSE**						
(a)	**Salaries and human resource costs**						
	Wages and salaries	**4,790**	4,317	3,373	**4,672**	4,231	3,306
	Defined benefit plan (note 17(a))	**218**	179	195	**218**	179	195
	Defined contribution plan	**304**	222	218	**304**	222	218
	Residual retirement gratuities (note 17(b))	**55**	12	48	**55**	12	48
	Compulsory social security obligations	**246**	198	147	**235**	190	147
	Equity settled share-based payments	**30**	7	4	**30**	7	4
	Other personnel expenses	**2,027**	1,434	1,043	**2,021**	1,428	1,032
		7,670	6,369	5,028	**7,535**	6,269	4,950
(b)	**Other non-interest expense**						
	Legal and professional fees	**997**	693	677	**932**	635	634
	Rent, repairs, maintenance and security costs	**605**	450	415	**578**	438	407
	Software licensing and other information technology costs	**1,427**	1,037	991	**1,366**	1,036	932
	Electricity, water and telephone charges	**467**	376	322	**428**	374	319
	Advertising, marketing costs and sponsoring	**309**	328	229	**308**	282	227
	Postage, courier and stationery costs	**253**	251	200	**224**	216	197
	Insurance costs	**459**	185	192	**448**	177	187
	Others	**282**	577	278	**304**	575	273
	of which short term leases	***21***	*7*	*21*	***21***	*7*	*21*
		4,799	3,897	3,304	**4,588**	3,733	3,176
28.	**NET IMPAIRMENT OF FINANCIAL ASSETS**						
	Net allowance for credit impairment						
	Cash and cash equivalents	**43**	(5)	(1)	**41**	(1)	(6)
	Loans and advances						
	Loans to and placements with banks	**(227)**	(457)	315	**(227)**	(457)	315
	Loans and advances to customers	**4,030**	4,663	3,721	**3,944**	4,514	3,677
	Investment securities						
	Amortised cost	**191**	464	65	**179**	461	58
	Fair value through other comprehensive income	**1**	-	(1)	**1**	-	(1)
	Off balance sheet exposures	**610**	(159)	(19)	**615**	(167)	(25)
		4,648	4,506	4,080	**4,553**	4,350	4,018
	Net recoveries of advances previously written off	**(1,486)**	(1,021)	(498)	**(1,498)**	(1,021)	(498)
		3,162	3,485	3,582	**3,055**	3,329	3,520

29. INCOME TAX EXPENSE

(a) The tax charge related to statement of profit or loss is as follows:

	GROUP			BANK		
	2025	2024	2023	**2025**	2024	2023
	RS'M	RS'M	RS'M	**RS'M**	RS'M	RS'M
Income tax based on the adjusted profit	**3,541**	3,200	2,532	**3,494**	3,174	2,498
Deferred tax	**(446)**	(671)	(590)	**(442)**	(669)	(590)
Effect of change in tax rate	**-**	(364)	289	**-**	(364)	289
Levy	**1,291**	1,248	645	**1,291**	1,248	645
Corporate social responsibility contribution	**179**	144	98	**179**	144	98
(Over)/Under provision in previous years	**(18)**	13	1	**(18)**	13	1
Charge for the year	**4,547**	3,570	2,975	**4,504**	3,546	2,941

The tax on the profits differs from the theoretical amount that would arise using the basic tax rate as follows:

	GROUP			BANK		
Profit before tax	**21,887**	19,057	16,045	**21,715**	18,992	15,900
Less share of profit of associates	**(294)**	(306)	(544)	**(294)**	(306)	(544)
	21,593	18,751	15,501	**21,421**	18,686	15,356
Tax calculated at applicable tax rates	**3,125**	2,708	2,216	**3,082**	2,687	2,185
Effect of change in tax rate	**-**	(364)	289	**-**	(364)	289
Impact of:						
Income not subject to tax	**(1,008)**	(1,195)	(1,153)	**(1,008)**	(1,195)	(1,153)
Expenses not deductible for tax purposes	**978**	1,025	885	**978**	1,022	882
Tax credits	**-**	(9)	(6)		(9)	(6)
Levy	**1,291**	1,248	645	**1,291**	1,248	645
Corporate social responsibility contribution	**179**	144	98	**179**	144	98
(Over)/Under provision in previous years	**(18)**	13	1	**(18)**	13	1
Tax charge	**4,547**	3,570	2,975	**4,504**	3,546	2,941

Corporate Social Responsibility (CSR) tax

Corporate Social Responsibility (CSR) tax was legislated by the Government of Mauritius in July 2009. The Bank is entitled to allocate a percentage of its chargeable income of the preceding year to a CSR programme approved by the National Social Inclusion Foundation (formerly known as National CSR Foundation) and the remaining to the Mauritius Revenue Authority.

Corporate Climate Responsibility (CCR) Levy

Corporate Climate Responsibility (CCR) Levy was introduced by the Government of Mauritius, effective July 2024, following the enactment of the Finance (Miscellaneous Provisions) Act 2024. The CCR Levy is computed at the rate of 2% of the company's chargeable income, and applies to companies having an annual gross income exceeding MUR 50 million.

Applicable tax rates

The applicable tax rate for the Bank is as follows:

- First Rs 1.5 billion of chargeable income at 5%
- Remainder 15%

29. INCOME TAX EXPENSE (continued)

(b) The tax (charge)/credit related to statement of comprehensive income is as follows:

	GROUP			BANK		
	2025 RS'M	2024 RS'M	2023 RS'M	**2025 RS'M**	2024 RS'M	2023 RS'M
Remeasurement of defined benefit pension plan and retirement residual gratuities	**(1,307)**	141	(263)	**(1,307)**	141	(263)
Deferred tax credit/(charge)	**222**	(24)	39	**222**	(24)	39
Remeasurement of defined benefit pension plan and retirement residual gratuities, net of deferred tax	**(1,085)**	117	(224)	**(1,085)**	117	(224)

30. DIVIDENDS

	BANK		
	2025 RS'M	2024 RS'M	2023 RS'M
Dividends in cash			
Opening dividend payable	**2,500**	2,300	1,534
Declared during the year	**7,062**	5,200	4,325
Paid during the year	**(6,662)**	(5,000)	(3,559)
Closing dividend payable	**2,900**	2,500	2,300

31. EARNINGS PER SHARE

Earnings per share is calculated by dividing the profit attributable to the ordinary equity holder of the Group and Bank by the weighted average number of ordinary shares outstanding during the year.

	GROUP			BANK		
	2025 RS'M	2024 RS'M	2023 RS'M	**2025 RS'M**	2024 RS'M	2023 RS'M
Profit attributable to ordinary equity holders of the parent	**17,308**	15,471	13,044	**17,211**	15,446	12,959
Weighted average number of ordinary shares (thousands)	**887,960**	887,960	887,960	**887,960**	887,960	887,960
Earnings per share (Rs)	**19.49**	17.42	14.69	**19.38**	17.39	14.59

32. COMMITMENTS

(a) Capital commitments

	GROUP & BANK		
	2025	2024	2023
	RS'M	RS'M	RS'M
Expenditure contracted for but not incurred	**138**	199	197
Expenditure approved by the Board but not contracted for	**131**	123	92

(b) Securities pledged

The Bank has pledged Government of Mauritius bonds as collateral for the purpose of overnight facility from the Bank of Mauritius and for repurchase agreement with other financial institutions.

	GROUP & BANK		
	2025	2024	2023
	RS'M	RS'M	RS'M
Government of Mauritius & Bank of Mauritius bonds with Bank of Mauritius	**-**	-	7,631
Government of Mauritius & Bank of Mauritius bonds with other financial institutions	**11,893**	15,191	37,647
	11,893	15,191	45,278

33. RELATED PARTY TRANSACTIONS

	GROUP AND BANK					GROUP	BANK
	Ultimate Holding Company *	Holding Company*	Entities in which the Bank holds more than a 10% interest	Directors and Key Management Personnel (including parent)**	Enterprises in which Directors and Key Management Personnel have significant interest (including parent)**	Entities under common control (including defined benefit plan)	Entities under common control (including defined benefit plan)
	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
Cash equivalents, Loans and Advances							
Balances at 30 June 2025	**-**	**-**	**684**	**232**	**135**	**4,073**	**4,747**
Net movements during the year	**-**	**-**	**(44)**	**84**	**(24)**	**1,886**	**1,580**
Balances at 30 June 2024	-	-	728	148	159	2,187	3,167
Net movements during the year	(1,617)	-	94	(34)	137	(364)	(375)
Balances at 30 June 2023	1,617	-	634	182	22	2,551	3,542
Net movements during the year	1,617	-	29	(161)	(387)	2	593
Balances at 30 June 2022	-	-	605	343	409	2,549	2,949
Deposits							
Balance at year end:							
30 June 2025	**1,103**	**75**	**38**	**372**	**317**	**6,823**	**6,917**
30 June 2024	3,095	12	77	436	429	6,734	6,826
30 June 2023	1,593	272	28	415	261	5,964	6,032
Amounts due from/(to)							
Balance at year end:							
30 June 2025	**1**	**(2,469)**	**4**	**-**	**-**	**132**	**166**
30 June 2024	1	(2,097)	85	-	-	162	190
30 June 2023	1	(1,910)	96	-	-	113	140
Off Balance sheet items							
Balance at year end:							
30 June 2025	**-**	**-**	**3**	**-**	**41**	**446**	**3,092**
30 June 2024	-	-	3	-	29	684	2,621
30 June 2023	-	-	3	-	237	498	2,572
Interest income							
For the year ended:							
30 June 2025	**-**	**-**	**30**	**6**	**9**	**128**	**177**
30 June 2024	28	-	30	5	13	136	222
30 June 2023	38	-	17	5	1	144	191
Interest expense							
For the year ended:							
30 June 2025	**25**	**13**	**1**	**12**	**-**	**239**	**242**
30 June 2024	47	-	1	16	1	255	257
30 June 2023	7	-	1	8	-	138	147
Other income							
For the year ended:							
30 June 2025	**1**	**-**	**255**	**2**	**2**	**252**	**329**
30 June 2024	1	1	426	2	2	120	200
30 June 2023	1	-	399	3	1	72	150
Non-interest expense							
For the year ended:							
30 June 2025	**(1)**	**-**	**-**	**-**	**-**	**(105)**	**(149)**
30 June 2024	(1)	-	-	-	-	(20)	(41)
30 June 2023	(1)	-	-	-	-	4	(16)

The related party transactions were carried out under market terms and conditions with the exception of loans to Key Management Personnel who benefited from preferential rates as applicable to staff.

All the loans are performing

* The Directors regard MCB Investment Holding Limited as its holding company and MCB Group Limited as its ultimate holding company. The figures for 'Amounts due from/(to)' include the Interim Dividend payable to MCB Investment Holding Limited of Rs 2,900 M for 2024/2025, Rs 2,500 M for 2023/2024 and Rs 2,300M for 2022/2023.

** Directors and Key Management Personnel also include other key members of the Leadership team.

During the year, the Bank has disposed of investments amounting to Rs 3,966 M to its ultimate holding company.

33. RELATED PARTY TRANSACTIONS (continued)

The Bank introduced a Transfer Pricing policy applicable as from 1 January 2021 with its related entities in line with best practice and has gradually migrated to the new policy with support services being mainly categorised as 'low value services'.

The figures for 'Other income' from Ultimate Holding Company, Holding Company and Entities under common control, include (where applicable) dividend income and support services charged to these entities as per the Group's transfer pricing policy.

The figure for 'Entities in which the bank holds more than 10% interest' includes dividend income and an annual amount in respect of management fees charged to Banque Française Commerciale Océan Indien ('BFCOI').

During the year, 120,826 share options were exercised under the Group Employee Share Option scheme by Key Management Personnel, including Executive Directors amounting to Rs 44M (FY 2023/2024: 108,186 share options for Rs 34M; FY 2022/2023: 50,114 share options for Rs 20M).

Key Management Personnel compensation	**GROUP**			**BANK**		
	2025 RS'M	2024 RS'M	2023 RS'M	**2025 RS'M**	2024 RS'M	2023 RS'M
Remuneration and other benefits relating to members of the Group Executive Strategy Committee and Directors, were as follows :						
Salaries and short term employee benefits	**219**	209	154	**201**	192	139
Post employment benefits	**16**	12	12	**16**	12	12
	235	221	166	**217**	204	151

34. EVENTS AFTER REPORTING DATE

Subsequent to the reporting period, the Government of Mauritius enacted the Finance Act 2025, introducing new tax measures including the Alternative Minimum Tax (AMT), the Fair Share Contribution (FSC), and an Additional FSC (AFSC) applicable to banks. The FSC and AFSC will apply for a period of three years. The Act also removed the cap on the Special Levy and introduced an overall tax cap of 35% on chargeable income arising from transactions with resident after taking into account income tax, CSR, the Corporate Climate Levy, FSC and AFSC.

These measures are non-adjusting events under IAS 10 and do not impact the current year’s financial statements but may affect the Group’s future tax obligations and financial position.

35. OPERATING SEGMENTS

The Bank's and Group's Chief Executive Officers, supported by the Board is considered as the Chief Operation Decision Makers (CODM) for the purpose of identifying the reportable segments. The Chief Operation Decision Makers review the Bank's and Group's performance based on the identified segments which enable management to assess its performance towards meeting its strategic intent of "extending our frontier." Furthermore, internal management reports cover the performance of the domestic and international markets. The Group's reportable segments under IFRS 8 are:

1. Domestic segment - This segment englobes all our banking activities and other financial services offered to customers in Mauritius ranging from deposit taking, provision of loan, card services and other investment products.
2. Foreign segment - This segment relates to the provision of financial services to customers outside Mauritius.
3. Global Business segment - This segment relates to the provision of financial services to customers holding a GBC licence.

GROUP

Reported segment profit or loss information

	DOMESTIC			FOREIGN			GLOBAL BUSINESS		
	2025 RS'M	2024 RS'M	2023 RS'M	**2025 RS'M**	2024 RS'M	2023 RS'M	**2025 RS'M**	2024 RS'M	2023 RS'M
Interest income using the effective interest method	**20,790**	18,668	14,922	**23,692**	23,289	16,583	**2,497**	1,834	883
Interest expense	**(8,568)**	(8,189)	(6,442)	**(12,335)**	(12,009)	(6,799)	**(589)**	(710)	(352)
Net fee and commission income	**3,380**	2,680	2,718	**3,299**	3,641	2,888	**767**	413	334
Dividend income	**50**	46	27	**21**	19	44	**-**	-	-
Operating income	**17,694**	14,959	13,078	**17,611**	16,315	14,866	**3,159**	2,432	669
Depreciation of property, plant and equipment	**(368)**	(326)	(470)	**(192)**	(199)	(100)	**(17)**	(16)	(1)
Amortisation of intangible assets	**(458)**	(425)	(506)	**(184)**	(217)	(119)	**(21)**	(21)	(2)
Net impairment of financial assets	**(1,048)**	(146)	1,042	**(1,494)**	(1,409)	(1,962)	**(620)**	(1,930)	(2,662)
Operating profit/(loss) (adjusted)	**7,611**	7,597	6,846	**12,452**	11,430	11,144	**2,107**	137	(2,028)
Share of profit of associates	**-**	-	-	**294**	306	544	**-**	-	-
Profit before tax (adjusted)	**7,611**	7,597	6,846	**12,746**	11,736	11,688	**2,107**	137	(2,028)
Income tax expense(adjusted)	**(2,378)**	(2,121)	(1,705)	**(2,211)**	(2,237)	(1,803)	**(404)**	(247)	(57)
Profit/(Loss) for the year (adjusted)	**5,232**	5,476	5,141	**10,536**	9,499	9,885	**1,703**	(110)	(2,085)

Reported segment asset and liabilities information

Loan and advances to customers	**174,986**	147,424	155,852	**172,955**	206,621	159,337	**27,237**	28,488	21,323
Deposits from customers	**440,181**	399,197	344,709	**135,021**	148,404	119,815	**115,162**	94,036	90,565
Total Assets (adjusted)	**531,638**	455,919	400,080	**401,593**	416,663	368,524			
Total Liabilities (adjusted)	**466,623**	421,358	377,939	**374,118**	368,819	317,748			

Reconciliation of reported profit or loss

	2025 RS'M	2024 RS'M	2023 RS'M
Total profit or loss for reportable segments	**17,471**	14,865	12,941
Adjustment to pension expense	**(577)**	(413)	(461)
Adjustment for deferred tax	**446**	1,035	590
Profit for the year	**17,340**	15,487	13,070

Reconciliation of assets and liabilities

	2025 RS'M	2024 RS'M	2023 RS'M
Total assets for reportable segment	**933,231**	872,582	768,604
Deferred tax	**4,408**	3,740	2,729
Post employee benefit asset	**-**	754	455
	937,639	877,076	771,788
Total liabilities for reportable segment	**840,741**	790,177	695,687
Post employee benefit liability	**456**	-	-
	841,197	790,177	695,687

36. Additional disclosures as required by the Bank of Mauritius - Bank

Under the Guideline on Public Disclosure of Information, the Bank of Mauritius requires the Bank to disclose its assets and liabilities, income and expenditure into Resident and Non Resident.
The Bank's Non Resident activity is essentially directed to the provision of international financial services to customers outside Mauritius while its Resident activity relates to all banking and other financial business in Mauritius.
Expenditure incurred by the Bank but which is not directly attributable to its income derived from Mauritius or outside Mauritius is apportioned in a fair and reasonable manner.

Statement of financial position

		2025			2024			2023		
		Total RS'M	Resident RS'M	Non-Resident RS'M	Total RS'M	Resident RS'M	Non-Resident RS'M	Total RS'M	Resident RS'M	Non-Resident RS'M
	Note									
ASSETS										
Cash and cash equivalents		**131,612**	**70,518**	**61,094**	90,669	30,306	60,363	113,609	54,599	59,010
Derivative financial instruments		**3,745**	**125**	**3,620**	2,071	156	1,915	1,214	45	1,169
Loans to and placements with banks	36(i)	**30,791**	**273**	**30,518**	13,582	-	13,582	14,092	-	14,092
Loans and advances to customers	36(i)	**366,970**	**174,986**	**191,984**	375,404	147,424	227,980	329,650	155,852	173,798
Investment securities		**324,783**	**233,100**	**91,683**	322,210	229,842	92,368	247,405	147,455	99,950
Investment in subsidiaries		**121**	**-**	**121**	121	-	121	118	-	118
Investments in associates		**5,740**	**-**	**5,740**	5,495	-	5,495	6,084	-	6,084
Intangible assets		**2,914**	**2,914**	**-**	2,551	2,551	-	2,211	2,211	-
Property, plant and equipment		**5,243**	**5,243**	**-**	5,028	5,028	-	5,003	5,003	-
Deferred tax assets		**4,383**	**913**	**3,470**	3,719	600	3,119	2,710	525	2,185
Post employee benefit asset		**-**	**-**	**-**	754	754	-	455	455	-
Other assets		**47,283**	**44,480**	**2,803**	43,848	40,613	3,235	39,061	34,915	4,146
Total assets		**923,585**	**532,552**	**391,033**	865,452	457,274	408,178	761,612	401,060	360,552
LIABILITIES AND SHAREHOLDER'S EQUITY										
Deposits from banks		**17,629**	**922**	**16,707**	41,021	872	40,149	15,752	240	15,512
Deposits from customers	36(ii)	**681,527**	**440,181**	**241,346**	634,292	399,197	235,095	547,586	344,709	202,877
Derivative financial instruments		**4,068**	**270**	**3,798**	1,990	87	1,903	1,216	64	1,152
Other borrowed funds		**84,742**	**7,497**	**77,245**	62,529	5,740	56,789	84,422	18,740	65,682
Debt securities		**13,649**	**-**	**13,649**	14,314	-	14,314	13,759	-	13,759
Subordinated liabilities		**6,707**	**-**	**6,707**	7,057	-	7,057	7,059	-	7,059
Current tax liabilities		**2,574**	**1,637**	**937**	2,697	237	2,460	2,872	1,719	1,153
Post employee benefit liability		**456**	**456**	**-**	-	-	-	-	-	-
Other liabilities		**16,671**	**16,116**	**555**	15,437	15,225	212	13,552	12,467	1,085
Total liabilities		**828,023**	**467,079**	**360,944**	779,337	421,358	357,979	686,218	377,939	308,279
Shareholder's equity										
Stated capital		**8,880**			8,880			8,880		
Retained earnings		**76,001**			66,975			56,625		
Other components of equity		**10,681**			10,260			9,889		
Total equity		**95,562**			86,115			75,394		
Total equity and liabilities		**923,585**			865,452			761,612		
CONTINGENT LIABILITIES (NET)		**195,913**	**30,716**	**165,197**	187,311	35,339	151,972	121,559	31,361	90,198

36. Additional disclosures as required by the Bank of Mauritius - Bank

Operating Income

	2025			2024		
	Total	Resident	Non-Resident	Total	Resident	Non-Resident
	RS'M	RS'M	RS'M	RS'M	RS'M	RS'M
Interest income using the effective interest method	45,913	20,790	25,123	42,936	18,668	24,268
Interest expense	(20,957)	(8,568)	(12,389)	(20,515)	(8,189)	(12,326)
Net Interest Income	24,956	12,222	12,734	22,421	10,479	11,942
Fee and commission income	10,338	5,405	4,933	9,819	4,467	5,352
Fee and commission expense	(3,040)	(2,025)	(1,015)	(3,142)	(1,787)	(1,355)
Net fee and commission Income	7,298	3,380	3,918	6,677	2,680	3,997
Net trading income	4,587	1,990	2,597	3,599	1,734	1,865
Net gain from equity financial instruments carried at fair value through profit or loss	549	-	549	476	-	476
Dividend Income	103	50	53	106	46	60
Other operating income	264	52	212	112	20	92
Loss on disposal of associate	-	-	-	(241)	-	(241)
	5,503	2,092	3,411	4,052	1,800	2,252
Operating Income	37,757	17,694	20,063	33,150	14,959	18,191

	2023		
	Total	Resident	Non-Resident
	RS'M	RS'M	RS'M
Interest income using the effective interest method	31,739	14,922	16,817
Interest expense	(13,259)	(6,442)	(6,817)
Net Interest Income	18,480	8,480	10,000
Fee and commission income	8,462	4,064	4,398
Fee and commission expense	(2,618)	(1,346)	(1,272)
Net fee and commission Income	5,844	2,718	3,126
Net trading income	3,049	1,825	1,224
Net gain from equity financial instruments carried at fair value through profit or loss	564	-	564
Dividend Income	102	27	75
Other operating income	79	28	51
	3,794	1,880	1,914
Operating Income	28,118	13,078	15,040

36. Additional disclosures as required by the Bank of Mauritius - Bank

(i) Sectorwise Distribution of Loans and Advances

	2025			2024		
	Total RS'M	Resident RS'M	Non-Resident RS'M	Total RS'M	Resident RS'M	Non-Resident RS'M
Other Non-Financial Corporations						
A. - Agriculture, forestry and fishing	6,598	6,372	226	5,538	5,300	238
B - Mining and quarrying	42,215	28	42,187	38,283	7	38,276
C - Manufacturing	19,338	13,036	6,302	17,434	9,312	8,122
D - Electricity, gas, steam and air conditioning supply	5,288	1,449	3,839	15,412	842	14,570
E - Water supply; sewerage, waste management and remediation activities	562	562	-	555	555	-
F - Construction	12,943	8,349	4,594	14,951	8,307	6,644
G - Wholesale and retail trade; and repair of motor vehicles and motorcycles	90,268	17,468	72,800	119,591	13,227	106,364
H - Transportation and storage	5,231	2,505	2,726	7,400	2,618	4,782
I - Accommodation and food service activities	20,263	15,265	4,998	24,755	16,482	8,273
J - Information and communication	4,989	2,573	2,416	2,365	1,595	770
L - Real estate activities	7,018	5,943	1,075	7,998	6,826	1,172
M - Professional, scientific and technical activities	1,685	1,681	4	1,347	1,252	95
N - Administrative and support service activities	6,407	2,649	3,758	6,013	2,335	3,678
P - Education	586	586	-	662	662	-
Q - Human health and social work activities	343	343	-	333	333	-
R - Arts, entertainment and recreation	529	529	-	933	933	-
S - Other service activities	600	311	289	169	168	1
Households	63,462	60,150	3,312	53,441	51,387	2,054
Central Bank	-	-	-	-	-	-
Non-Bank Deposit Taking Institutions	6,997	6,997	-	2,614	2,614	-
Central Government	-	-	-	560	-	560
State and Local Government	-	-	-	-	-	-
Public Non-Financial Corporations	1,774	1,774	-	1,481	1,481	-
Other Financial Corporations (excl GBC)	56,924	31,804	25,120	39,164	25,317	13,847
Global Business Corporations (GBCs)	31,891	-	31,891	30,368	-	30,368
Non-Profit Institutions	182	182	-	89	89	-
	386,093	180,556	205,537	391,456	151,642	239,814
Banks	30,895	273	30,622	13,913	-	13,913
	416,988	180,829	236,159	405,369	151,642	253,727
Less:						
Allowances for credit impairment	(19,227)	(5,570)	(13,657)	(16,383)	(4,218)	(12,165)
	397,761	175,259	222,502	388,986	147,424	241,562

	2023		
	Total RS'M	Resident RS'M	Non-Resident RS'M
Other Non-Financial Corporations			
A. - Agriculture, forestry and fishing	8,148	7,095	1,053
B - Mining and quarrying	19,314	7	19,307
C - Manufacturing	12,867	9,616	3,251
D - Electricity, gas, steam and air conditioning supply	12,139	610	11,529
E - Water supply; sewerage, waste management and remediation activities	415	415	-
F - Construction	13,306	9,949	3,357
G - Wholesale and retail trade; and repair of motor vehicles and motorcycles	109,368	18,406	90,962
H - Transportation and storage	6,627	2,544	4,083
I - Accommodation and food service activities	28,306	19,656	8,650
J - Information and communication	3,519	1,062	2,457
L - Real estate activities	8,624	7,446	1,178
M - Professional, scientific and technical activities	975	973	2
N - Administrative and support service activities	3,909	1,533	2,376
P - Education	668	668	-
Q - Human health and social work activities	257	257	-
R - Arts, entertainment and recreation	1,067	1,067	-
S - Other service activities	216	216	-
Households	48,288	46,261	2,027
Central Bank	-	-	-
Non-Bank Deposit Taking Institutions	1,492	1,492	-
Central Government	625	101	524
State and Local Government	-	-	-
Public Non-Financial Corporations	1,184	1,184	-
Other Financial Corporations (excl GBC)	40,565	28,990	11,575
Global Business Corporations (GBCs)	23,954	-	23,954
Non-Profit Institutions	105	105	-
	345,938	159,653	186,285
Banks	14,880	-	14,880
	360,818	159,653	201,165
Less:			
Allowances for credit impairment	(17,076)	(3,801)	(13,275)
	343,742	155,852	187,890

36. Additional disclosures as required by the Bank of Mauritius - Bank

(ii) Breakdown of Deposits from Customers

	2025			2024		
	Total RS'M	Resident RS'M	Non-Resident RS'M	Total RS'M	Resident RS'M	Non-Resident RS'M
Retail Customers	**360,910**	**316,034**	**44,876**	318,151	277,396	40,755
Demand deposits	**60,398**	**42,522**	**17,876**	54,474	37,540	16,934
Savings Accounts	**254,392**	**239,837**	**14,555**	222,170	209,945	12,225
Time Deposits	**46,120**	**33,675**	**12,445**	41,507	29,911	11,596
Corporate Customers	**320,577**	**124,107**	**196,470**	316,110	121,770	194,340
Demand deposits	**222,759**	**100,762**	**121,997**	207,492	95,965	111,527
Savings Accounts	**5,335**	**5,324**	**11**	5,433	5,420	13
Time Deposits	**92,483**	**18,021**	**74,462**	103,185	20,385	82,800
Government	**40**	**40**	**-**	31	31	-
Demand deposits	**40**	**40**	**-**	31	31	-
Savings Accounts	**-**	**-**	**-**	-	-	-
Time Deposits	**-**	**-**	**-**	-	-	-
	681,527	**440,181**	**241,346**	634,292	399,197	235,095

	2023		
	Total RS'M	Resident RS'M	Non-Resident RS'M
Retail Customers	273,607	240,516	33,091
Demand deposits	49,119	33,385	15,734
Savings Accounts	195,731	184,940	10,791
Time Deposits	28,757	22,191	6,566
Corporate Customers	273,828	104,042	169,786
Demand deposits	205,448	83,899	121,549
Savings Accounts	5,452	5,420	32
Time Deposits	62,928	14,723	48,205
Government	151	151	-
Demand deposits	95	95	-
Savings Accounts	56	56	-
Time Deposits	-	-	-
	547,586	344,709	202,877