

Sustainable Finance

“
Financing
Tomorrow,
Sustaining
Today
”

Annual Report 2025



*The Future is Green,
so is our Finance.*



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Sustainable Finance

Annual Report 2025

for a Resilient Future

We Advance Sustainable Finance, Empower Progress and Shape Tomorrow.

At MauBank, we view sustainable finance as a fundamental responsibility. The choices we make as a financial institution influence how our economy grows, how businesses evolve and how communities prepare for the future. Our role is not limited to providing capital. We must ensure that capital is directed toward responsible growth and contributes to Mauritius' long-term resilience.

This year's theme, "We Advance Sustainable Finance, Empower Progress and Shape Tomorrow," reflects this commitment. It captures the work undertaken across the Bank to channel financing into productive, future-ready sectors and to support customers who want to grow their businesses while reducing their environmental and social risks.

A significant milestone in this journey was the financing facility granted by the Agence française de développement (AFD). Following this funding, MauBank entered into a formal agreement to deploy a dedicated green credit line, structured to support projects that promote energy efficiency, renewable energy, circular-economy practices and broader sustainability objectives. This agreement represents more than access to funding. It reinforces MauBank's role as a transmission channel for capital aligned with national sustainability priorities and international environmental commitments.

Through this partnership, the Bank is not only able to expand access to green financing but also to strengthen technical support for customers transitioning toward more sustainable business models. The initiative embodies the essence of this year's theme: advancing sustainable finance in a way that empowers progress and helps shape a more resilient Mauritius.

We are strengthening our green finance offer by putting in place the frameworks, eligibility structures and operational requirements that will allow customers to access responsible financing with greater clarity and consistency. We are expanding access to responsible credit through more rigorous project screening, improved risk-evaluation tools and dedicated support to customers preparing sustainability-linked investments. We are also progressing on digital upgrades that will allow customers to adopt lower-impact channels for their daily transactions.

In parallel, we are reinforcing our long-standing work in financial education and inclusion, ensuring that individuals, small businesses and underserved segments have the knowledge and guidance needed to make informed financial decisions. These efforts reflect deliberate choices that position MauBank in alignment with national development priorities, the country's climate commitments and emerging regional sustainability standards.

As we reflect on this year, we observe a clear shift in the way Mauritius approaches development. The country increasingly needs financial partners who understand climate challenges, support economic stability and contribute to long-term, balanced growth. MauBank is firmly committed to being one of those partners.

**Chief
Executive
Officer**
Statement



Chief Executive Officer

Statement

Strength in Performance. Confidence in Purpose. Commitment to People.

FY 2024/25 was a year of compounding gains, disciplined execution, and strengthened foundations for MauBank. Across every key financial metric, we delivered growth that was meaningful, sustainable, and reflective of our strategic priorities.

We built on the momentum of the prior year and translated it into quality progress that deepens trust with our customers, supports the ambitions of our colleagues, and reinforces confidence among our stakeholders.

Financially, we delivered a strong performance

Net Interest Income grew significantly, reflecting higher lending and deposit volumes supported by improved yields — a core driver of profitability.

Operating Income expanded by 25%, demonstrating broad-based progress across interest and non-interest revenue.

Profit Before Tax increased by 26%, affirming the strength of our business model and disciplined management. Profit After Tax remained solid, a testament to resilient earnings even as we strengthened provisions to reinforce long-term stability.

Total Assets grew by nearly 19%, reflecting increased balance sheet depth and broader economic participation. Customer Deposits expanded by 21%, underscoring sustained trust from individuals and businesses alike.

Loan Portfolio growth remained strong, supporting households, SMEs, and commercial activities with a 24% increase.

These results affirm that MauBank is growing with purpose — not just in scale, but in quality and resilience. Our performance reflects deliberate strategic choices: to stay focused on core banking activities, to serve our customers with relevance and speed, and to ensure that growth is diversified across revenue sources.

A People-Centred Bank, Driving Collective Success

Our financial strength is anchored in our people — the heart and engine of our performance.

Over the past year, we have continued to invest in capability building, reinforce cross-functional collaboration, and expand autonomy so that decision

-making is closer to the customer and outcomes are aligned with impact. From front-line teams to extended leadership, the MauBank workforce exemplified commitment, creativity, and a customer-first mindset that drives daily execution.

We strengthened our culture of ownership and shared purpose, ensuring that every team member understands the value we create and the lives we touch. It is this shared spirit that translates strategy into performance, and ambition into achievement.

Customer Experience — Faster, Easier, More Relevant

We have remained relentless in enhancing the customer experience:

We continued to simplify processes, reduce turnaround times, and enhance product accessibility.

Our service delivery is faster and more intuitive, backed by clearer customer journeys and responsive support channels.

Daily, we challenge the status quo — asking not just how we can do things right, but how we can do the right things for our customers.

These improvements are not just operational refinements — they are expressions of our belief that banking should be effortless and empowering for our customers.

Brand Strength and Market Confidence

MauBank's performance this year reflects deepening brand equity in the market. Our customers continue to place their trust in us, and we remain committed to serving as a trusted financial partner for individuals, entrepreneurs, and businesses across Mauritius.

Chief Executive Officer

Statement

Our results demonstrate that our approach — disciplined strategy, human-centred service, and thoughtful growth — resonates in the marketplace and reinforces the bank's relevance and purpose.

Strengthening Sustainability Through Green Finance

This year also marked a pivotal step in our commitment to sustainable development and climate-aligned finance. In April 2025, MauBank signed a strategic green credit line agreement with the Agence Française de Développement (AFD). Under this partnership, a €38.5 million green credit line was established, accompanied by a four-year technical assistance programme designed to build capacity in climate risk assessment, ESG integration and development of innovative green finance solutions.

This credit line positions MauBank as a key facilitator of financing for projects that mitigate climate risk and contribute to economic resilience — from renewable energy and resource efficient infrastructure to sustainable agribusiness and waste-management solutions.

The partnership also aligns with the international Transforming Financial Systems for Climate (TFSC) initiative, reinforcing our role in advancing climate-aware banking practices and expanding access to climate finance for Mauritian enterprises.

We believe that supporting the transition to a low-carbon, climate-resilient economy is not just an environmental imperative — it is an economic opportunity. And as a responsible financial institution, MauBank is committed to unlocking capital for sustainable projects that create enduring impact.

Together, we are not just building a successful bank — we are building a bank that matters to people, businesses, and communities across Mauritius and beyond.

A Future Guided by Sustainable Growth

As we look ahead, our focus remains on sustaining strong financial performance while integrating sustainability into the core of our strategy. The green credit line with AFD is just the beginning — we are committed to expanding access to finance for climate-aligned and socially impactful projects, supporting national and global sustainability goals.

We close FY 2024/25 with confidence and clarity of purpose. We will continue to:

- Grow with discipline and resilience
- Deepen the customer experience
- Strengthen our people and culture
- Reinforce our brand as a trusted partner

To our colleagues: thank you for your commitment, adaptability, and passion.

To our customers: thank you for your continuous trust and partnership.

To our Board and shareholders: thank you for your guidance and confidence.



Vishuene Vydelingum
Chief Executive Officer
MauBank Ltd.



Financial statements for the year ended 30 June 2025

CORPORATE INFORMATION

BOARD OF DIRECTORS

Non-Executive Directors

	Appointed on	Resigned on
Mr. Sookun Goroodeo	10 June 2020	18 November 2024
Mr. Sokappadu Ramanaidoo (Acting Chairperson of the Board of Directors effective 28 November 2024)	03 October 2019	
Mr. Codabux Muhammad Javed	10 March 2017	19 November 2024
Mr. Rampersad Rabin	19 September 2019	20 November 2024
Mr. Jeetoo Mohamad Fardeen	15 July 2021	21 November 2024
Mr. Semjeevee Sivananda	15 July 2021	
Mr. Kokil Anil Kumar	15 July 2021	
Mrs. Vasseur-Soneea Alexandra	15 July 2021	

Executive Director

Mr. Vishuene Vydelingum	22 November 2023	
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Financial statements for the year ended 30 June 2025

KEY MANAGEMENT TEAM

CORPORATE INFORMATION (Cont'd)

EXECUTIVE TEAM	Mr. VYDELINGUM Vishuene	Chief Executive Officer
	Mr. SOORMALLY Mohamad Issa	Deputy Chief Executive Officer
	Mr. MOTEE Ramesh	Chief Risk Officer
	Mr. MOHADEB Damodarsingh (Deepak)	Chief Financial Officer
	Mr. NAIR Praveen Viswanathan	Chief Information and Digital Officer
	Ms. SADDUL Anouchka	Head of Corporate Affairs, Brand Management and Marketing
	Mr. SEEBARUTH Rakesh (B.K)	Head of Internal Audit
	Mr. LUXIMON Sanraj	Head of Sustainability and Corporate Strategy
	Mrs. MARDAY SEECHURN Jinny	Officer in charge – HR
OTHER KEY MANAGEMENT	Mr. POOLOO Maoumar AL	Head of Operations
	Mr. PILLAY Appasamy Govindasamy	Head of Corporate Banking
	Mr. GARSEE Ashvind	Head of Business Development and Debt
	Mr. SAWMY Premendra	Head of Special Asset Management
	Mr. BADEGHAN Yoghen Kistnesamy	Compliance Officer cum MLRO
	Mr. TRANQUILLE Jean Hugues Ivan	Company Secretary

REGISTERED OFFICE:

MauBank Ltd
25, Bank Street
Cybercity,
Ebène, 72201
Republic of Mauritius

AUDITOR:

Ernst & Young
6th floor, IconEbene,
Rue de L'institut, Ebene
Republic of Mauritius

SAVE
OUR
PLANET



ENVIRONMENTALLY
FRIENDLY

The values of MauBank are central to the staff achieving the vision, and driving the strategic priorities of the bank:

Responsiveness



Taking ownership of issues and responding timely to the needs or requests of customers, colleagues and other stakeholders.

Innovation



Finding a better, more efficient, or quicker way of delivering convenience to our clients or improving how things are done internally.

Integrity



Conducting business with the highest standard of professional behaviour and ethics.

Teamwork



Delivering the best solution from working effectively with colleagues and other stakeholders.

Excellence



Delivering what we promise and going beyond what is expected.

Our Values

At MauBank, we believe that finance must create long-term value for people, businesses and the country. Our mission is to support economic growth in a way that is responsible, inclusive and forward-looking. Our vision is to help shape a resilient and sustainable Mauritius by ensuring that the capital we provide strengthens both present opportunities and future stability.

Sustainable finance is at the centre of this commitment. It guides the way we design our products, support our customers and allocate resources across key sectors of the economy. As environmental, social and economic challenges grow, the role of the Bank becomes even more decisive. We are expected to provide financing that helps businesses innovate, protects communities against risk and encourages investments that are durable and productive.

This year, we advanced this commitment by reinforcing our green financing capabilities and supporting customers who are transitioning to more sustainable business models. We also continued to promote financial education and inclusion so that progress remains accessible to all. These efforts reflect our belief that sustainable finance is not a separate activity. It is the way responsible banking must operate.

Our work is anchored in MauBank's 5Cs.

Customer Service Excellence, Solution Provider & Delighting Customers

Colleague Teamwork, Inclusivity, Growth, Dedication & Passion

Company Practice world class risk management & comply with regulatory requirements

Control Be market leaders in our chosen segment as well as an Employer of Choice.

Community Be a responsible citizen of our Beloved Motherland and the Blue Planet

These principles guide every major decision we take. They ensure that MauBank continues to play a meaningful role in the national economy and contributes to development that is stable, inclusive and sustainable.

Financial statements for the year ended 30 June 2025

DIRECTORS' REPORT

The Board of Directors is pleased to present the Audited Financial Statements of MauBank Ltd ("the Bank") and its subsidiary, MauBank Investment Ltd, (altogether, the "Group") for the year ended 30 June 2025. The financial statements have been prepared in accordance with the requirements set out in the Bank of Mauritius Guideline on Public Disclosure of Information, the IFRS Accounting Standards, the Financial Reporting Act 2004, the Companies Act 2001 and the Banking Act 2004. The Bank and its subsidiary are collectively referred to as the Group.

GLOBAL ECONOMIC OUTLOOK

The economic landscape has undergone changes following the announcement and implementation of series of new tariff measures by the United States and countermeasures by its trading partners, ending up in near-universal US tariffs on 02 April 2025 and bringing effective tariff rates to levels not seen in a century. This on its own is a major negative shock to economic growth. The unpredictability with which these measures have been unfolding also has a negative impact on economic activity and the outlook makes it at the same time more difficult than usual to make assumptions for projections.

Global growth is projected to drop to 2.8 percent in 2025 and 3 percent in 2026—down from 3.3 percent for both years as initially predicted by the International Monetary Fund.

Global inflation has continued to decline so far in 2025, although inflation remains above central banks' targets in some advanced economies. However, the imposition of tariffs and uncertainty surrounding the pace, timing and magnitude of any potential tariff wars, may have contrasting effects on inflation in 2025. On one hand, higher tariffs and supply chain disruptions may feed into higher import prices and trigger inflationary pressures for importing economies. On the other hand, slower growth, especially among advanced and emerging economies, may compress demand and lower inflation for importing economies. The net impact will largely depend on country-specific circumstances. According to the IMF, global inflation is projected to average 4.3 per cent in 2025

REVIEW OF THE MAURITIAN ECONOMY

On the domestic side, available data so far suggest that GDP growth has slowed in the first quarter of this year. Tourist arrivals declined in the first quarter of 2025, mostly on account of fewer European tourists visiting the island. However, April 2025 figures have been encouraging. The IMF's downward revision to the growth outlook for some of the major trading partners of Mauritius could negatively impact domestic growth momentum for 2025, mainly through the trade channel. Accordingly, growth projection for 2025 has been revised downwards. Real GDP growth is expected to be in the range of 3.0 to 3.5 per cent for 2025, compared to the previous forecast of 3.5 to 4.0 per cent. With global uncertainty and imposition of US tariffs, the export sector of Mauritius could face additional headwinds, with growth prospects being further tilted on the downside

Headline inflation is projected to increase in the coming months and reach around 3.5 per cent at close of the year. The future course of inflation in Mauritius will depend on the interplay of external and domestic factors. Inflation in 2025 could rise with the tariff-induced imported price increases. However, this may be mitigated by likely declining commodity prices due to lower global demand.

BANKING SECTOR IN MAURITIUS

The banking sector in Mauritius remains resilient, as banks consolidated capital and liquidity buffers and managed risks prudently. The balance sheet of the banking sector expanded consistently to reach Rs2.6 trillion. Cross-border banking activities remained a core strategy for banks to grow their business and earnings. In addition, the investment strategy of banks targeted higher-yielding but liquid assets, while balancing market risk cautiously.

The key financial soundness indicators reflected the soundness of the banking system. The Capital Adequacy Ratio was 21.2 per cent in June 2024, providing ample headroom compared to the regulatory floor of 12.5 per cent. Similarly, the Liquidity Coverage Ratio for all currencies combined was 335.7 per cent in June 2024, well above the required minimum of 100 per cent. Banks demonstrated healthy asset quality and continued to sustain the flow of credit to the domestic economy.

The stress tests conducted on the banking system confirmed the resilience of the capital and liquidity buffers to a range of shocks with varying degrees of severity. The upgraded stress test evaluated the ability of the banking sector to continue providing its services to the economy during periods of economic and financial strains. The shocks were characterised by economic downturns and the transmission to the credit portfolio of the banking system in the macro and sensitivity stress tests. The results revealed adequate loss-absorption capacity of the banking sector, as a much lower number of banks displayed vulnerabilities in the first semester of 2024 compared to the previous semester. It is estimated that banks would continue to be robust against plausible materialisation of risk in forthcoming quarters as the domestic economic activity intensifies.

In general, risks to financial stability continued to ease in the first half of 2024 alongside the consolidation of buffers to withstand shocks. The macrofinancial landscape is expected to encourage sound expansion of the banking sector. To safeguard financial stability, the surveillance of risks and vulnerabilities – both existing and emerging – will be pursued to ensure pre-emptive measures are initiated in a pro-active and forward-looking manner.

Source:

International Monetary Fund World Economic Outlook April 2025

Bank of Mauritius Monetary Policy Committee Media Release of 07 May 2025

Bank of Mauritius Report Financial Stability Report December 2024

Financial statements for the year ended 30 June 2025

DIRECTORS' REPORT (Cont'd)

FINANCIAL RESULTS AND BUSINESS ACTIVITIES

The Bank's total assets was Rs 57.57 Bn as at 30 June 2025 against Rs 48.52 Bn as at 30 June 2024 whilst gross loans and advances stood at Rs 31.12 Bn as at 30 June 2025, against Rs 25.11 Bn as at 30 June 2024. On the other hand, the Bank has experienced an increase in its deposit base from Rs 41.85 Bn at 30 June 2024 to Rs 50.76 Bn at 30 June 2025, an increase of 21.29%.

The Group's total assets was Rs 57.70 Bn as at 30 June 2025 against Rs 48.64 Bn as at 30 June 2024 whilst gross loans and advances stood at Rs 31.00 Bn as at 30 June 2025, against Rs 24.97 Bn as at 30 June 2024. On the other hand, the Group has experienced an increase in its deposit base from Rs 41.83 Bn at 30 June 2024 to Rs 50.73 Bn at 30 June 2025, an increase of 21.28%.

The Bank ended the year 30 June 2025 with a profit after tax of Rs 828.97 Mn against a profit after tax of Rs 807.59 Mn for year ended 30 June 2024.

The Group ended the year 30 June 2025 with a profit after tax of Rs 837.14 Mn against a profit after tax of Rs 813.14 Mn for year ended 30 June 2024.

Please refer to the Management Discussion and Analysis on page 206 for more details.

CORPORATE GOVERNANCE

MauBank Ltd adheres to good corporate governance principles and procedures in its business strategy, operations and organisational culture.

The Board of Directors of the Group and the Bank delegates its powers to several Board Committees and Management Committees which operate in line with the best international good corporate governance practices, while maintaining the ultimate accountability and responsibility for the affairs and performance of the Bank.

The Board has constituted the following committees to assist effective implementation of its responsibilities:

- i. Audit Committee
- ii. Board Risk Management Committee
- iii. Nomination and Remuneration Committee
- iv. Board Investment & Credit Committee
- v. Corporate Governance Committee
- vi. Board Procurement Committee
- vii. Board Cybersecurity Committee

The Bank ensures adherence to all its policies and procedures which are in line with the guidelines issued by the Bank of Mauritius (Central Bank or BOM). An Anti-Money Laundering Unit, forming part of the Compliance department, is specifically mandated to safeguard the reputation and integrity of the Bank by safeguarding against any money laundering offence.

SUBSTANTIAL SHAREHOLDERS

At 30 June 2025, the major shareholding of the Bank was as follows:

MauBank Holdings Ltd	99.96%
Other Shareholders	0.04%

Financial statements for the year ended 30 June 2025

DIRECTORS' REPORT (Cont'd)

DIRECTORS' REMUNERATION

The remuneration and other benefits received by the directors for MauBank Ltd and MauBank Investment Ltd amounted to **Rs 22,719,675** for year ended 30 June 2025 compared to Rs 20,806,652 for the year ended 30 June 2024 and Rs 29,094,744 for the period ended 30 June 2023.

The total remuneration paid to the Directors of MauBank Ltd and MauBank Investment Ltd for the year ended June 30, 2024 are as follows:

	Rs
Executive Director	19,754,675
Non-Executive Directors	2,965,000
	<u>22,719,675</u>

As per Section 221(1)(e)(ii) of the Companies Act 2001, the remuneration received by each Director individually are as follows:

	Rs
Executive	
Mr. Vydelingum Vishuene	19,754,675
Non-Executive	
Mr. Sookun Goroodeo	420,000
Mr. Sokappadu Ramanaidoo	605,000
Mr. Rampersad Rabin	125,000
Mr. Codabux Muhammad Javed	225,000
Mr. Jeetoo Mohamad Fardeen	175,000
Mr. Semjeevee Sivananda	475,000
Mr. Kokil Anil Kumar	485,000
Mrs. Vasseur-Soneea Alexandra	455,000
	<u>22,719,675</u>

DIRECTORS' SERVICE CONTRACTS

The Bank has an employment contract with the Executive Director, Mr. Vishuene Vydelingum, who was appointed Chief Executive with effect from 22 November 2023.

DONATIONS

During the year ended 30 June 2025, donations made by the Group and the Bank amounted to **Rs 4,885,104** (30 June 2024: Rs 2,955,640). However, there were no political donations made.

DIRECTORS' SHARE INTERESTS

The Directors have no direct or indirect interest in the share capital of the Group and the Bank.

Financial statements for the year ended 30 June 2025

DIRECTORS' REPORT (Cont'd)

AUDITOR

The external auditor's remuneration is set out under section 2.7.2 on page 37 of the Corporate Governance report.

PROSPECTS AHEAD

MauBank Ltd's operations span across the following pillars: Retail, SME, Corporate and International Banking; as it continues to grow in these areas.

The Bank has been actively pursuing growth opportunities in its International Banking business as it aims to consolidate its network within its global and African business partners. We have further launched new products, such as the Green Loan, to aid our clients to align with the Government's policy of adopting sustainable energies for a greener Mauritius. We continue to remain at the forefront of our clients to provide exceptional and customer needs based services to the satisfaction of our clients.

We remain fully aware of the ever increasing impact of technological based services and at MauBank Ltd, we remain committed to providing a fast and efficient service through the use of a technology based platform to enhance customer experience. We are pleased to announce that our recently launched online leasing platform has seen a subsequent growth in the number of users due to its simplicity and ease of use.

Management is fully aware of the ever increasing competition in the banking sector in the island of Mauritius and our efforts shall be converged to ensure that we remain among the top three banking institution in Mauritius through our strategical planning and product development.

Financial statements for the year ended 30 June 2025

DIRECTORS' REPORT (Cont'd)

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial period which present fairly the financial position, financial performance and cash flows of the Group. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether International Financial Reporting Standards have been followed and complied with, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue in business in the foreseeable future; and
- State whether the Code of Corporate Governance has been adhered to, or if not, give reasons where there has been no compliance

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the requirements set out in the Bank of Mauritius Guideline on Public Disclosure of Information, International Financial Reporting Standards, the Financial Reporting Act 2004, the Companies Act 2001 and the Banking Act 2004. They are also responsible for safeguarding the assets of the Group and, hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and maintain an effective system of internal controls and risk management.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

ACKNOWLEDGEMENTS

The Bank is grateful for the support given by the Government of Mauritius as ultimate shareholder, the Honourable Prime Minister, Minister of Defence, Home Affairs and External Communications, Minister of Finance, Minister for Rodrigues and Outer Islands and the Financial Secretary. The Bank is also grateful to management and the employees for their commitment and support. The Bank wishes to convey its special thanks to its customers and depositors for their unwavering trust and continued support



Mr. Ramanaidoo Sokappadu
Acting Chairperson
On behalf of Board of Directors



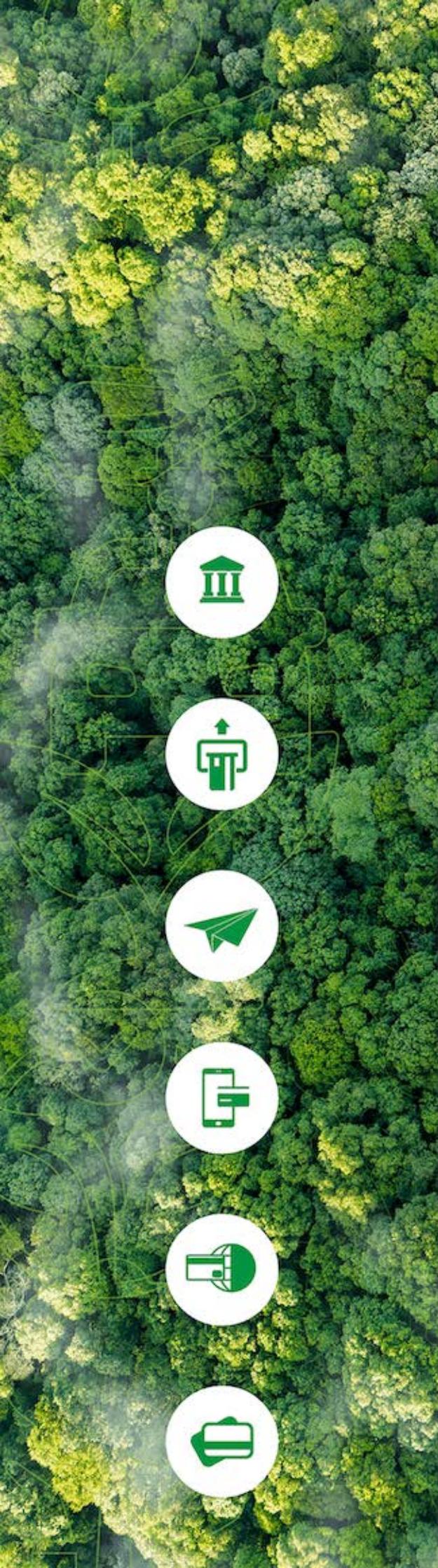
Mr. Vishuene Vydellingum
Chief Executive Officer
On behalf of Board of Directors



Mr. Sivananda Semjee
Director
On behalf of Board of Directors

Date: 25 September 2025

Ebène 72201, Republic of Mauritius



Our Channels

Across our network of Business Centres, ATMs and digital platforms, MauBank remains present where our customers live and work. These touchpoints form a connected system designed to provide access, clarity and support with consistency.

Proximity continues to shape the way we serve. It allows our teams to understand the context in which decisions are made and to offer guidance that is practical, informed and attuned to each customer's objectives. The value of our channels lies not only in their reach, but in the quality of these relationships.

Efficiency also remains a priority. Streamlined processes, quick turnaround time, and responsive service enable customers to move quickly from intention to action, whether they seek advice, financing or everyday banking services. Each interaction is an opportunity to help them navigate priorities with greater confidence, reinforcing our role as a trusted financial partner in an evolving landscape.

Business Centres 19

ATMs 30

Post Offices 103

Mobile Banking

Internet Banking

Cards

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

1. Summary

The 2024–2025 Sustainability Report captures MauBank’s progress from July 2024 to June 2025, highlighting deeper sustainability integration, enhanced governance, and measurable advances toward our carbon reduction roadmap and stakeholder-driven commitments. Through this report, we demonstrate the outcomes of sustainability commitments and map out our path toward a more sustainable future.

At the core of our strategy is a commitment to responsible banking practices that safeguard the planet and uplift communities. Internally, we are adopting environmentally responsible practices that will progressively lower our resource use, reduce our footprint, promote financial inclusion, and support social causes.

We’ve also developed a roadmap to apply the Bank of Mauritius’ Climate-related and Environmental Financial Risk guidelines over the short, medium, and long term. This plan includes a capacity-building program to equip our teams to identify, assess, and manage climate and environmental risks affecting our operations and financial performance.

Yet this is only the beginning. We will continue to learn and improve on our existing practices.

Some of our strategic priorities for FY2025-2026 are:

- Onboarding of a Technical Assistant following the technical grant from Agence Française de Développement as part of the Transforming Financial Systems for Climate (TFSC) program
- Create the bank’s demand with respect to green financing by deepening our existing and potential clients’ sustainability engagement through capacity building
- Continue to assess and manage climate-related risks and opportunities
- Initiate the preliminary actions towards the full implementation of IFRS S1 & S2 Standards
- Reduce our carbon impact through continuous monitoring, analysis, renewable energy, raising awareness, and efficient resource use, amongst others
- Integrate sustainability in our purchasing practices by developing a roadmap and training our internal procurement staff
- Drive more sustainability initiatives to increase staff engagement
- Meaningful and impactful collaboration to raise awareness and address sustainability challenges/issues in our community

In order to be able to maintain our direction, our approach is anchored by the Five Cs, namely Customer, Company, Colleague, Control and Community - ensuring sustainability permeates every level of our organisation. These pillars are further reinforced by our five core values:

- Responsiveness: Taking ownership and responding promptly to stakeholder needs
- Integrity: Conducting business with the highest standards of ethics and professionalism
- Innovation: Continuously seeking more efficient, effective and client-centric solutions
- Teamwork: Collaborating across teams and with external partners to deliver optimal outcomes
- Excellence: Consistently fulfilling our promises and exceeding expectations

As investors, regulators and customers demand greater transparency and accountability, this report provides clear insights into our performance, challenges and roadmap for continuous improvement. MauBank will remain dedicated to open disclosure and responsible banking, positioning us as a trusted partner in Mauritius’s journey towards sustainable development.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

2. About This Report

Reporting scope and period

The reporting period is for the financial year 2024-2025, that is, from July 2024 till June 2025, unless specified otherwise in the report and the reporting scope covers all locations of MauBank Ltd, namely the head office, sub-office and all branches throughout Mauritius and outer islands.

Materiality

Global banking trends are changing. Traditional practices are being reshaped as several key stakeholders like investors, and regulators increasingly demand responsible financing practices. Mauritius is no exception, and MauBank must proactively embrace this shift to secure long-term benefits. Taking action now ensures competitiveness, regulatory alignment, and enhanced stakeholder trust in the years ahead.

To navigate this evolving landscape effectively, MauBank has decided to undertake a structured materiality exercise to align its sustainability approach with both internal strategic priorities and external stakeholder expectations. This initiative will help define key areas of impact and ensure that sustainability risks and opportunities are integrated into financial decision-making.

However, while we are currently in the process of reviewing all our material topics by conducting a thorough materiality assessment involving key internal and external stakeholders, for the purpose of this report, MauBank will report on the following topics:

- Sustainability governance
- Climate-related risks & opportunities
- Social and human capital
- Environmental Stewardship

Reporting Guidance used

During this transitional phase, as MauBank undertakes a review of its materiality assessment, we have adopted a selective application of established sustainability reporting frameworks to guide us in draft this sustainability report.

- For climate-related risks and opportunities, we have drawn on the four-pillar structure of the Task Force on Climate-related Financial Disclosures (TCFD) as a guiding framework.
- For other sustainability topics, we have used relevant sections of the Sustainability Accounting Standards Board (SASB) Standards for the Financial Sector (now under the IFRS Foundation) to inform our disclosures on sustainability performance.
- In addition, we have partially applied the Global Reporting Initiative (GRI) Standards and ISO 26000: Guidance on Social Responsibility as supplementary disclosure references.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

3. Sustainability Governance

Sustainability accountability resides with the Board of Directors, which is committed to exemplary governance practices that underpin sustainable growth and deliver enduring value to all stakeholders.

In September 2022, the bank created a dedicated Sustainability unit and merged it with the existing Corporate Strategy Department. The Sustainability & Corporate Strategy (SCS) unit is led by the Head of SCS who is also a member of the Executive Committee. The SCS Team is responsible to drive the implementation of the Sustainability Roadmap through collaboration with different stakeholders and track key performance indicators.

Members of the SCS unit also serve on the Climate-related & Environmental (C&E) Working Group, responsible for data governance and ensuring climate-related information feed into our risk and finance systems.

On a quarterly basis Climate risk related matters are reported to the Board Risk Management Committee (BRMC) by the Credit team, which in turn reports to the Board of Directors..

This layered oversight ensures we embed sustainable principles that drive financial performance while ensuring sustainable growth and mitigating climate-related and environmental risks for MauBank, amongst others.

Moreover, the SCS Team is working on creating a network of volunteers who have shown interest to contribute to our sustainability efforts.

For a complete view of MauBank's governance structure, refer to pages 37 to 62 of our Financial statements.

Ethical Business Conduct

At MauBank, ethical conduct is the cornerstone of our governance framework, ensuring that every decision and action upholds integrity, transparency and accountability. Our Board of Directors mandates a zero-tolerance stance on any form of unethical behaviour. To translate this commitment into practice, we maintain different interlocking policies for instance:

- **Code of Conduct & Ethics:** Established in 2016 and most recently updated in June 2023, this policy sets out mandatory standards for professional behaviour, conflict-of-interest disclosure, confidentiality and fair treatment of customers, colleagues and communities
- **Fraud Risk Prevention Policy:** Approved by the Board in October 2021, this policy enshrines a “three lines of defence” model - business units, risk & compliance and internal audit - to prevent, detect and investigate internal and external fraud
- **Gift & Entertainment Policy:** Updated January 2025, this policy governs the giving and receiving of gifts and hospitality, with strict thresholds (no cash, or maximum gift value of Rs 15,000) and mandatory disclosure procedures to guard against undue influence

Metric	FY 2024/25
Total number of confirmed Code of Ethics breaches	1*
Training rate on Code of Conduct & Ethics for newcomers	100%

**Corresponding corrective actions taken: investigation is complete and case has reached the Disciplinary Committee.*

Moreover, in line with our ambition to uphold the highest standards of responsibility and integrity, MauBank's sustainability agenda is underpinned by our RIITE core values: Responsiveness, Integrity, Innovation, Teamwork and Excellence. These values guide every decision we make, shape our governance framework and foster a culture of accountability across the organisation.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

3. Sustainability Governance (Cont'd)

Risk Management & Compliance

Risk management is integral to MauBank’s governance, ensuring the resilience of our operations and the protection of stakeholder value. Guided by a Board-approved Risk Management Policy (March 2025), our Enterprise Risk Management Framework aligns strategy with risk appetite and embeds proactive oversight at every level. Through clear roles and structured processes, we identify, assess and mitigate threats - while seizing opportunities - to secure both financial stability and our long-term sustainability.

Compliance is fundamental to MauBank’s governance, safeguarding our licence to operate and underpinning trust with regulators, customers and communities. Our Board-approved Compliance Policy—most recently updated in June 2023—mandates a proactive, risk-based approach. A dedicated Compliance Function, led by the Head of Compliance/MLRO and supported by coordinators, translates obligations under AML/CFT, FATCA/CRS, data-protection and other regulations into clear, bank-wide standards and procedures. These requirements feed into an annual Compliance Plan that is reviewed quarterly by the Audit Committee, ensuring emerging risks are identified, tested and remediated.

A permanent Compliance Function (led by the Head of Compliance/MLRO) partners with the Risk Management team (led by the Chief Risk Officer) to translate regulatory obligations (e.g. AML/CFT, FATCA/CRS, data protection) and principal exposures (credit, market, liquidity, operational, cyber, climate) into clear standards, limits and controls.

We deploy a three-lines-of-defence model:

- First line: Business units own and manage risks and controls in daily operations.
- Second line: Compliance & Risk functions develop frameworks, monitor, test and report.
- Third line: Internal Audit provides independent assurance

Key Metrics	FY 2024/25
Total number of non-compliance with laws and regulations resulting in fines	None ¹
Total amount of fines paid in instances of non-compliance with laws and regulations in MUR	None ²

¹While there were no cases of non-compliance with laws and regulations resulting in fines, the cases recorded for FY 2024/2025 pertain to an injunction case and disbursement of facility upon instructions.

²While there were no cases of non-compliance with laws and regulations resulting in fines, the bank paid an administrative penalty during the FY 2024-25 due to a matter which occurred in 2021 and has already been resolved.

AML/CFT training: All new employees have to complete their mandatory induction training on anti-money laundering, counter-terrorist financing and proliferation risks. Moreover, all existing staff members also receive annual refreshers on AML/CFT.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

3. Sustainability Governance (Cont'd)

Robust Reporting Channels

MauBank provides confidential, multi-layered channels to report misconduct such as fraud, conflicts of interest or other policy breaches, via line managers, HR, Compliance, Internal Audit, a whistle-blower form, or direct contact with the CE/Board. Reports can be anonymous and enjoy immunity under section 54A of the Banking Act, with strict anti-retaliation protections.

Each submission is acknowledged within 12 working hours, promptly assigned to an investigator, and serious cases escalated to EXCO or the Audit Committee within seven days. Moreover, all fraud incidents are logged in our Loss Data Capture system to monitor trends and drive continuous improvements in policies, training and controls.

Metrics	FY 2024/25
Number of reports received via our whistleblowing channel	Nil

Technology Risks

In a digital world, data breaches, system outages, emergence risks and cyber-attacks can erode customer trust overnight, damage livelihoods, spoil the bank’s reputation and disrupt services that communities rely on.

Embedding information security into our governance framework ensures that Technology Risks (including information security and cyber-risks) get the same board-level attention as credit, market, liquidity or operational risks. Reporting on cybersecurity metrics demonstrates to stakeholders that we’re safeguarding not just finances but also the data and digital services sustaining long-term social and economic stability.

At MauBank, information and cybersecurity risks are governed under our board-approved Information Security Policy and Incident Response Plan, ensuring that digital threats receive the same board-level scrutiny as credit, market and operational risks.

Metrics	FY 2024/25
Total number of IT/cyber-security awareness done	Over 15 occurrences
Percentage employees completing information security awareness training	On average over 90%
Total number of data breaches of customer privacy	None for the period under review
Total number of data breaches, including number of account holders affected	None for the period under review
Total number of phishing tests conducted	<ol style="list-style-type: none"> 1. On-going throughout the year using bank simulation tool 2. Monthly induction course for new joiners 3. Targeted campaign during festive periods or related to major event in the country 4. Head of Department / Senior Manager impersonation campaign

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

3. Sustainability Governance (Cont'd)

Strengthening Data Protection and Governance

MauBank has embarked on a structured Data Protection Project aimed at enhancing information governance, data privacy and regulatory compliance. The initiative is being implemented in three key phases:

- Phase 1 – Data Inventory: Mapping and documenting all personal and sensitive data across systems and processes. Conduct data inventory, RPO, data impact assessment report, provide policy, procedure and template and adopt a data framework
- Phase 2 – Data Labelling: Establishing robust policies, controls, and procedures aligned with data protection regulations.
- Phase 3 – Implementation of Data Labelling: Categorizing data based on sensitivity and applying appropriate labels to ensure secure handling and access control.

This phased approach reflects MauBank's commitment to safeguarding customer information, strengthening operational resilience, and aligning with global best practices in data privacy.

Responsible Purchasing

MauBank has taken its first step toward embedding sustainability into its procurement practices by integrating a dedicated sustainability section within the existing procurement policy. This initiative establishes governance oversight and signals the bank's commitment to sourcing goods and services that align with environmental, social, and ethical standards.

Training for senior leadership

We organised different training on sustainability where members of senior management are included based on their level of involvement with the topic being presented. Some examples of training conducted over the FY 2024-25 include:

- Essentials of Sustainability for Finance Professionals
- Sustainability & Climate Change for Business

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

4. Climate-Related Risks & Opportunities

Climate change has altered the way we do business worldwide. Mauritius is no exception. On the contrary, the impact is more and more visible on our island – sea level rise, beach erosion, more frequent and intense cyclones, erratic weather events like floods, torrential rains, strong swells, amongst others. The latest Climate Risk Country Profile report for Mauritius published in 2025 by the World Bank unfortunately confirms these changes:

- Sea level has risen about 13 cm along Port Louis coast since 1993, and if current emissions continue it could climb another 19 cm by 2050 and 84 cm by 2100
- Our waters average 7.6 tropical cyclones a year (one every 1–2 months), with about 1.6 storms making landfall. Strong (Category 3–5) storms are becoming more common
- Surface temperatures have warmed roughly 0.13 °C per decade since 1971; if emissions stay high, we’re likely to see about 1 °C more warming by 2050
- Rainfall fell by about 31 mm per decade from 1950 to 2000 but has jumped by 87 mm per decade since 1990—largely in the September–November season
- The longest dry spells grew from around 10 days in the 1950s to 17 days by 2020, raising drought risk
- A 1-in-100-year daily rain event (~242 mm) that used to occur once a century could happen twice as often by 2100 if emissions aren’t cut

The Bank of Mauritius issued the “Guideline on Climate-related and Environmental Financial Risk Management” to strengthen the financial system’s ability to face growing climate and environmental risks. The main reasons were to:

- Enhance the resilience of the banking sector by ensuring climate-related and environmental risks are systematically identified, assessed, monitored, and mitigated within existing risk management frameworks.
- Embed sound governance and oversight at board and senior management levels, fostering expertise and clear accountability for managing these risks
- Support strategic adaptation of business models, risk appetites, and operations to physical and transition risks, while capturing opportunities from the shift toward a low-carbon and more circular economy.
- Align local practice with global regulatory expectations by incorporating recommendations from bodies such as the NGFS, Basel Committee, and Financial Stability Board.
- Promote strong disclosure and transparency, enabling stakeholders to understand institutions’ exposure, strategy, and performance in managing climate-related and environmental risks.

MauBank’s approach to managing climate-related risks & opportunities

As a Small Island Developing State (SIDS), building resilience against the consequences of climate change is no longer an option but a necessity. MauBank is progressively aligning its approach to manage climate-related risks and opportunities by using the TCFD (disbanded in October 2023 and since replaced by IFRS S1 & S2) 4-pillar framework, namely Governance, Strategy, Risk Management and Metrics & Targets.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

4. Climate-Related Risks & Opportunities (Cont'd)

A. Governance

As part of its Governance framework and policies concerning Climate-related and Environmental Financial Risk Management, the bank has aligned the responsibility and accountability of the Board and Management as prescribed by the Bank of Mauritius' Guideline on Climate Related and Environmental Financial Risk Management.

MauBank's Board of Directors provides ultimate oversight of climate-related and environmental financial risks through the Board Risk Management Committee (BRMC).

- The Board Provides highest-level oversight of climate-related and environmental (C&E) financial risks, approving and reviewing strategy and risk management frameworks, setting clear responsibilities, and ensuring regular reporting and capacity building.
- Implements the C&E risk management framework and policies, reviews their effectiveness, ensures resources and skills are in place, reports periodically to the Board, and addresses material C&E risks in a timely manner.
- Three lines of defence embed C&E risk controls across the organisation:
 1. First line: Sales & Service Teams integrate risk screening into client onboarding and product development.
 2. Second line: Risk and Compliance design methods, tools and reporting aligned with Bank of Mauritius guidelines.
 3. Third line: Internal Audit reviews the adequacy and effectiveness of controls.
- Designated Working Group of C&E team members (including senior officers) ensuring that climate-related information flows into risk and finance systems. This group meets on a monthly basis to evaluate the progress made against the firm's climate strategy, and integration of climate risks into business decision-making.

In addition to ensuring compliance with the Bank of Mauritius Guideline, MauBank's Board of Directors has approved, since March 2024, a dedicated Climate-Related and Environmental (C&E) Financial Risk Policy to strengthen our governance framework and ensure we manage emerging environmental risks across every facet of our business. The objective of this policy is to:

- Identify and assess climate-related and environmental (C&E) risks across customer on-boarding, lending portfolios and internal operations.
- Embed C&E considerations into credit analysis, product design and portfolio reviews.
- Implement mitigation measures and guide customers in adopting best-practice risk-reduction steps.
- Spot green business opportunities tied to the low-carbon transition.
- Protect MauBank's reputation by proactively managing C&E exposures.

When it comes to our internal carbon emissions (scope 1 and 2), the Sustainability Department is responsible to develop and implement the carbon reduction roadmap and report progress to the Board.

B. Our Climate Strategy

MauBank recognises that climate change and environmental degradation represent fundamental challenges and parallel opportunities for our business, our customers and the wider community. We commit to embedding climate considerations into every layer of our strategy, planning and decision-making, in order to support Mauritius's transition to a low-carbon, climate-resilient economy.

The Governance framework and policies at the bank will also guide its actions and decisions in relation to Climate Related & Environmental Financial Risks management. It applies to all the bank's activities, products and services across its operations and value chain. The Bank will monitor and assess the potential impacts of climate change and environmental risks on its financial performance, resilience and reputation.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

4. Climate-Related Risks & Opportunities (Cont'd)

Decarbonisation Strategies:

MauBank is pursuing a range of strategies to reduce its carbon footprint, with several initiatives already underway and others currently under consideration:

Energy Transition & Operational Efficiency

- Monitor carbon emissions: Conduct carbon assessments to identify areas of improvement and track all sources of GHG emissions
- Transition to Renewable Energy: progressively shift away from fossil fuels by investing whenever possible in renewable energy technologies and enhance energy efficiency to decrease overall energy demand.

Sustainable Finance & Green Product Suite

- Finance Green Solutions: Raise green line of credit from a Development Finance Institution (DFI) for sustainable finance
- Commence with the Green Products initiatives: Add products to our baseline in line with sustainable development.

Stakeholder Engagement & Culture

- Advocate the transition towards green solution: Educate our clients to adopt sustainable practices to maintain resilience
- Stakeholder Engagement: Engage stakeholders systematically to raise awareness and foster relationships.

Governance & Risk Management

- Climate Risk Management: Actively manage climate-related risks through robust governance processes.
- Monitor Regulatory Updates: Regularly review updates to understand any changes or new guidelines related to climate risk management.
- Incorporate Best Practices: Align with applicable standards and industry best practices. This ensures robust risk management and governance

The objective was to identify key areas for improvement and establish priority actions. MauBank's action plan began by building awareness and securing buy-in across all staff. This was followed by a phased alignment process (starting with interests, progressing to ideas, and culminating in shared values).

With this foundation in place, the bank has now launched more substantive projects aligned with its strategic sustainability objectives.

Climate-related opportunities to explore

- Capital Markets: Consider issuing instruments such as green bonds and sustainability-linked loans, that finance environmentally beneficial projects while offering competitive returns. These can enhance MauBank's visibility in ESG-focused capital markets and attract impact-driven investors.
- Public-Private Partnerships (PPPs): Partner with government agencies and private sector entities to co-finance sustainable infrastructure. PPPs can unlock scale, accelerate implementation, and share risk across stakeholders.
- Innovative Funding Mechanisms: Explore impact investing, and blended finance models. These can attract diverse sources of capital.
- Financing partnership: Collaborate with other Financial Institutions on a consortium or syndicated basis to jointly finance sustainable initiatives/projects.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

4. Climate-Related Risks & Opportunities (Cont'd)

Transforming Financial Systems for Climate

As part of our strategic drive to scale low-carbon, climate-resilient finance, MauBank recently joined the *Transforming Financial Systems for Climate (TFSC)* initiative. This collaboration leverages AFD-GCF expertise to mobilize private capital for green investments in Mauritius. Under this partnership, we secured a 38.5-million-euro green credit line from Agence Française de Développement (AFD) dedicated to climate mitigation and adaptation projects. Alongside, we also received a grant worth 1.2 million euros where this financing will fund a comprehensive technical-assistance engagement.

Through this strategic alliance we will:

- Build internal capacity on climate-risk assessment and opportunity identification
- Develop tailored green-finance products for the Mauritian market
- Strengthen our risk-management systems for renewable-energy and resilience lending
- Leverage technical assistance and concessional funding to de-risk early-stage climate investments

C. Risk Management

MauBank is fully aware that our greatest environmental and social impacts arise through our financing activities. Providing credit facilities to customers who are engaged in, or are planning to engage in, activities that could potentially have material environmental or social risks exposes MauBank Ltd to an increased likelihood of credit loss and potential reputational damage should the customer fail to identify, manage and effectively mitigate these risks.

To address this, we are starting to embed C&E risk screening at credit inception: any credit transaction in designated sectors flagged as “material” has to run through our four-step risk management framework:

- Risk Identification: Sales & Service Teams screen credit proposals and other transactions for physical and transition risk drivers.
- Risk Assessment: The Credit Underwriting Team gathers client/project details and completes an enhanced climate risk module.
- Risk Scoring: Monitoring & Control assigns C&E ratings via our Risk Assessment Model (RAM), combining financial and non-financial factors.
- Risk Monitoring: The Account Monitoring Forum tracks mitigation plans, reports exceptions to ALCO, ORC and CRMC, and updates action plans.

Materiality Threshold

The Bank’s Climate-Related & Environmental Financial Risk Policy sets a clear materiality threshold to identify which exposures must undergo a climate risk review. The criteria established to determine materiality are as follows. An exposure or lending transaction is deemed material when it represents at least 2 % of the bank’s Tier 1 Capital and falls into one of the following sectors, identified as climate sensitive sectors:

1. Construction
2. Accommodation & Food Services
3. Agriculture, Forestry & Fishing
4. Real Estate
5. Transport & Storage
6. Manufacturing
7. Electricity, Gas, Steam & Air Conditioning Supply
8. Mining & Quarrying
9. Wholesale & Retail Trade

Below is a snapshot of our portfolio based on Sector list as at 30 June 2025, and the percentage exposure in Climate Sensitive sectors.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

4. Climate-Related Risks & Opportunities (Cont'd)

Portfolio of Climate sensitive Sectors	Loans & Advances (MUR)	% of Total Exposure
Agriculture, Forestry & Fishing	324,126,859	0.93%
Manufacturing	1,655,816,970	4.74%
Transportation & Storage	286,541,410	0.82%
Construction	3,096,545,804	8.86%
Real Estate	1,033,852,255	2.96%
Accommodation & Food Services Activities	2,548,182,019	7.29%
Electricity, Gas, Steam & Air Conditioning Supply	163,371,857	0.47%
Wholesale & retail Trade	2,915,255,760	8.35%
TOTAL exposure in Climate sensitive sectors	12,023,692,934	34.42%

Note: The above exposure includes Fund Based exposures only (including investment in bonds)

Our aggregate percentage exposures therefore stood at 34.42 % of total loans and advances as at 30 June 2025.

Climate Stress Testing & Scoring

In the last financial year 2024/25, we adopted a Climate Risk Scoring and Stress-Testing Tool from a globally recognised company, S&P Global to assess the possible climate impact on our clients' financial performance over several years till 2050.

The model takes a borrower's financial data and projects it out till 2050 to provide a rating, factoring in both physical and transition climate risks.

The main components of the Climate Risk Assessment model are:

- i. Company financials and characteristics
- ii. Additional asset-level industry data (e.g., mine-level cost data, power plant capacity and cost figures, airline fleet details) for bottom-up analysis
- iii. Company-level greenhouse gas emissions (Scope 1, 2 and 3)
- iv. Vehicle production forecasts, where applicable, using annual company output data
- v. Company transition plans and strategies, where applicable

D. Metrics & Targets

Climate Roadmap

In alignment with the Bank of Mauritius Guideline on Climate-related and Environmental Financial Risk Management, MauBank has established a structured and forward-looking roadmap to embed climate and environmental risk considerations across our operations.

Our roadmap outlines key milestones for governance integration, risk assessment, data enhancement, and disclosure practices. It reflects our commitment to building institutional resilience and contributing to national climate objectives.

As required by the Bank of Mauritius, MauBank submits its internal roadmap and progress updates on a biannual basis, ensuring transparency and continuous improvement.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

4. Climate-Related Risks & Opportunities (Cont'd)

Financed emissions (Scope 3, Category 15)

During the FY 2024–25, MauBank undertook its first effort to establish a baseline for financed emissions by surveying our largest climate-sensitive borrowers. We designed an online questionnaire, distributed via Relationship Managers, to capture clients' carbon-management practices and emissions data. The survey targeted the top 80 counterparties in sectors flagged as material under our Climate-Related & Environmental Financial Risk Policy (as defined in the previous section).

Our results revealed limited client readiness:

- A 27.5 % response rate, covering roughly 25 % of the climate risk portfolio
- Zero respondents currently measure their annual greenhouse-gas emissions
- Only four clients reported a formal carbon-reduction target or policy

These findings point to an “embryonic” stage of carbon management among our key borrowers and underscore a blind spot in our transition-risk profiling. While the sample size is modest, it suggests that non-respondents are even less likely prepared to address GHG emissions.

Based on these findings, we are planning to explore different avenues to close this financed emissions gap by exploring the following:

- launch borrower capacity-building workshops on GHG accounting and reduction planning
- embed emissions-readiness questions into our credit-appraisal process
- introduce green financing products, such as sustainability-linked loans and preferential rates for validated emissions-reduction projects, to incentivize client action
- integrate forward-looking scenario analysis and stress-testing (e.g. in line with TCFD/NGFS) to assess transition risks across our portfolio

Ownership of each element will be clearly defined: the Risk Management team will capture, monitor and report on emissions data; the Sustainability & Corporate Strategy unit will design and deliver the training programs and oversee roadmap execution; and our Relationship Managers will drive client engagement, coordinate dialogues and track progress against reduction commitments.

This coordinated, cross-functional approach ensures we embed emissions targets into every stage of our lending framework and hold all teams accountable for measurable Scope 3 reductions.

Scope 1 and 2 Emissions

While MauBank's internal operational GHG emissions are relatively low compared to those arising from its financing activities, the bank remains committed to reducing its own environmental footprint.

In 2024, we contracted University of Mauritius to conduct a carbon assessment of MauBank's Scope 1 and Scope 2 emissions. For the calendar year 2023, Scope 1 emissions totalled 173 metric tons of CO₂e, while Scope 2 emissions reached 1,580 metric tons.

Based on the assessment, MauBank developed a carbon reduction plan focused on targeted interventions. By 2027, the Bank aims to significantly lower its Scope 1 and Scope 2 emissions through a combination of energy efficiency initiatives, fleet modernization, and increased reliance on renewable energy sources.

More details are provided in the Environment section of this report.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

5. Social - Human Capital

Our people are at the heart of every decision we make. This section highlights how we attract, develop and safeguard talent, ensuring a diverse, healthy and high-performing workforce that can deliver sustainable value for all stakeholders.

Equal Opportunity and Fairness

To ensure that our work environment and processes are free of potential discrimination, MauBank maintain a strong Equal Opportunity Policy which is periodically reviewed and updated as per latest trends, operational needs and regulatory changes.

This policy underpins our commitment to a diverse, inclusive and merit-based workplace. Fully aligned with Section 9(1) of the Equal Opportunities Act 2008 and the Equal Opportunities Commission's April 2013 Guidelines, it ensures that no employee or candidate is disadvantaged on grounds of age, caste, colour, creed, ethnic origin, impairment, marital status, political opinion, race, sex or sexual orientation.

Key Principles

- Recruitment to exit: Every aspect of employment, from job advertising and selection to training, promotion and termination, is governed by fair, merit-based criteria.
- Transparency & consultation: Policy shared via SharePoint (our intranet portal).
- Monitoring & reporting: HR tracks grievances, disciplinary actions and performance assessments for any discrimination-related patterns; which are reported to the Chief Executive.

On top of this, our Internal Whistleblowing Policy offers confidential channels and safeguards for reporting misconduct, ranging from harassment, discrimination and conflicts of interest to bribery, fraud and money-laundering, all this while ensuring non-retaliation against reports made in good faith. It complements our Code of Conduct & Ethics and is designed in line with Bank of Mauritius guidelines and Section 54A of the Banking Act.

Key Metrics for FY2024–25

	FY2024–25
Number of discrimination incidents	Nil
Corrective actions undertaken as remediation measure (e.g. sanctions, dismissals)	N/A

A Diverse & Talented Workforce

To ensure that our recruitment process is inclusive and free of any bias and potential discrimination, MauBank maintain a strong Recruitment & Selection Policy with the following key principles:

- Equal-opportunity mandate – all vacancies follow our Equal Opportunity Policy, with bias-free shortlists and special accommodations for candidates with disabilities.
- Multi-channel sourcing – internal postings on our internal digital HR portal, employee-referral programmes, headhunting networks, job portals and social media, ensuring access for diverse talent pools.
- Structured panels – minimum three shortlisted candidates per role (except for Senior Officer categories), assessed by a panel of HR, the Recruiting Manager and an independent third member (from another department) to counter subjectivity.
- Rigorous verifications – reference checks, MCIB credit screening, digital-footprint reviews and PEP screenings guard against conflicts and uphold integrity.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

5. Social - Human Capital (Cont'd)

Metrics	FY2024–25
Total number of new hires	121
New hires – Male	43%
New hires - Female	57%
Total staff count as at 30 June 2025	620
Male	41%
Female	59%
Age Group breakdown as at 30 June 2025	
20-30	178
31-40	202
41-50	166
51-65	74
Total number of physically challenged staff members	3

Developing & Retaining Talent

To ensure our staff work at their optimum level and continuously grow, MauBank supports employees at every stage of the employee lifecycle with the knowledge, guidance and resources they need. This commitment is formalized in key policies, which are periodically reviewed and updated according to latest trends, operational needs and regulatory changes:

1. Employee Probation & Confirmation policy
2. Learning & Development Policy
3. Performance Management Policy
4. Promotion Policy

Structured Onboarding & Probation Cycle

- Induction programme – all new hires complete a 1-day induction programme delivered by the Learning Academy, building shared culture and awareness of Bank values.
- Six-month probation cycle – quarterly appraisals by line managers and department heads, documented on the bank’s digitalized HR platform, with clear performance criteria and feedback loops.

Holistic Learning & Development

- Annual Training Needs Analysis – aligns individual development with strategic priorities; courses are rated by impact and proficiency level.
- Diverse learning paths – on-the-job skills, professional memberships, leadership programmes, health & safety workshops and mandatory compliance modules (KYC, AML-CFT, IT security).
- Coaching & mentoring – line managers provide structured on-the-job support; Learning Academy records, evaluates and integrates feedback into future programmes.
- Equal access & accountability – training decisions are fair and transparent, with managers tracking effectiveness and linking development outcomes to performance reviews.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

5. Social - Human Capital (Cont'd)

Training Metrics

From July 2024 to June 2025, MauBank invested heavily in staff development - delivering an average of 24 hours of training per employee across a diverse curriculum that included customer service, risk control, trade finance, generative AI, public speaking, AML-CFT and leadership.

This commitment represented a total expenditure of over Rs 13.6 million (more than Rs 21,000 per employee), underscoring our focus on building capabilities that drive both operational excellence and innovation.

Performance Management & Career Advancement

Our performance management policy establishes a continuous cycle of goal setting, feedback, appraisal and reward for all confirmed employees. This policy is reviewed every two years to stay aligned with company strategy and best practice.

Powered by the digitalized HR platform, our PMS drives clarity, coaching and a high-performance culture:

- **SMART Goal Setting**
Annual objectives aligned to Bank-wide strategy and departmental plans, covering four competency quadrants (Financial, Customer, Process, Learning & Growth) plus five core values (Responsiveness, Innovation, Integrity, Teamwork, Excellence).
- **Ongoing Feedback & Coaching**
Regular formal and informal check-ins recorded in iHR, enabling timely guidance and course correction.
- **Mid-Year & Year-End Reviews**
Structured appraisals in January and July; performance scores are calibrated at EXCO level to ensure consistency.
- **Reward & Recognition**
Merit-based base-pay increases linked to performance ratings and demonstration of our values.
- **Career Development Integration**
Learning goals set within PMS; Learning Academy and line managers co-design individual development plans.

Metrics	FY2024-25
Total number of confirmed employees going through the PMS	461 (out of 620)
Percentage of confirmed employees completing full PMS cycle	74%
Average performance rating of confirmed employees	3.3 (out of 6)
Number of staff members in performance improvement plans (PIP)	6

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

5. Social - Human Capital (Cont'd)

Career progression is supported through two complementary pathways:

1. Open-Position Promotions → Opportunities

- Internal Vacancy Posting: All roles advertised on iHR to ensure qualified staff can apply.
- Transparent Selection: Job evaluation → shortlist screening → validation by hiring manger → interview by HR and hiring manager → CEO approval.
- Immediate Effect: Promotions take effect upon Board ratification; once vetted, candidates receive updated job descriptions via our digitalized HR portal.

2. PMS-Driven Promotions

- Manager Recommendations: During annual calibration, line managers nominate high-performing employees.
- HR & CEO Validation: Consolidated lists are reviewed and approved; promotions align with merit increases.
- Structured Communication: Offer letters issued via our digital HR portal and hand-delivered by Heads of Department.

Promotion Metrics for FY2024–25

Metric	FY2024–25
Total promotions	43
Internal promotion rate	7%

A Safe & Healthy Environment

MauBank is committed to providing a safe, healthy and secure working environment for employees, contractors, consultants, suppliers and visitors. Our approach is governed by the Safety & Health Policy, aligned with the Occupational Safety and Health Act 2005 and best-practice standards, and overseen by EXCO and Remco.

Our Safety & Health Policy sets out a clear statement of intent, defines clear responsibilities, pledging resources to meet or exceed legal requirements and to promote a safety culture. The scope covers all Bank operations, from head office through our Business Centres and branches, with a full policy review every five years (or sooner as legislation evolves), with amendments approved by EXCO and Remco.

Safety Risk Management & Inspections

All critical activities undergo formal, documented risk assessments that are centrally stored and revisited every two years or whenever significant operational changes occur. To manage hazards, we follow a strict control hierarchy: first eliminating risks at their source, then implementing engineering or administrative measures, and resorting to personal protective equipment only when necessary.

Moreover, our Health and Safety officer conducts monthly safety inspections at 100 % of our branches and Business Centres using a tailored register. Each inspection’s findings prompt the creation of detailed action plans, and any items left unresolved are escalated and monitored in follow-up reports to ensure timely closure.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

5. Social - Human Capital (Cont'd)

Wellbeing Initiatives

In addition to regulatory requirements to safeguard the safety of our staff members, we also undertake initiatives which promote physical and mental wellbeing. For examples, for the during the FY2024-2025, we organised the following initiatives:

- Talk on workplace wellbeing by an external expert on stress at work and the different techniques to identify and manage stress at work
- Hold up training by the police to respond effectively to a robbery or hold-up situation aiming to minimize harm and reduce the impact of such events
- A Talk on digital detox and work-life balance by an external expert covering work-life balance, digital detox, and disconnection from work after working hours
- Eye tests by partnering with Patel Optics along with free discount vouchers for all participating staff on items like optical frames, and contact lenses.

Key Metrics	FY2024–25
Number of work-related injuries	6
Injury leaves in number of days	32
Number of work-related ill health cases (e.g. mental health issues, chronic pain due work)	0
Number of internal safety audits (1 per month for all 21 business centres)	252
Number of evacuation drills (for all branches)	1

100% of all newcomers, including interns and trainees, joining MauBank undergo a safety training during their induction phase. This represented a total of 207 staff member for the FY2024-25. Moreover, members of our Safety Committee also undergo additional training on health and safety topics like first aid.

Sadly, despite our efforts to promote a safe working environment, MauBank recorded 6 injuries (such as contusions and sprains), including 1 customer injury. Our investigation revealed that 2 of these injuries occurred outside office premises with no control from MauBank. The other 4 were assessed and we realised that only 1 qualified for corrective action, namely the installation of a second ramp in the staircase.

Beyond our core Safety & Health Policy, we maintain detailed procedures/protocols for key health and safety issues such as fire emergencies and adverse weather to safeguard our people, premises and operations.

Charity starts at home

Regular interaction with the staff has revealed that many of our colleagues and/or their immediate family have suffered from different events/situations that have placed them into high mental and physical stress without any adequate assistance. Their situation results from the fact that some events are not covered within existing benefits or insurance covers, as those are out of normal situation.

With this in mind, MauBank decided to go the extra mile to help an employee in distress by coming up with a framework, which is neither too rigid nor too bureaucratic to assist our staff in states of extreme difficulty in agile way with quick turn-around time.

Staff facing sudden, unforeseen crises (whether catastrophic illness, family emergencies or other high-impact events not covered by existing benefits) have the possibility to apply for tailored assistance through our Dire Straits scheme. A confidential five-member panel meets as needed to review each case, drawing on medical, legal and peer expertise to recommend grants, interest-free loans, bespoke leave or remote-working arrangements. An annual MUR 2 million fund (with a three-year ceiling of MUR 5 million) ensures rapid, compassionate relief for colleagues in their greatest time of need.

Working conditions

MauBank is committed to fostering a supportive environment where employees feel secure, rewarded and able to balance their professional and personal lives. Our working conditions framework spans core benefits, financial perks and flexible work arrangements—designed to attract, motivate and retain top talent.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

5. Social - Human Capital (Cont'd)

1. Basic Benefits

- Private medical coverage fully funded by MauBank for employees and extended to their spouse and children.
- Private pension plan with MauBank contributions, ensuring long-term retirement security.

2. Financial Perks

- Preferential staff loan rates across housing, personal and education financing.
- Zero processing fees for all staff loan applications and credit card maintenance.
- Performance-based bonus scheme linked to individual objectives and bank-wide success achievement target in terms of profitability.
- Annual salary reviews driven by Performance Management outcomes and promotional advancements based on Board's approval.

3. Work-Life Balance

- Flexible working arrangements, including remote work and staggered start/finish times, based on role requirements and operational needs.

Metrics	FY2024-25
Percentage FTE covered by private medical insurance sponsored by MauBank	96%
Percentage FTE covered by private pension plan sponsored by MauBank	96%
Number of staff using the preferential loans	335
Total amount spent in bonus payment (above legal requirements) in millions MUR	68.5

MauBank Staff Club

We do not stop here. To further support staff well-being, each employee the option of contributing Rs 200 per month to join the Staff Club, and MauBank will match that with Rs 400. The Staff Club Committee manages this fund to promote wellness, foster a positive work environment, and create social and leisure activities that benefit our mental health. Using these resources, the committee plans a variety of events, initiatives and even gifts for all its members.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

6. Social - Engaging Our Community

At MauBank, we believe that sustainability also extends beyond our balance sheet and into the communities we serve. Through targeted investments, partnerships and employee-led initiatives, we strive to foster resilient local economies, enhance financial inclusion and support social development across Mauritius.

We are revamping our approach to ensure it rests on three pillars as follows:

- **Employee Volunteering:**
Encouraging colleagues to lend their time, skills and passion through company-sponsored volunteer days and lead community projects.
- **Financial Empowerment:**
Delivering financial literacy workshops, small-business grants and tailored banking solutions to underserved segments.
- **Strategic Partnerships:**
Collaborating with NGOs, government bodies and academic institutions to scale programmes in education, environmental stewardship and youth development.

Each confirmed full-time employee is entitled to two days, known as Staff Volunteering Leave (SVL), per year. We empower colleagues to identify, plan and organise their own community-involvement projects, and MauBank can match these efforts with philanthropic donations where requested.

Number of SVL taken for the FY2024-25: 49 days

To ensure these contributions are recognised and valued, volunteering activities are formally integrated into our annual Performance Management process.

Community Involvement Initiatives undertaken for the FY2024-2025

MauBank actively encourages staff participation in community volunteering activities that create meaningful impact while fostering team spirit and interdepartmental collaboration. These initiatives not only benefit the wider community but also reinforce MauBank's core value of Teamwork.

Examples of community involvement initiatives undertaken during the FY24-25 include:

- **Coastal Clean-Up and Tree Planting at Baie du Cap:**
As part of MauBank's commitment to environmental stewardship and staff engagement, a CSR initiative was organized at Ruisseau des Créoles public beach and along the scenic Baie du Cap coastal road, one of Mauritius' most picturesque routes. Staff volunteers participated in a beach clean-up campaign, removing litter and debris to help preserve the natural beauty and ecological health of the shoreline. This was followed by a tree planting activity along the coastal road, contributing to biodiversity enhancement and climate resilience in the region.
- **Community Support During Maha Shivratri:**
Each year, thousands of devotees walk from across the island, carrying elaborately decorated *kanwars* and engaging in prayer, fasting, and acts of devotion. In support of this spiritual journey, some staff from MauBank undertook a CSR initiative at Ganga Talao during the 2025 celebrations. Staff volunteers actively participated in the donation, preparation, and distribution of food items to pilgrims, offering nourishment and comfort to those undertaking the long walk.
- **Honouring Fathers at Ballgobeen Ashram:**
In celebration of Father's Day 2025, a team in MauBank extended its community outreach to J. Ballgobeen Ashram, a residential care home in St Paul that provides shelter and support to elderly women, single mothers, and vulnerable individuals. Some MauBank staff organized a heartfelt food distribution initiative, preparing and serving warm snacks in a spirit of gratitude and companionship. This gesture was more than a donation - it was a tribute to the women who have shaped generations, often in silence and sacrifice.
- **Blood Donation at Tribeca and Place D'Armes:**
In partnership with the Ministry of Health and Wellness, MauBank organized two blood donation drives during FY2024-25 on the same day one at Place D'Armes and another at Tribeca Mall. These events saw enthusiastic participation from staff and the public, resulting in the collection of 102 pints of blood (45 at Place D'Armes and 57 at Tribeca). The initiative contributed to the national blood supply and exemplified MauBank's commitment to public health and civic responsibility.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

6. Social - Engaging Our Community

- **Gayasingh Ashram Support:**
Our Staff Club hosted a vibrant Family Day for employees and their families, featuring fun activities for both children and adults. In addition to strengthening team bonds, the event served a charitable purpose, with food sales raising funds to support an elderly home. Proceeds were used to purchase overbed tables and walking aids, directly enhancing the comfort and mobility of residents at Gayasingh Ashram.



Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

6. Social - Engaging Our Community

One Rupee Matching Scheme

At the end of FY 2024–25, MauBank formalized the One Rupee Matching Scheme, effective as from 1 July 2025, to deepen staff-led community engagement. For every rupee a team contributes to an eligible project, MauBank will match with one rupee, up to Rs 20,000 per team activity (no minimum list), funded from a dedicated annual pool of MUR 1 million.

A team A five-member Community Support Team (CST), with representatives from different business units, has been set to assess the eligibility of such funding requests. Once approved, matching funds are disbursed directly to verified NGOs or suppliers against invoices, and a concise impact report with photos and testimonials is to be submitted to the CST within 15 days of project completion.

The purpose of this scheme is to encourage and support MauBank employees to:

- engage in community development through Environmental, Sustainability and/ or philanthropic initiatives.
- raise or contribute funds for meaningful causes.
- strengthen relationships with local communities by enhancing MauBank brand image as an Environmentally and Socially responsible employer.

Corporate Social Responsibility

Each year, the bank advances its Corporate Social Responsibility programme by collaborating with non-governmental organisations (NGOs), driving forward initiatives that foster positive social impact. Guided by a commitment to ethical conduct, we believe our purpose should balance the pursuit of financial performance with a genuine dedication to societal wellbeing. Through an annual allocation of funds to community-focused projects, the bank reinforced its contribution to initiatives that address social, environmental, and animal welfare priorities.

During FY2024/25, MauBank disbursed a total of **MUR 2,440,000** towards different high impact projects. Refer to the Corporate Social Responsibility section of our Annual Report for more information.

Advancing Financial Inclusion Through SME Support

Financial inclusion has long been a strategic priority for MauBank. Since 2019, the bank has leveraged a USD 100 million line of credit from the African Development Bank (AfDB) to strengthen its support for Small and Medium Enterprises (SMEs) across Mauritius. This facility provides the long-term liquidity needed to expand SME lending, with a focus on key sectors such as manufacturing, ICT, agriculture, construction, trade, and services.

The overarching objective is to scale up financial service delivery and empower SMEs as engines of inclusive economic growth, job creation, and innovation - reinforcing MauBank's role as a catalyst for sustainable development.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

7. Environmental Stewardship

As a financial institution, the lion’s share of our environmental footprint arises from the activities we finance: clients in energy, agriculture, real estate and other sectors whose projects consume significant resources and emit above average amounts of greenhouse gases. Reason why, we have embedded climate-related and environmental financial risk into our credit approval and monitoring processes, guided by our Climate-Related & Environmental Financial Risk Policy.

At the same time, even though our own operations (office premises, data centres, branch networks) carry a relatively light footprint compared with manufacturing or logistics firms, we still remain committed to minimizing every ounce of impact.

We continue to invest in energy-efficient lighting, renewable energy and HVAC upgrades, reduce waste through process change, awareness, digitalization and recycling programmes, optimize water use and favour low-emission travel, whenever possible. These measures, together with our carbon-reduction roadmap, ensure that MauBank leads by example in managing both financed and direct environmental impacts.

This section is dedicated to the impact from our internal operations.

GHG emissions & Energy Consumption

Real change can only happen when we know where we stand. With this in mind, MauBank commissioned a carbon footprint study in late 2024, by contracting an expert team from the University of Mauritius. This team investigated the scope 1 and 2 emissions of MauBank’s scope in Mauritius, covering the head office, suboffice and all branches.

<p><i>Scope 1 emissions are greenhouse gas emissions released directly from sources owned or controlled by MauBank Ltd. This includes emissions from company vehicles and on-site fuel combustion as well as fugitive emissions from refrigerant leaks in air-conditioning and refrigeration equipment.</i></p>	<p><i>Scope 2 emissions result from the consumption of grid electricity, purchased by MauBank Ltd. Although generated off-site, for example at power plants owned by the Central Electricity Board, they are attributable to the bank’s operational energy use.</i></p>
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Key Highlights from the study:

- The **Energy Intensity** per FTE increased from 2547 kWh in 2022 to 2716 kWh in 2023, a 6.6% rise mainly due to increase in the use of air conditioning system
- **Benchmarking** against a local major bank showed that MauBank is much lower, with the other bank’s energy intensity at 3,758 kWh/FTE in 2022, and 3,803 kWh/FTE in 2023
- **Scope 1 Emissions:** Our direct emissions from company-owned vehicles, standby generators, and refrigerant leaks total 173 tons of CO₂e in 2023
- **Scope 2 Emissions:** Indirect emissions from purchased electricity for all facilities amount to 1,580 tons of CO₂e, in 2023 with air conditioning being the dominant contributor

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

7. Environmental Stewardship (Cont'd)

- Scope 1 emissions, e.g. company-owned vehicles, standby generators & refrigerant leaks
- Scope 2 emissions, i.e. purchased electricity

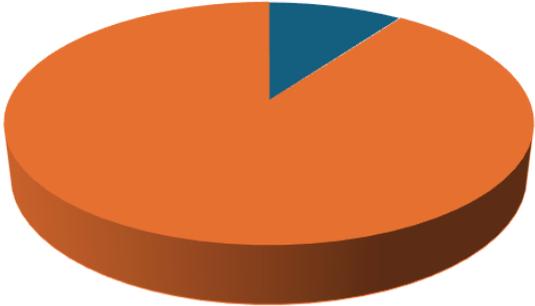


Figure: Pie chart of scope 1 & 2 emissions comparison at MauBank

To visualize this total of 1753 tons CO₂e, picture the following:

- a large parking lot filled with 380 gasoline-powered cars - all of these vehicles running constantly for a year to match our emissions OR
- an entire small community or neighbourhood of 215 homes of 2 to 3 people, each with lights, heating, cooling, and appliances running for a full year non-stop.



Figure: Parking lot with vehicles



Figure: Small community of homes

This comprehensive study not only highlighted our current emissions but also outlined actionable strategies to reduce our carbon footprint significantly. With information at hand, the Sustainability team together with other key players notably the Facilities team, developed a Carbon Roadmap to reduce our carbon footprint.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

7. Environmental Stewardship (Cont'd)

Key elements of the carbon reduction strategy (till 2027) include:

Scope 1 emissions

1. Complete the construction of a 66kW photovoltaic carport
2. Transition to electric vehicles by progressively replacing all company vehicles
3. Progressively refill all HVAC refrigerants with lower global warming potential ones (R32)

Scope 2 emissions

4. Gradually replace VRVs reaching their end-of-life with efficient split ACs and new VRVs
5. Complete the LED transition by retrofitting existing FLT tube lights, non-decorative CFL lamps and halogen floodlights with LED fixtures

Metrics for Energy consumption (calendar year from Jan-Dec)

Year	Total Electricity consumed (kWh)	Total staff count (FTE)	Energy intensity (kWh/FTE)
2022	1,592,017	625	2,547
2023	1,697,768	625	2,716
2024	1,760,516	652	2,700

Renewable Energy

MauBank Ltd is actively advancing its renewable energy agenda through the development of a photovoltaic (PV) carport at its head office. This initiative will supply clean electricity to charge electric vehicles and feed surplus energy back into the national grid. In its first year of operation, the 66kW PV system is expected to generate over **79 MWh** of renewable energy, enabling an annual reduction of approximately **75.4 tons of CO₂ emissions** - the equivalent of around 3,300 trees planted. This project directly supports Mauritius’ Nationally Determined Contributions (NDCs) and reinforces MauBank’s commitment to climate-aligned operations



Figure: Visual representation of the finished PV carport

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

7. Environmental Stewardship (Cont'd)

Emissions due employee commute

MauBank also plans to investigate its emissions due to employee commuting plan (scope 3, category 7). Once established, we'll investigate for ways to reduce such emissions and integrate commuting emissions into our annual carbon-accounting and reduction roadmap.

In the meantime, EV charging bays have been installed at our head office, available free of charge to colleagues driving electric vehicles, to encourage a shift toward lower-emission travel.

Materials, Water & Waste Management

Since the couple of years, MauBank has launched several initiatives to reduce its environmental footprint across materials, waste and water.

Paper consumption

Annual consumption at MauBank Ltd averages 5,624.5 reams (equivalent 12.7 tons) of A4 paper. During the FY2024-25, 2 main initiatives was started to reduce paper across all departments in the bank:

1. Process improvement reviews to identify and eliminate non-essential printing, while maintaining mandatory printouts for regulatory requirements.
2. End-to-end digitalization projects (e.g., account management, loan processing) to replace paper-based workflows.

Moreover, instead of discarding waste paper to the landfill, MauBank Ltd has adopted a recycling initiative for some years now. Waste paper (newspapers, shredded documents, end-of-life archives) are collected weekly by a recycling organisation for conversion into fluting material (the corrugated sheets of paper in cardboard sheets) or recycled A4 sheets.

Paper diverted from landfill:

- 2022: 11.29 tons (avoided 10,636 kg CO₂e)
- 2023: 2.64 tons (avoided 2,487 kg CO₂e)
- 2024: 3.88 tons (avoided 3,564 Kg CO₂e)

Single-use plastic bottles

Single-use plastic items pose a significant environmental challenge due to their persistence in ecosystems and the volume of waste they generate. Since 2023, the Sustainability team has spearheaded a project to replace all disposable plastic water bottles in meeting rooms with durable, branded glass bottles that colleagues now reuse consistently. This initiative has eliminated the need for approximately 625 single-use plastic bottles per month, substantially reducing our plastic consumption and waste. By embedding this practice across our operations, MauBank reinforces its commitment to circular-economy principles and waste minimization.

Water consumption

MauBank has implemented a rainwater harvesting system since 2020. This initiative allows us to save on average 1,000 litres per month.

Amount of water consumed FY2024-25: Approx. 5,580 m³

Awareness Campaigns

Change starts with knowledge, and MauBank recognizes this. On a mission to drive behavioural change, MauBank issues periodic communications—anchored by our mascot AVA—to raise awareness of both international and local environmental topics. Examples include COP29 highlights, International Day of Clean Energy, World Water Day, International Day of Zero Waste, and more.

Financial statements for the year ended 30 June 2025

SUSTAINABILITY REPORT

7. Environmental Stewardship (Cont'd)

World Environment Day 2025

MauBank organized a comprehensive week-long campaign for World Environment Day 2025, running from 5 to 11 June. Each day we delivered tailored environmental communications grounded in the Mauritian context, focusing on:

- climate change
- our forests
- marine ecosystem
- ending plastic pollution
- green finance

We paired these messages with interactive quizzes offering small rewards to boost engagement and deepen learning. The week culminated in a celebratory prize-giving ceremony, during which our Chief Executive reinforced MauBank's firm commitment to sustainability. The event also featured a local eco-artist, who showcased striking artefacts crafted from upcycled waste materials: a powerful reminder of creativity's role in circular economy solutions.



Figures: Artefacts made from waste materials

Moreover, to turn awareness into action, we partnered with a local service provider to produce 1,000 reusable eco-bags made from recycled cotton for distribution to key stakeholders.

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SUSTAINABILITY REPORT

8. Looking Forward

From securing a USD 100 million AfDB credit line for SMEs and launching our pioneering photovoltaic carport, to closing our first green credit line of EUR 38.5 million from AFD, MauBank has reinforced its commitment to responsible and sustainable banking. As we close this chapter of our sustainability journey, we reaffirm our determination to embed environmental, social, and governance principles at the heart of our operations.

In January 2025, we took an important step in shaping the road ahead by conducting our first Internal Sustainability Survey. This initiative gave every staff member the opportunity to share their perspectives and ideas for improvement, ensuring that our strategy reflects not only market and regulatory expectations, but also the insights and aspirations of our people.

Looking ahead, we will build on these achievements and the feedback from our teams, continuing to measure and communicate our progress with transparency and rigor.

To guide our decarbonization efforts, MauBank has developed a Carbon Roadmap which outlines clear milestones for reducing operational emissions, integrating climate risk into lending practices, and supporting low-carbon investments. By 2027, we aim to demonstrate meaningful reductions in Scope 1 and 2 emissions, with Scope 3 mapping actively in progress.

MauBank's sustainability ambitions are both bold and necessary. By harnessing innovation, fostering collaboration, and upholding the highest standards of governance, we are confident in our ability to deliver lasting value for stakeholders, accelerate Mauritius's low-carbon transition, and contribute to a more resilient, inclusive, and equitable future for our island.



Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

'The purpose of corporate governance is to facilitate effective, entrepreneurial and prudent management that can deliver the long-term success of an organization'. [The National Code on Corporate Governance 2016 (the "Code")]

Recognizing and understanding the positive impacts that the Code can bring in an organization, MauBank Ltd ("MauBank" or the "Bank") has ensured that its strategies are aligned to the Code together with other applicable laws and guidelines, whereby, encouraging a culture and attitude that nurture the principles of Corporate Governance throughout decision making.

This report sets out the Bank's Corporate Governance processes and the role they play in supporting the delivery of the Bank's strategy and provides for explanations from any deviations from the Code.

This report is published on the Company's website, as part of the Annual Report.

1. STATEMENT OF COMPLIANCE BY THE BOARD

Regarding matters of good governance, the Bank is guided by the Bank of Mauritius' Guideline on Corporate Governance, The National Code of Corporate Governance for Mauritius (the "Code") as revised in 2016 together with other fundamental legislations such as the Banking Act 2004 and the Companies Act 2001.

The Bank has endeavoured to adhere to the principles as set out in the Code by taking matters at Board level and Committees of the Board. The Board is of view that, apart from the disclosure below, there is no material deviation to be highlighted. In addition, the Bank has a Corporate Governance Committee to specifically discuss on Corporate Governance matters. The Bank's Corporate Governance system further comprises Management Committees, Internal and External Auditors, industry best practices as well as established policies and procedures across all operations

The above-mentioned system provides structures for the following:

- Formulation of strategic directions and plans;
- Setting up of corporate objectives and budgets;
- Establishing clear lines of responsibility and accountability;
- Delegation of authority to management to implement Board approved plans and strategies and to operate the Bank's business on a day to day basis;
- Sanctioning of banking facilities to related parties and large credit exposure to a customer / group;
- Monitoring of performance and compliance with laws, regulations, policies and procedures;
- Risk Management framework;
- Internal control systems;
- Rewards and incentives;
- Succession planning for Executives; and
- Good governance practices.

To the best of its knowledge, the Board has relentlessly endeavoured towards attaining, adhering and maintaining throughout the financial year 2024-2025, the highest level of Corporate Governance in accordance with the Guideline on Corporate Governance issued by the Bank of Mauritius, the National Code for Corporate Governance and other relevant legislations.

Financial statements for the year ended 30 June 2025

1. STATEMENT OF COMPLIANCE BY THE BOARD (Cont'd)

Disclosure on Non-Holding of Annual Meeting for FYE 30 June 2024 and Use of Written Resolutions

The Annual Meeting of Shareholders for the financial year ended 30 June 2024 was not held within the statutory timeframe as prescribed under Section 115 of the Companies Act 2001. This was primarily due to the absence of confirmed nominations from the ultimate beneficial owner (UBO) for the appointment of new directors. During the period under review, nominees proposed by the UBO did not satisfy the independence criteria as set out under Section 18 (3) of the Banking Act 2004 and Section 9 of the Bank of Mauritius Guideline on Corporate Governance. Additionally, certain members of the Board had formally expressed their intention not to seek re-election at the next Annual Meeting of Shareholders. However, in the absence of confirmed nominations for new directors, the current directors have continued to serve in a caretaker capacity to ensure governance continuity until suitable replacements are appointed.

As at 30 June 2025, the Annual Meeting of Shareholders had not yet been convened. However, in order to ensure continuity and compliance with key statutory obligations, all other matters ordinarily transacted at the Annual Meeting – save for the appointment of new directors - were addressed by way of written resolutions signed by the majority shareholder, MauBank Holdings Ltd, holding more than 75% of the voting rights, in keeping with Section 117 (1) of the Companies Act 2001. These resolutions were subsequently circulated to the remaining shareholders within the statutory period of seven days, in accordance with Section 117 (6) of the Companies Act 2001.

Resolution	Date resolution signed by MauBank Holdings Ltd	Date circularised to other shareholders
To receive and consider the Auditors' Report for the Financial Year Ended 30 June 2024	07 July 2025	11 July 2025
To consider and adopt the Audited Financial Statements of the Bank for the Financial Year Ended 30 June 2024	07 July 2025	11 July 2025
To consider the Annual Report of the Bank for the Financial Year Ended 30 June 2024	07 July 2025	11 July 2025
Appointment of the External Auditors of the Bank for the Financial Year ending 30 June 2025 and to authorize the Board of Directors to fix their remuneration	16 April 2025	17 April 2025

Note: All written resolutions were duly signed and circulated in accordance with the Companies Act 2001. The Board ensured that these actions were taken in good faith and in the best interests of the Bank and its stakeholders.

The Board acknowledges the deviation from statutory requirements regarding the holding of the Annual Meeting of Shareholders and has continued to engage with the UBO via its majority shareholder, MauBank Holdings Ltd, and with the relevant authorities to regularise the company's governance structure. The directors remain committed to restoring full compliance with applicable laws and regulatory expectations at the earliest opportunity.

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

2. BRIEF OVERVIEW OF THE UNDERLYING PRINCIPLES OF THE CODE OF CORPORATE GOVERNANCE

The Code rests on eight (8) core principles that encourages the “apply and explain” approach, whereby, allowing organisations to adapt its practices to particular circumstances.

These principles are:

1. The Governance Structure
2. The Structure of the Board and its Committees
3. Director Appointment Procedures
4. Director Duties, Remuneration & Performance
5. Risk Governance and Internal Control
6. Reporting with Integrity
7. Audit
8. Relations with Shareholders and other key Stakeholders

CORPORATE GOVERNANCE APPLIED

2.1 PRINCIPLE 1: GOVERNANCE STRUCTURE

“All organisations should be headed by an effective Board. Responsibilities and accountabilities within the organisation should be clearly identified.”

“The board has the ultimate responsibility for the safety and soundness of the financial institution. It must oversee the institution’s business strategy, internal organisation and governance structure, its risk management and compliance practices, and key personnel decisions. It is essential that there be a clear demarcation of responsibilities and obligations between the board and management. The board should be independent from management”. (Bank of Mauritius Guideline on Corporate Governance)

MauBank Ltd, a Public Interest Entity (“PIE”), is led by a unitary Board, which is collectively responsible and accountable for the decisions taken. To better discharge its duties, the Board of Directors delegates its powers to various Board Committees and Management Committees which operate in line with good corporate governance practices, while maintaining the ultimate accountability and responsibility for the affairs and performance of the Bank. The Board Charter, as approved by the Board, caters for the delegation of authority and provides the necessary mandates for the proper functioning of the below mentioned committees together with an effective oversight process.

The Board has constituted the following committees to assist effective implementation of its responsibilities:

- i. Audit Committee
- ii. Board Risk Management Committee
- iii. Nomination and Remuneration Committee
- iv. Board Investment & Credit Committee
- v. Corporate Governance Committee
- vi. Board Procurement Committee
- vii. Board Cybersecurity Committee

The Chief Executive (CE) together with management executives are responsible for the day to day operations of the Bank and regularly reports to the various Committees of the Board and ultimately to the Board of Directors who keep an oversight that the decisions taken are in line with best practices inclusive of legal and regulatory requirements.

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CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

The Bank also ensures adherence to all its policies and procedures which are in line with the Guidelines issued by the Bank of Mauritius. The operating model of the Bank ensures segregation of duties and also well-defined lines of responsibilities of the sub committees are laid down through the Charter and / or Terms of Reference (ToR) of each Committees.

2.1.1 Key Features of Board processes

In addition to their regular meetings, the Board can be convened as and when required.

Key decisions taken by the Board, include:

- Review and approval of monthly, quarterly and annual financial accounts;
- Review and approval of annual budget;
- Review and approval of Corporate Strategy;
- Approval of Board Charter and the Terms of References of sub-committees;
- Ratification of Organisational Chart through the Nomination and Remuneration Committee;
- Ratification of key senior positions through the Nomination and Remuneration Committee;
- Approval of policies and procedures, inclusive of the Bank's Code of Conduct and Ethics.

2.1.2 Website

As part of its obligations under the Code, the following documents can be found on the Bank's website:

- Constitution of the Bank;
- Organisation Chart;
- Directors details; and
- Board Charter.

2.2 PRINCIPLE 2: THE STRUCTURE OF THE BOARD AND ITS COMMITTEES

"The Board should contain independently minded directors. It should include an appropriate combination of executive directors, independent directors and non-independent non-executive directors to prevent one individual or a small group of individuals from dominating the Board's decision taking. The Board should be of a size and level of diversity commensurating with the sophistication and scale of the organisation. Appropriate Board committees may be set up to assist the Board in the effective performance of its duties." (Bank of Mauritius Guideline on Corporate Governance)

2.2.1 Board Size and Composition

The recommended number of Independent Director as per the BOM's Guideline on Corporate Governance and the Banking Act 2014 is 40 per cent of the Board composition.

The Board of MauBank Ltd is a unitary Board that currently comprises of three (3) Independent Directors, representing 60 percent of the Board composition, one (1) Non-Executive Directors and one (1) Executive Director, who are all Mauritian residents. The Board includes directors from various industries and backgrounds which it believes is sufficient towards effective decision making. Moreover, with no alternate directors' discussions at Board and Committee levels, discussions and decision making are more productive and effective.

Currently with the membership of five (5) Directors, which is the minimum permissible per section 18 (3) of the Banking Act 2004. The Directors are appointed on the Board in accordance with laws of Mauritius and the constitution of the Bank. Their membership is renewed on an annual basis during the Annual Meeting of Shareholders. The last Annual Meeting was held on 15 November 2023 (See Section 1 Statement of Compliance by the Board).

For the financial year ended 30 June 2025, the Chief Executive was the sole Executive Director at the Bank and he was supported by a robust executive management team.

Recognising the importance of diversity, MauBank Ltd continue to engage in creating new and inspiring possibilities for women within the Bank. Presently, two women form part at the Executive Committee level.

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.2.2 Board Composition

- (1) The Board was composed of the following members until resignation of four of its members as indicated in the table below:

Members	Date of Appointment	Date Resigned	Board Status
Sookun Goroodeo (Former Chairperson - Resigned)	10-Jun-20	18-Nov-24	Independent Director
Vydelingum Vishuene	22-Nov-23		Executive Director
Codabux Muhammad Javed (Resigned)	10-Mar-17	19-Nov-24	Independent Director
Rampersad Rabin (Resigned)	19-Sep-19	20-Nov-24	Non-Executive Director
Sokappadu Ramanaidoo	03-Oct-19		Independent Director
Kokil Anil Kumar	15-Jul-21		Non-Executive Director
Vasseur-Soneea Alexandra	15-Jul-21		Independent Director
Semjeevee Sivananda	15-Jul-21		Independent Director
Jeetoo Mohamad Fardeen (Resigned)	15-Jul-21	21-Nov-24	Non-Executive Director

- (2) Board composition with effect from 28 November 2024

Following the resignation of Messrs G. Sookun (former Chairperson), J. Codabux, R. Rampersad and F. Jeetoo from the Board of MauBank Ltd, the remaining Board members have, since 28 November 2024, agreed to stay in office to enable the bank to carry on its activities normally and operate with the minimum quorum of 5 Directors in line with Section 18(3) of the Banking Act 2004. They have since 28 November 2024 acted in a caretaker capacity pending the reconstitution of the new Board.

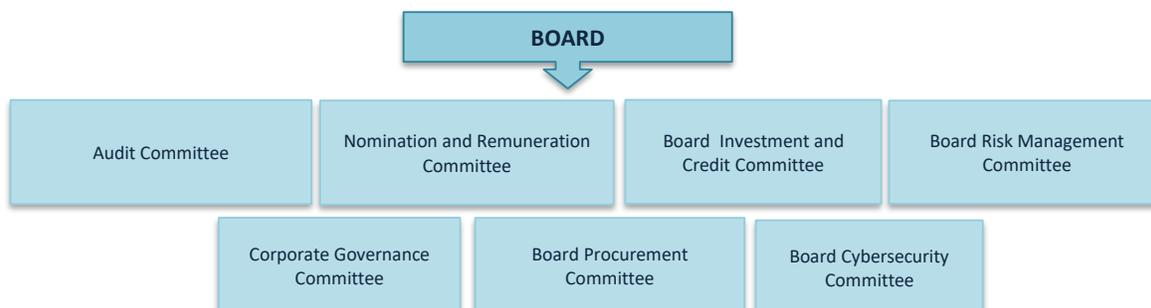
The Board also resolved that, until such time as the Board of MauBank Ltd is reconstituted in compliance with Section 18 (3) of the Banking Act 2004 and a new permanent Chairperson is duly appointed, Mr. Ramanaidoo Sokappadu, be appointed as the Acting Chairperson of the Board of MauBank Ltd effective the 28 November 2024.

The current Board is currently composed of five members, which is the minimum permissible per Section 18 (3) of the Banking Act 2004, namely:

- Mr. Sokappadu Ramanaidoo (Independent Director and Acting Chairperson)
- Mr. Vydelingum Vishuene (Executive Director)
- Mr. Semjeevee Sivananda (Independent Director)
- Mr. Kokil Anil Kumar (Non-Executive Director)
- Mrs. Vasseur-Soneea Alexandra (Independent Director)

2.2.3 The Board, its committees structure & mandate

2.2.3.1 Board and Committees Structure



Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.2.3 The Board, its committees structure & mandate (Cont'd)

2.2.3.2 Board Mandate

The Board as empowered by the Bank's Constitution and Charter is responsible, among others, to:

- Function independently of management;
- Operate at a higher level than management;
- Exercise leadership, enterprise, intellectual honesty, integrity and judgement in directing the Bank so that it achieves sustainable prosperity;
- Ensure that policies, procedures and practices are in place to protect the Bank's assets and reputation;
- Consider the necessity and appropriateness of installing a mechanism by which breaches of the principles of corporate governance may be reported;
- Monitor and evaluate the implementation of strategies, policies, management performance criteria and business plans;
- Ensure that there is a suitable induction and evaluation program in place which meets specific needs of the Bank and its directors;
- Appoint the CE and ensure that succession is professionally planned in good time; and
- Balance 'conformance' and 'performance'. Conformance is compliance with the various laws, regulations and codes governing organisation. Ensuring performance requires the development of a commensurate enterprise culture within the organisation so that returns to shareholders are maximized while respecting the interests of other stakeholders.

2.2.3.3 Board Attendance

Directors are expected to attend, in person or by teleconference, Board meetings, except in exceptional circumstances. The following table gives the record of attendance at meetings of the Bank's Board during the financial year ended 30 June 2025:

Members	Date of Appointment	Date Resigned	Board Status	Meeting Attendance
SOOKUN Gooroodeo (<i>former Chairperson - Resigned</i>)	10-Jun-2020	18-Nov-24	Independent Director	4/4
VYDELINGUM Vishuene	22-Nov-2023		Executive Director	15/15
CODABUX Muhammad Javed (Resigned)	10-Mar-2017	19-Nov-24	Independent Director	3/4
RAMPERSAD Rabin (Resigned)	19-Sep-2019	20-Nov-24	Non-Executive Director	3/4
SOKAPPADU Ramanaidoo (Acting Chairperson)	03-Oct-2019		Independent Director	15/15
KOKIL Anil Kumar	15-Jul-2021		Non-Executive Director	15/15
VASSEUR-SONEEA Alexandra	15-Jul-2021		Independent Director	15/15
SEMJEVEE Sivananda	15-Jul-2021		Independent Director	14/15
JEETOO Mohamad Fardeen (Resigned)	15-Jul-2021	21-Nov-24	Non-Executive Director	4/4

2.2.4 Committees of the Board

In view of the limited number of Directors remaining in office to constitute the necessary quorum for conduct of business of the Board Subcommittees, the Board resolved that all the Board Subcommittees' be reconstituted on 28 November 2024 with membership consisting of the remaining five (5) Directors, with the exception of the Audit Committee which shall consist of the remaining three (3) Independent Directors. To this end the Board and its Subcommittees met as often as deemed necessary to expedite matters, pending reconstitution of the Board.

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.2.4.1 Audit Committee

Mandate

The Audit Committee's principal function is to oversee the Bank's financial reporting process, monitor the internal control systems, review financial statements, provide support to the Board of Directors on compliance, audit and financial matters, oversee performance of external and internal auditors of the Bank and review internal and external inspections.

The Committee was reconstituted on 28 November 2024 and the current composition is as follows:

Mr. Semjeevee Sivananda

Mr. Sokappadu Ramanaidoo (appointed on 28 November 2024)

Mrs. Vasseur-Soneea Alexandra

Committee Attendance

The Directors who served on the Audit Committee and their attendance during FY 2024/2025 are as follows:

Members	Board Status	Meeting Attendance
SEMJEVEE Sivananda (Chairperson)	Independent Director	8/8
SOOKUN Gooroodeo (Resigned on 18 November 2024)	Independent Director	2/3
SOKAPPADU Ramanaidoo (Appointed on 28 November 2024)	Independent Director	5/5
VASSEUR-SONEEA Alexandra	Independent Director	7/8

2.2.4.2 Nomination and Remuneration Committee

Mandate

The Nomination and Remuneration Committee is a committee of the Board which has the responsibility of selecting competent and qualified personnel and making recommendations to the Board of Directors. The Committee aims to retain and attract qualified and experienced personnel for the smooth running of the Bank.

The roles of this Committee are to review corporate objectives and budgets, senior executives' performance, reward policy and approve productivity bonus policy to employees, approve salary revisions, service conditions and staff welfare policy, approve recruitment or promotion of top managers, review irregularities and serious offences, recommend recruitment and terms of contract of employment of the Chief Executive and other Senior Officers, review and recommend nomination of suitable persons eligible as candidate for directorship, in accordance with Fit and Proper Person Policy and the BOM Guideline on Corporate Governance.

The Nomination and Remuneration Committee also reviews the Bank's Organisational Chart, which is ultimately tabled at Board Level for ratification.

The Committee was reconstituted on 28 November 2024 and the current composition is as follows:

- Mr. Sokappadu Ramanaidoo (Chairperson)
- Mr. Vydelingum Vishuene
- Mr. Semjeevee Sivananda
- Mrs. Vasseur-Soneea Alexandra
- Mr. Kokil Anil Kumar *(appointed on 28 November 2024)

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.2.4.2 Nomination and Remuneration Committee (Cont'd)

Committee Attendance

The Directors who served on the Nomination and Remuneration Committee and their attendance at committee meetings during FY 2024/2025 are as follows:-

Members	Board Status	Meeting Attendance
SOKAPPADU Ramanaidoo (Chairperson)	Independent Director	2/2
VYDELINGUM Vishuene	Executive Director	2/2
SEMJEVEE Sivananda	Independent Director	2/2
VASSEUR-SONEEA Alexandra	Independent Director	2/2
JEETOO Mohamad Fardeen (Resigned on 21 November 2024)	Non-Executive Director	2/2
KOKIL Anil Kumar (Appointed on 28 November 2024)	Non-Executive Director	N/A (*)

2.2.4.3 Board Investment and Credit Committee

Mandate

The Board Investment and Credit Committee reviews and approves credit proposals above Rs. 100 million. This Committee is held as and when the need arises. The Committee also approves all relevant policies pertaining to Investment and Credit of the Bank.

The Committee was reconstituted on 28 November 2024 and the current composition is as follows:

- Mr. Sokappadu Ramanaidoo (Acting Chairperson)
- Mr. Vydelingum Vishuene
- Mr. Kokil Anil Kumar
- Mrs. Vasseur-Soneea Alexandra (appointed on 28 November 2024)
- Mr. Semjevee Sivananda (appointed on 28 November 2024)

Committee Attendance

The Directors who served on the Board Investment & Credit Committee and their attendance at committee meetings during FY 2024/25 are as follows:-

Members	Board Status	Meeting Attendance
CODABUX Muhammad Javed (Resigned on 19 November 2024)	Independent Director	9/9
SOKAPPADU Ramanaidoo (Acting Chairperson as from 28 November 2024)	Independent Director	22/22
VYDELINGUM Vishuene	Executive Director	22/22
KOKIL Anil Kumar	Non-Executive Director	22/22
VASSEUR-SONEEA Alexandra (Appointed on 28 November 2024)	Independent Director	11/13
SEMJEVEE Sivananda (Appointed on 28 November 2024)	Independent Director	13/13

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.2.4.4 Board Risk Management Committee

Mandate

The main responsibilities of the Board Risk Management Committee are the identification and oversight of the principal risks at the Bank, including but not limited to credit, market, liquidity, operational, compliance and regulatory and reputational risks and the actions taken to mitigate them. It is also responsible to advise the Board on the Bank's overall current and future risk appetite, tolerance and strategy and oversee Senior Management's implementation of the risk appetite framework and reporting on the state of risk culture in the Bank to the Board.

The Committee was reconstituted on 28 November 2024 and the current composition is as follows:

- Mr. Sokappadu Ramanaidoo (Acting Chairperson on 28 November 2024)
- Mr. Vydelingum Vishuene
- Mr. Kokil Anil Kumar
- Mr. Semjeevee Sivananda
- Mrs. Vasseur-Soneea Alexandra (appointe on 28 November 2024)

Committee Attendance

The Directors who served on the Board Risk Management Committee and their attendance during FY 2024/2025 are as follows:

Members	Board Status	Meeting Attendance
JEETOO Mohamad Fardeen (Former Chairperson - Resigned on 21 November 2024)	Non-Executive Director	2/2
SOKAPPADU Ramanaidoo (Acting Chairperson- Appointed on 28 November 2024)	Independent Director	3/3
VYDELINGUM Vishuene	Executive Director	5/5
KOKIL Anil Kumar	Non-Executive Director	4/5
SEMJEVEE Sivananda	Independent Director	5/5
VASSEUR-SONEEA Alexandra (Appointed on 28 November 2024)	Independent Director	3/3

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CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.2.4.5 Corporate Governance Committee

Mandate

The Committee is responsible to determine, agree and develop the Bank's general policy on corporate governance in accordance with applicable Codes, Guidelines and Legislations. It should also ensure that the corporate governance report and disclosures to be published in the Bank's annual report is in compliance with provisions all applicable Codes, Guidelines and Legislations.

Specifically, the duties of the Committee are to:

- Develop and recommend to the Board a corporate governance framework and a set of corporate governance guidelines.
- Review and evaluate the implementation of the corporate governance guidelines within the organisation.
- Periodically review and evaluate the effectiveness of the organisation's Code of Business Conduct and Ethics.
- Ensure that an adequate process is in place for the Board and senior management to compliance with the organisation's Code of Business Conduct and Ethics.
- Review the position descriptions of the chairperson, deputy chairperson, and Board committee chairs and recommend any amendments to the Board.
- Review and recommend the implementation of structures and procedures to facilitate the Board's independence from management.
- Review annually with the Board the size and composition of the Board as a whole and recommend, if necessary, measures to be taken so that the Board reflects the appropriate balance of diversity, age, skills, gender and experience required for the Board as whole.
- Make recommendations to the Board with respect to the size and composition of the committees of the Board including the corporate governance committee.
- Make recommendations on the frequency, structure and functioning of Board meetings and Board committee meetings.
- Monitor and evaluate the functioning of committees and make any recommendations for any changes including the creation and elimination of committees.
- Develop charters for any new committees established by the Board and review the charters of each existing committee and recommend any amendments to the charter.
- Review any notice given by an individual director that the director intends to retain an outside advisor at the expense of the organisation.
- Review all related party transactions and situations involving board members and refer where appropriate to the Board or the shareholders' general meeting.
- Oversee the evaluation of the Board as a whole, its committees and individual directors. If the evaluation is being conducted internally, oversee Board performance and report annually to the Board with an assessment of the Board's performance.
- Review its own performance annually.
- Keep up to date and fully informed about strategic issues and commercial changes affecting the bank and the market in which it operates.
- Periodically receive a report from Legal Counsel or Chief Compliance Officer or Company Secretary or Chief Governance Officer on compliance issues.
- Ensure that an adequate process is in place for the Board and senior management to comply with the National Code of Corporate Governance.
- Work and liaise as necessary with all other Board committees.

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CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.2.4.5 Corporate Governance Committee (Cont'd)

The Committee was reconstituted on 28 November 2024 and the current composition is as follows:

- Mr. Sokappadu Ramanaidoo (Chairperson)
- Mr. Vydelingum Vishuene
- Mr. Kokil Anil Kumar
- Mrs. Vasseur-Soneea Alexandra
- Mr. Semjeevee Sivananda (*appointed on 28 November 2024)

Committee Attendance

The Directors who served on the Corporate Governance Committee and their attendance during FY 2024/2025 are as follows:

Members	Board Status	Meeting Attendance
SOKAPPADU Ramanaidoo(Chairperson)	Independent Director	1/1
VYDELINGUM Vishuene	Executive Director	1/1
KOKIL Anil Kumar	Non-Executive Director	1/1
JEETOO Mohamad Fardeen (Resigned on 21 November 2024)	Non-Executive Director	1/1
VASSEUR-SONEEA Alexandra	Independent Director	1/1
CODABUX Muhammad Javed (Resigned on 19 November 2024)	Independent Director	1/1
SEMJEVEE Sivanda (Appointed on 28 November 2024)	Independent Director	N/A (*)

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.2.4.6 Board Procurement Committee

Mandate

The duties of the Committee shall be to review certain revenue and capital expenditure of the Bank to ensure that the Bank's expenditure is appropriate in the pursuit of the Bank's operations, including evaluating and making recommendation to the Board on any acquisition or disposal and/or any undertaking or part of any undertaking of the Bank, approving any emergency procurements, monitoring, evaluating and reviewing management's procedures for procurement, on a regular basis and the controls in place to ensure value for money and determine and set inbuilt accountability parameters for management in case of failure and reviewing the Bank's procurement policy for recommendation to the Board.

The Committee was reconstituted on 28 November 2024 and the current composition is as follows:

- Mr. Sokappadu Ramanaidoo (Acting Chairperson as from 28 November 2024)
- Mr. Vydelingum Vishuene
- Mr. Semjeevee Sivananda
- Mrs. Vasseur-Soneea Alexandra
- Mr. Kokil Anil Kumar (appointed on 28 November 2024)

Committee Attendance

The Directors who served on the Board Procurement Committee and their attendance at committee meetings during FY 2024/2025 are as follows:

Members	Board Status	Meeting Attendance
CODABUX Muhammad Javed (Former Acting Chairperson - Resigned on 19 November 2024)	Independent Director	1/1
SOKAPPADU Ramanaidoo (Acting Chairperson as from 28 November 2024)	Independent Director	3/3
VYDELINGUM Vishuene	Executive Director	3/4
VASSEUR-SONEEA Alexandra	Independent Director	4/4
SEMJEEVEE Sivananda	Independent Director	4/4
KOKIL Anil Kumar (Appointed on 28 November 2024)	Non-Executive Director	3/3

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CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.2.4.7 Board Cybersecurity Committee

Mandate

The duties of the Committee are to assist the Bank in fulfilling its Cybersecurity risks management and control responsibilities. The Committee ensures Cybersecurity is managed in a manner consistent with the Bank's strategic objectives, regulatory requirements and its approved operational risk appetite. It oversees Senior Management's implementation of the cybersecurity projects, applied control and information security risk appetite framework and reporting on risks identified regarding the state of cybersecurity and information security culture in the Bank. It also considers and approves recommendations in respect to cybersecurity of standards, framework, policies and information security.

The Committee was reconstituted on 28 November 2024 and the current composition is as follows:

- Mr. Kokil Anil Kumar (Chairperson)
- Mr. Vydelingum Vishuene
- Mrs. Vasseur-Soneea Alexandra
- Mr. Semjeevee Sivananda
- Mr. Sokappadu Ramanaidoo (appointed on 28 November 2024)

Committee Attendance

The Directors who served on the Board Cybersecurity Committee and their attendance at committee meetings during FY 2024/2025 is as follows:

Members	Board Status	Meeting Attendance
KOKIL Anil Kumar (Chairperson)	Non-Executive Director	3/3
VYDELINGUM Vishuene	Executive Director	3/3
VASSEUR-SONEEA Alexandra	Independent Director	3/3
SEMJEEVEE Sivananda	Independent Director	3/3
SOKAPPADU Ramanaidoo (Appointed on 28 November 2024)	Independent Director	1/1

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CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.2.4.8 Directors' Independence

Mandate

With around 56% of independent directors on its Board, the Bank ensures that the decision taking processes are independently taken, in the best interest of the Bank. Moreover, by also taking into consideration the guidance put forth by the Code, the Board ensures that Directors form an independent view on any related matter presented at Board Level and any conflict, real or potential, is brought to the attention of the Board decision taking. This ensures that decisions taken are equitable for all concerned parties.

As guidance, the Code has provided for added criteria to determine the independence of a Director:

- Has the director been an employee of the Bank or Group within the past three years?
- Has the director had within the past three years, a material business relationship with the organisation either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship with the organisation?
- Has the director received additional remuneration from the organisation apart from a director's fee or as a member of the organisation's pension scheme?
- Is the director a nominated director representing a substantial shareholder?
- Has the director close family ties with any of the organisation's advisers, directors or senior employees?
- Has the director cross directorships or significant links with other directors through involvement in other companies or bodies?
- Has the director served on the Board as per term of office prescribed by the Bank of Mauritius guideline on Corporate Governance?

The Board considers that with the Government of Mauritius being a substantial shareholder of the Bank, nominated directors forms part of the prevailing norm in Mauritius. Also, being State-Owned, there is an implied duty towards the public and being answerable to decisions which are taken. As such, any nominated director further ensures that decisions taken at Board level are to the best interests of the all concerned stakeholders.

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CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.2.4.9 Company Secretary

The Bank's Secretary to the Board is guided by its Constitution, the Companies Act 2001 as well as other Guidelines issued by the BOM and the Code. Directors may consult and liaise directly with the Secretary should the need arise, who acts as an 'Independent and Trusted Adviser' of the Directors. The Secretary ensures that all relevant Legislations, Guidelines and any such codes are adhered to by the Board and provide for advice on corporate governance matters as and when required.

In addition, the Board have access to independent professionals for further advice.

The details on the Company Secretary can be found in the Administration section on page 241.

2.3 PRINCIPLE 3: DIRECTORS APPOINTMENT PROCEDURES

"There should be a formal, rigorous and transparent process for the appointment, election, induction and re-election of directors. The Search for Board candidates should be conducted and appointments made on merit against objective criteria (to include skills, knowledge, experience, and independence and with due regard for the benefits of diversity on the Board, including gender). The Board should ensure that a formal, rigorous and transparent procedure be in place for planning the succession of all key office holders." (The National Code of Corporate Governance for Mauritius).

2.3.1 Directors' appointment, election, induction and re-election of directors

Following its mandate, the Nomination and Remuneration Committee has set specific procedures, including a Directors' Onboarding Checklist, have been put in place for newly appointed directors to familiarize themselves with the Bank's overall structure as well as their expected roles and responsibilities as per the Companies Act 2001, the Bank's Constitution, the Board and Committees' Terms of References as well as other Guidelines and the Code.

The Board is responsible for the induction of newly appointed Directors and it ensures that they are given a well thought out induction programme to help them acquaint with the proceedings of the Board. Accordingly, on appointment, directors are provided with a comprehensive 'Directors' Induction' pack comprising, amongst others, of the above-mentioned documents and receive appropriate induction and orientation process on their expected roles and responsibilities.

Additionally, regular training programs are arranged for all the Bank's directors to help them better discharge their responsibilities as members of the Board.

The directors adhere to the provision in the Guideline on Corporate Governance which allows a director to serve for a maximum term of six years. Recognising the need to have a formal succession plan at the Bank, a 'Succession Planning for Directors' has been drafted and implemented, based on the feedback provided by Directors in their evaluation exercise.

2.3.2 Biographies of Directors

The directors' profile is described in the "Administrative Information" Section.

2.3.3 Website

As per the recommendations of the Code under principle, the profile of individual directors following can be found on the Bank's website.

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CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.4 PRINCIPLE 4: DIRECTOR DUTIES, REMUNERATION AND PERFORMANCE

“Directors should be aware of their legal duties. Directors should observe and foster high ethical standards and a strong ethical culture in their organisation. Conflicts of interest should be disclosed and managed. The Board is responsible for the governance of the organisation’s information, information technology and information security. The Board, Committees and individual directors should be supplied with information in a timely manner and in an appropriate form and quality in order to perform to required standards. The Board, committees and individual directors should have their performance evaluated and be held accountable to appropriate stakeholders. The Board should be transparent, fair and consistent in determining the remuneration policy for directors and senior executives.” (The National Code of Corporate Governance for Mauritius).

2.4.1 Legal Duties of Directors

Directors are apprised of their role when joining the Bank. A Directors’ Induction Handbook (“Handbook”) is provided to each and every director on onboarding and includes some key legal and regulatory requirements, inclusive of the Companies Act 2001, the Banking Act 2004, Bank of Mauritius’ Guideline on Corporate Governance as well as the National Code of Corporate Governance.

- To act in accordance with the Bank’s constitution;
- To promote the success of the Bank;
- To exercise independent judgement;
- To use reasonable care, skill and diligence;
- To avoid conflicts of interest;
- Not to accept benefits from third parties nor to gain advantage from the use of the position as a director;
- To act in good faith for the benefit for the Bank; and
- To use powers for a proper purpose for the benefit of members as a whole.

2.4.2 Evaluation of the Board, its Committees and individual directors

As part of their duties and commitment towards constructive decision making, directors carry out an evaluation exercise that helps assess the overall effectiveness of the Board and its Committees, as well as getting an overall view of the knowledge areas of the directors. The last evaluation exercise was carried out during the financial year 2020/2021.

The evaluations will encompass the following:

Directors are apprised of their role when joining the Bank. A Directors’ Induction Handbook (“Handbook”) is provided to each and every director on onboarding and includes some key legal and regulatory requirements, inclusive of the Companies Act 2001, the Banking Act 2004, Bank of Mauritius’ Guideline on Corporate Governance as well as the National Code of Corporate Governance.

- Composition of the Board – with reference to age and gender;
- Composition of Committees of the Board;
- Regulatory Environment;
- Technological Environment;
- Relationship between the Board and Management;
- Allocation of time during the Board and Committees;
- Quality of information provided; and
- Timeliness of information provided.

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CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.4.3 Directors' Interests and Dealings in Shares

The Company Secretary maintains an interest register and is available for consultation to shareholders upon request.

The Directors have no direct or indirect interest in the share capital of the Bank. The shares of the Bank are not quoted on the stock exchange and hence there were no dealings in shares by its Directors.

Pursuant to section 48 of the Banking Act 2004, the Bank has a rigorous procedure for the management of conflicts of interest. All directors are required to disclose any interest they may have in any activity of the Bank.

2.4.4 Related Party Transactions and Practices

The Guideline on Related Party Transactions (revised in May 2022) issued by the Bank of Mauritius, is made up of 5 sections:

- Governance Framework;
- Rules Governing Related Party Transactions;
- Monitoring of Related Party Transactions;
- Disclosure and Regulatory Reporting; and
- Transitional Provisions.

Related parties, whether body corporate or natural persons, fall into two main categories:

- (a) Those that are related to a financial institution because of ownership interest; and
- (b) Those that are related otherwise, such as directors and senior officers who may also have some ownership interest in the financial institution.

Related party transactions include:

- (a) Credit exposure, that is credit, financial leasing, non-fund based commitments such as documentary credits, guarantees on behalf of a related party, acquiring a loan made by a third party to a related party, investment in equity or other debt instruments of a related party, and any other commitment to provide funds or substitute of funds to a related party;
- (b) Placements made by the financial institution with a related party;
- (c) Conditional sales agreements with a related party;
- (d) Consulting or professional service contracts with a related party;
- (e) Deposits placed with the financial institution by a related party
- (f) Acquisition, sale or lease of assets of a related party; and
- (g) Any pecuniary relationship or other transactions or arrangement with a related party (including by way of service arrangements or contracts).

The Guideline outlines 3 categories of credit exposures to related parties and prescribes the regulatory limits applicable.

In line with the Related Party Transactions, the Board of directors of the Bank has established a policy on related party transactions. The Policy sets out prudent rules and internal limits.

Related party reporting to the Bank of Mauritius is done on a quarterly basis. Ongoing monitoring and reporting related party transactions are also carried out in the Credit Risk Monitoring Committee, Risk Management and Corporate Governance Committees and at Board's level.

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CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.4.5 Access to information

As part of their obligations, directors are furnished with adequate information as and when required by various key members of managements. This information is provided in a timely manner and are inclusive of reports from various departments of the Bank. Additionally, the directors receive independent reports through the Bank's internal auditor, Compliance Department and the external auditor.

The directors have access to all required documentation and to the Company Secretary for any eventual queries and additional information.

2.4.6 Information Technology and Information Security ("IT")

The strategic projects and a high-level implementation plan are presented to the Board on regular basis. The Board is also apprised on the progress and implementation of these projects. These projects are reviewed at an operational level through the monthly IT Steering Committee created for the purpose involving the Project Sponsors from business and the team members to review and take appropriate measures to achieve the milestones as expected.

For the IT policies, these are reviewed on a periodic regular basis and presented to the Board for approval and ratification. Also, as part of governance, the performance of the IT systems project is reviewed through a monthly IT Steering Committee and submitted to EXCO for update together with Change Management governances that have been put in place for periodic review. The Change Management Committee sits on weekly basis to approve any changes, as may be deemed appropriate, on the production environment.

As part of the Business Continuity Plan (BCP), an annual Disaster Recovery drill is conducted involving the business unit to test the effectiveness of recovery and measured through Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO) agreed with the business unit. A consolidated report from Business and Technical unit as an outcome of the drill is usually presented to the Board for information. The Disaster Recovery drill activity was conducted in phases for financial year 2022/2023 and was completed successfully. Furthermore, the bank has put in place appropriate governance structure to separate activities of the IT Operation division and IT Risk division the division responsible to monitor compliance with IT Security policies and standards.

Independent regular monitoring and adherence checks to IT Security policies are carried out and reported to Management of the bank.

The Board Cybersecurity Committee which was set up on 21 June 2022 assists the bank in fulfilling its Cybersecurity risks management and control responsibilities.

Information Security Policies are in place to define requirements for the protection of the information assets of the bank. Policies are regularly updated and ratified by the Executive Committee.

Significant IT expenditure is approved at the level of the Board, as per the Procurement policy.

2.4.7 Directors' Remuneration

The fees payable to the Chairperson of the Board of directors and the other directors of MauBank Ltd have been determined by the Ministry of Finance, Economic Planning & Development. The remuneration and other benefits received by the directors for MauBank Ltd and MauBank Investment Ltd amounted to **Rs 22,719,675** for the year ended 30 June 2025 compared to Rs 20,806,652 for the year ended 30 June 2024 and Rs 29,094,744 for the year ended 30 June 2023.

Directors' remuneration is in line with current market practice and is commensurate with their level of commitment towards their obligations as Directors of the Bank.

In line with the requirements of the Code, the Bank's Non-Executive Directors have not received remuneration in the form of share options or bonuses associated with organisational performance. Remuneration for the Executive Director comprises a base salary and short-term benefits which reflect his responsibilities and experience, as well as a variable element in the form of a bonus, determined by the performance of both the Bank and the individual.

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

The remuneration of the Executive Directors and the Non- Executive Director is as follows:

	Year ended 30 June 2025	Year ended 30 June 2024
	Rs	Rs
Executive Director	19,754,675	16,887,652
Non-Executive Directors	2,965,000	3,919,000
	22,719,675	20,806,652

2.4.8 Statement of Remuneration Philosophy

The Bank has a Nomination and Remuneration Committee which is a Committee of the Board, and it has the responsibility of approving the selection of competent and qualified personnel. The Committee aims to promote fair and competitive employee remuneration that incentivizes performance and helps in attracting and retaining talent. Qualifications, skills, scarcity, past performance, individual potential, market practices, responsibilities shouldered, and experience are among other factors which influence the remuneration package.

Employee Benefits:

- The Bank currently contributes a percentage of the employees' basic salaries to a pension scheme to provide for a retirement pension at the end of the employees' professional career;
- The Bank provides employees with loans under preferential interest rates and conditions;
- The Bank grants employees a monthly travelling allowance, with the amount varying according to their job grades and responsibilities; and
- The Bank provides medical coverage for all employees and their dependents.

2.5 PRINCIPLE 5: RISK GOVERNANCE AND INTERNAL CONTROL

"The Board should be responsible for risk governance and should ensure that the organisation develops and executes a comprehensive and robust system of risk management." (The National Code of Corporate Governance for Mauritius).

The Board should ensure the maintenance of a sound internal control system.

The Bank's internal controls help ensure it achieves its objectives in operational effectiveness and efficiency, reliable financial reporting, and in compliance with laws, regulations and policies. They also help ensure that the Bank's risk management activities operate as designed and that the management of risk is carried out appropriately.

During the year there were no significant or material deficiencies in the Bank's Internal Control systems that the management are not aware of. Management was not aware of any significant area not covered by Internal Control systems.

Please refer to the Management Discussion and Analysis section within this annual report for risk management disclosures.

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.5.1 Whistleblowing Policy

The Bank has a Whistleblowing Policy in place for employees to raise concerns internally and at a high level, and also disclose any information which the employee believes shows malpractice and impropriety.

These concerns could include:

- Failure to comply with a legal obligation or statutes.
- Criminal activity.
- Improper conduct or unethical behavior as quoted in the Bank's Code of Conduct and Ethics Policy and in contravention with generally acceptable standards of business practice in the banking industry.
- Conduct which is an offence or a breach of law.
- Disclosures related to lapses of justice and unfairness.
- The unauthorized use of the Bank's funds, assets and information.
- Possible cases of fraud, corruption and money laundering cases.
- Attempts to conceal any of the above.

The Board has considered the whistle blowing complaints in FY 2024/2025 and instituted internal inquiries to assess the same. The reports from the internal inquiries are delivered to the Board to make an informed decision.

This Policy aims to:

- Encourage employees to feel confident about raising their apprehensions and to question any act that may raise concerns about practices that may bring disrepute to the Bank and/or cause financial or other loss to the Bank and/or any malicious act that may adversely affect a staff member.
- Provide avenues for employees to raise those concerns and receive feedback on any action taken.
- Reassure employees that they will be protected from possible reprisals or victimization if they have reasonable belief that they have made any disclosure in good faith.
- Minimize the Bank's exposure to the damage that can occur when employees circumvent internal mechanisms.
- Ensure that employees understand the importance of adhering to the Bank's Code of Conduct and Ethics Policy, as well as other applicable policies.

2.6 PRINCIPLE 6: REPORTING WITH INTEGRITY

"The Board should present a fair, balanced and understandable assessment of the organisation's financial, environmental, social and governance position, performance and outlook in its annual report." (The National Code of Corporate Governance for Mauritius).

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.6.1 Directors' Responsibilities in respect of the Financial Statements

Company law requires the directors to prepare financial statements for each financial period which present fairly the financial position, performance and cash flows of the Group. In preparing those financial statements, the Directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether International Financial Reporting Standards have been followed and complied with, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue in business in the foreseeable future; and
- State whether the Code of Corporate Governance has been adhered to, or if not, give reasons where there has been no compliance.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Bank and to enable them to ensure that the financial statements comply with the requirements set out in the Bank of Mauritius Guideline on Public Disclosure of Information, International Financial Reporting Standards, the Financial Reporting Act 2004, the Companies Act 2001 and the Banking Act 2004. They are also responsible for safeguarding the assets of the Group and, hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and maintain an effective system of internal controls and risk management.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

2.6.2 CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Year on year, the bank pursues its Corporate Social Responsibility programme with the partnership of Non-Government Organisations (NGOs) for the advancement of social projects. We are of the view that as an ethical organization, our goals should continuously reflect the interaction of profit-maximization behavior with non-economic concerns. By devoting a yearly budget to community initiatives, the bank endeavors to strengthen its role in contributing to the social and economic growth of society through poverty alleviation, community empowerment and social inclusion.

The Bank's CSR objectives have remained focused on the reduction of social vulnerabilities and inequalities, particularly among children, youth and women, and on access to education for a more sustainable and inclusive development.

In line with the eligibility criteria/sectors of the National Social Inclusion Foundation, the bank has focussed on four main axes of intervention, namely:

1. Medical Assistance
2. Facilitate Integration of Children with Disabilities
3. Support after-school care centers and learning corners
4. Protection and preservation of the environment

During the financial year 2024/2025, the Bank has pursued its partnership NGOs on their projects and/or through staff engagement activities.



Corporate Social Responsibility

MauBank's CSR agenda is guided by a clear principle: social and environmental stability from the foundation of long-term economic resilience. The Bank's responsibility extends to supporting initiatives that strengthen community structures and address essential needs where public and private interventions remain insufficient.

The organisations supported by MauBank operate in areas that require sustained attention: elderly care, disability inclusion, animal welfare and environmental stewardship. These sectors face structural constraints, and the role of committed partners is often decisive in maintaining continuity of service. The Bank prioritises initiatives that demonstrate measurable outcomes and long-term value for the communities they serve.

Our CSR approach is anchored in targeted support and close alignment with the operational priorities of our partner organisations. Funding is directed toward defined projects that enhance service delivery, reinforce organisational capacity and improve conditions for beneficiaries. Regular engagements with NGO partners allow the Bank to assess needs accurately and ensure that interventions remain practical and responsive to emerging challenges.

In 2025, MauBank allocated over Rs 2.9 million to five organisations whose work addresses critical social and environmental gaps.

Elderly Care

At Meenatchee Home, MauBank's contribution facilitated upgrades to living spaces, essential equipment and day-to-day care structures, improving overall conditions for elderly residents in vulnerable situations.

Animal Welfare

Funding to Well Being of Strays supported the acquisition of a dedicated rescue vehicle, enhancing field response capabilities and improving the management of animal rescue operations across the island.



Environmental Management

Through its partnership with We Recycle, the Bank contributed to initiatives aimed at improving waste-sorting practices and environmental awareness, including the installation of dedicated recycling bins across high-traffic areas in the centre.

MauBank's CSR commitments are structured around four priorities: access to education, support to children with disabilities, improved social conditions for vulnerable groups and the promotion of responsible environmental practices. These pillars align with the social and environmental dimensions of the Bank's ESG strategy and reflect a sustained commitment to integrating responsibility into our operations.

The Bank will continue to direct its CSR efforts toward initiatives that demonstrate structural relevance, operational rigour and long-term community value.



Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.6.2 CORPORATE SOCIAL RESPONSIBILITY ("CSR") (Cont'd)

Hindu Maha Jana Sangham – Meenatchee Home

Project Name: *Construction of Toilet and Shower Block with aat Meenatchee Home*

In 2025, the bank contributed to the construction of a new toilet and shower block at Meenatchee Home, designed to meet the needs of residents with limited mobility. The facility, which houses elderly and disabled individuals, faced serious limitations in its existing infrastructure particularly in providing accessible sanitary spaces. MauBank's support reinforced its commitment to inclusive care and infrastructure.

The new facilities are wheelchair-friendly and purpose-built to enhance access, comfort, hygiene, and safety. For the 54 residents who call Meenatchee Home their own, this initiative has translated into a better quality of life and greater peace of mind in their daily routines.

This project reflects MauBank's ongoing commitment to supporting organisations that care for some of the most in need members of our society. While basic needs such as food, shelter, and clothing are fundamental, shelter must go beyond four walls to address the realities of daily life especially with regard to safety and accessibility. As a bank that exists to serve people, supporting this initiative was not merely a gesture; it was a responsibility. We view our role not only as a financial partner, but as an active contributor to long-term change. This initiative supports several Sustainable Development Goals (SDGs) SDG 3: Good Health and Well-being, SDG 10: Reduced Inequalities and SDG 11: Sustainable Cities and Communities.

By promoting health, inclusivity, and equitable access to infrastructure, the project aligns with our broader commitment to social impact.

Key Outcomes

- Improved hygiene and accessibility for 54 residents
- Greater capacity to admit individuals with reduced mobility
- Strengthened operational efficiency of the centre

By supporting organisations that care for society's most vulnerable, the bank contributes to building a more inclusive, compassionate, and supportive community where basic human rights, such as safe and accessible shelter, are upheld.

We Recycle – Installation of Recycling Bins

Project Title: *Installation of Recycling Bins at Tribeca Mall and the University of Mauritius*

With environmental challenges becoming increasingly urgent, implementing practical, community-based solutions are vital for driving long-term behavioural change. In June 2025, the bank supported the NGO We Recycle by funding the installation of collection stations at two high-traffic public locations: Tribeca Mall and the University of Mauritius. The bins, designed to collect plastic bottles and aluminium cans, aim to improve access to the recycling chain and promote responsible waste disposal habits.

By placing sustainable solutions within everyday environments, MauBank reinforces the importance of daily action in addressing global issues. This project contributes to SDG 11: Sustainable Cities and Communities and SDG 13: Climate Action.

Key Outcomes

- Improved access to recycling facilities in public spaces
- Encouraged responsible disposal habits
- Increased awareness of plastic waste issues
- Supported waste reduction and upcycling
- Promoted environmental education within the community

Supporting such initiatives reflects our belief that lasting environmental change begins with awareness, accessibility, and consistent reinforcement of responsible behaviours across communities.

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.6.2 CORPORATE SOCIAL RESPONSIBILITY (“CSR”) (Cont'd)

Well Being of Strays – Vehicle Funding

Project Title: *Funding of a Transport Van for Stray Animal Rescue*

In support of animal welfare, the bank allocated funds to the NGO Well Being of Strays for the purchase of a dedicated transport van. This vehicle now serves as a lifeline for stray animals enabling safe rescues and ensuring timely transportation to veterinary clinics or shelters.

Many of these animals are found injured, ill, or in distress, and immediate intervention is often crucial for their survival. Previously, the organisation relied on daily taxi services to respond to emergencies—an approach that was financially unsustainable and severely limited their responsiveness.

With the dedicated van, the NGO can now operate more efficiently, respond with greater urgency, and offer these animals a real chance at healing and a better life. The initiative has enhanced rescue operations, ensured timely access to veterinary care, and increased the capacity for large-scale sterilisation efforts critical for controlling stray populations and mitigating long-term health and environmental risks.

Supporting this initiative demonstrates MauBank's belief that compassion should extend to all forms of life. Social responsibility encompasses not only people, but also the animals that share our communities.

This project supports several Sustainable Development Goals, notably SDG 11 Sustainable Cities and Communities and SDG 15 Life on Land, by promoting environmentally responsible behaviour and make cities safe, resilient, inclusive and sustainable.

Key Impacts

- Improved rescue operations and transportation for stray animals
- Timely access to veterinary care
- Enhanced capacity for sterilisation campaigns
- Mitigated long-term health and environmental risks associated with stray overpopulation

The bank has been supporting the NGO since 2021 and previously financed sterilization projects. Supporting this initiative reaffirms our view that social responsibility extends to all living beings, and reflects our commitment to a more humane and sustainable future.

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.7 PRINCIPLE 7: AUDIT

“Organisations should consider having an effective and independent internal audit function that has the respect, confidence and co-operation of both the Board and the management. The Board should establish formal and transparent arrangements to appoint and maintain an appropriate relationship with the organisation’s internal and external auditors.” (The National Code of Corporate Governance For Mauritius).

2.7.1 Internal audit

The established Internal Audit function provides the Board of Directors (Governing Body) and senior management with the required level of assurance based on the highest level of independence and objectivity. By bringing a systematic, disciplined approach in its audit evaluation, Internal Audit adds value to the Bank’s risk management, control and governance processes.

The Head of Internal Audit reports functionally to the Audit Committee and administratively to the Chief Executive Officer in line with the Banking Act requirements and good governance practices. Internal Audit has unrestricted access to the Bank’s activities, properties, records, information and personnel..

As third line of defence, Internal audit helps the Board and management maintain and improve the process by which risks are identified and managed and helps the Board discharge its responsibilities for maintaining and strengthening the internal control framework. In addition to the objectives of providing assurance, the function also delivers consulting activities in a risk-based approach, aligned to laws, regulations, and the bank’s strategic objectives.

The audit universe includes all business units and operations. Based on risk assessment carried out, resources are allocated and an annual risk-based audit plan, with a schedule of execution, is drawn up and approved by the Audit Committee. The Internal Audit Methodology adopted are in line with the Global Internal Audit Standards 2024, as prescribed by the Institute of Internal Auditors (IIA).

The audit plan is executed by the Head of Internal Audit, who is adequately supported by a group of staff members, who have the requisite experience in banking, audit, finance and information technology. Progress reports on the execution of the plan are tabled at each Audit Committee meetings which are held at least on a quarterly basis.

After each assignment, an audit report is prepared and tabled in the Audit Committee. The report contains findings with their associated risks, recommendations that address the risks in accordance with the Bank’s risk tolerance. The recommendations are agreed with business owners and action plans with a time frame for execution are drawn in consultation with the Head of Business Units before audit reports are issued. Follow up is carried on a regular basis to obtain status on implementation of recommendations made and reported to the Audit Committee.

Each finding is rated according to the level of risk. Each unit is graded based on the model for evaluating internal controls developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), used internationally.

All high-risk units and the medium risk units were covered satisfactorily as part of the approved audit plan for the financial year 2024/2025.

The details on the Head of Internal Audit can be found in the Administration section on page 240.

Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.7.2 External auditors

Ernst & Young is in its third year as external auditor of the Group and the Bank for the year ended 30 June 2025.

The remuneration, inclusive of Value Added Tax, for audit and other services payable, is as follows:

	The Group			The Bank		
	Year ended 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023	Year ended 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Audit fees	9,085,000	8,682,500	8,399,600	9,085,000	8,682,500	8,199,500
Other services	632,500	2,357,500	2,530,000	632,500	2,357,500	2,530,000
TOTAL	9,717,500	11,040,000	10,929,600	9,717,500	11,040,000	10,729,500

Other services for the year ended 30 June 2025 paid to Ernst & Young relates to assurance reports for dividend payment.

Ernst & Young retains its independence with regards to their statutory obligations.

The Audit Committee meets regularly with the external auditor (including once at the planning stage before the audit and once after the audit at the reporting stage), to discuss the external auditor's remit and any issues arising from the external audit. Meetings are also held with the external auditor by the Board / Board members, without the presence of Management, at least once a year, if required.

The members of Audit Committee have met with the external auditor without the presence of management during the year.

2.8 PRINCIPLE 8: RELATIONS WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

"The Board should be responsible for ensuring that an appropriate dialogue takes place among the organisation, its shareholders and other key stakeholders. The Board should respect the interests of its shareholders and other key stakeholders within the context of its fundamental purpose." (The National Code of Corporate Governance For Mauritius).

2.8.1 SHAREHOLDING

As at 30 June 2025, the stated capital of the Bank stood at Rs 3,216,601,090 represented by 8,419,472,765 shares. The Bank has twelve (12) shareholders on its share register with MauBank Holdings Ltd ("Holdings") holding 99.96% interest in the Bank and the remaining shares are held by eleven (11) shareholders inclusive of public sector bodies and cooperative societies. The holding company is owned at 100% by the Government of Mauritius.

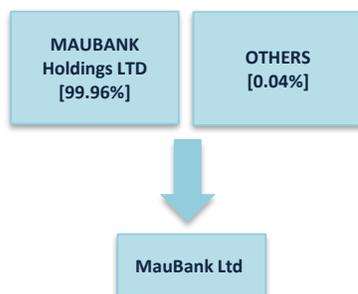
Financial statements for the year ended 30 June 2025

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE APPLIED (Cont'd)

2.8.2 GROUP STRUCTURE

The Group Structure of the Bank as at 30 June 2025 is shown below:



The List of Directors of MauBank Holdings Ltd as at 30 June 2025 is as follows:

Mr. Rawoteea Mahess

Mrs. Khuroona Ranmondhur-Ruggoo (Resigned on 14 August 2025)

Mrs. Aubdoollah-Suhootoorah Bibi Naimadee (Resigned on 14 August 2025)

2.8.3 SHAREHOLDERS DIARY

The last annual meeting of shareholders was held on 15 November 2023 (See Section 1: Statement of Compliance by the Board)

2.8.4 ENGAGING WITH KEY STAKEHOLDERS

The Bank endeavours to build trusted and sustainable relationships with key stakeholders through regular communication and engagement. The Bank communicates to its stakeholders in a transparent manner through various communication channels, including press announcements, events and the Bank's website and social media pages.

The Bank of Mauritius

The Bank is a highly regulated entity, under the supervision of the Bank of Mauritius. The Bank strives to comply with all regulatory provisions and guidelines in the conduct of its activities.

Employees

The Bank's ultimate aim is to provide its employees with a safe and conducive working environment, where they feel valued, empowered, and respected. The Bank has implemented numerous initiatives during the year to enhance its working environment.

Financial Partners

The Bank plays an important role within the wider banking community with active participation within the Mauritius Bankers Association.

Financial statements for the year ended 30 June 2025

STATEMENT OF COMPLIANCE

[IN ACCORDANCE WITH SECTION 75(3) OF THE FINANCIAL REPORTING ACT 2004]

Name of Public Interest Entity ("PIE") : MauBank Ltd
Reporting Period : Year ended 30 June 2025

We, the Directors of MauBank Ltd confirm that to the best of our knowledge MauBank Ltd has, save for the holding of its Annual Meeting of Shareholders (See Section 1 - Statement of Compliance by the Board) complied with all of its obligations and requirements under the Code of Corporate Governance in all material aspects.



Mr. Ramanaidoo Sokappadu
Acting Chairperson
On behalf of Board of Directors



Mr. Vishuene Vydellingum
Chief Executive Officer
On behalf of Board of Directors



Mr. Sivananda Semjee
Director
On behalf of Board of Directors

Date: 25 September 2025

Ebène 72201, Republic of Mauritius

Statement of management's responsibility for financial reporting

FOR THE YEAR ENDED 30 JUNE 2025

The Group financial statements (consolidated) and the financial statements for the Bank's operations have been prepared by management, who is responsible for their integrity, consistency, objectivity and reliability. International Financial Reporting Standards, as well as the requirements of the Banking Act 2004 and the guidelines issued thereunder, the Companies Act 2001, the Financial Reporting Act 2004 have been applied 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 its sub committees such as the Audit Committee and the Conduct Review Committee, Board Risk Management Committee and Corporate Governance Committee, which comprise Independent and Non-Executive Directors who are not officers or employees of the Bank, oversees management's responsibility for financial reporting, internal controls, assessment and control of major risk areas, and assessment of significant related party transactions.

The Bank's Internal Auditor, who has full and free access to the Audit Committee, conducts a well-designed program of internal audits in coordination with the Bank's external auditors. In addition, the Bank's compliance function maintains policies, procedures and programs 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, Ernst & Young, has full and free access to the Board of Directors and its committees to discuss the audit and matters arising therefrom, such as its observations on the fairness of financial reporting and the adequacy of internal controls.



Mr. Ramanaidoo Sokappadu

Acting Chairperson

On behalf of Board of Directors



Mr. Vishuene Vydelingum

Chief Executive Officer

On behalf of Board of Directors



Mr. Sivananda Semjee

Director

On behalf of Board of Directors

Date: 25 September 2025

Ebène 72201, Republic of Mauritius

Report from the Secretary

I certify, to the best of my knowledge and belief, that the Bank has filed with the Registrar of Companies all such returns as are required of the Bank under the Companies Act 2001, in terms of Section 166 (d), during the year ended 30 June 2025.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a solid horizontal line.

Mr. Tranquille Jean Hugues Ivan
Company Secretary

Date: 25 September 2025

Ebène 72201, Republic of Mauritius

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MAUBANK LTD**

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Opinion

We have audited the consolidated and separate financial statements of MauBank Ltd (the "Company") and its subsidiary (the "Group") set out on pages 73 to 205 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 and other 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 consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and Company as at 30 June 2025, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and comply with the Companies Act 2001, Banking Act 2004 and 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 Company 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 other independence requirements applicable to performing audits of financial statements of the Group and Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Group and Company and in Mauritius. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAUBANK LTD

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (Continued)

The Key Audit Matters applies equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
<p>Allowance for expected credit loss on financial assets</p> <p>1. Loans and advances to customers</p> <p>As disclosed in note 13, the Group and the Bank have a net loans and advances to customers of MUR 29.3Bn (2024: MUR 23.4Bn; 2023: MUR 20.3Bn) and 29.4Bn (2024: MUR 23.5Bn, 2023: MUR 20.4Bn) respectively as at 30 June 2025. As explained in the accounting policies, these loans and advances to customers are carried at amortised cost, less allowance for credit losses which amounted to MUR 945.5M (2024: MUR 647M, 2023: MUR 544M) for the Group and the Bank.</p> <p>The ECL framework implemented by the Group and the Bank involves significant judgement and assumptions that relate to, amongst others:</p> <ul style="list-style-type: none"> • the identification of Significant Increase in Credit Risk (SICR), and in particular the selection of criteria to identify a SICR. These criteria are highly judgemental and can materially impact the ECL recognised for certain portfolios where the life of the facilities is greater than 12 months; • the use of a number of critical assumptions in the determination of Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD); 	<p>With the assistance of the EY specialist team we performed the following:</p> <p>For stage 1 and stage 2 loans, we assessed the appropriateness of the model used including the inputs and assumptions by performing the following procedures:</p> <ol style="list-style-type: none"> 1. Reviewing the methodology adopted by the Bank for calculation of ECL and in particular the segmentation of loans in appropriate portfolios reflecting different risk factors. Our review also includes an assessment of the design of the models used for determination of PD, LGD and EAD for different types of loans including inter-alia term loans, overdraft facilities, credit cards, guarantees and other off-balance sheet exposures; 2. Checking the adequacy and quality of the data used for the calculation of PD, LGD and EAD; 3. Assessing the key assumptions used in PD, LGD and EAD models and ensure such assumptions reflect the actual behaviours of the credit facilities; 4. Reviewing the criteria for staging of credit exposures and ensure these are in line with the requirements of IFRS 9 including any backstops used in the methodology; 5. Ensuring that the criteria for the various staging have been properly applied to each portfolio; 6. Reviewing the minutes of Board Investment Credit Committee and Management Investment Credit Committee and ensure proper classification to Stage 2 is made for all clients on watchlist; 7. Checking the accuracy of critical data elements input into the system used for credit grading and the approval of credit facilities;

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAUBANK LTD

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (Continued)

The Key Audit Matters applies equally to the audit of the consolidated and separate financial statements. (Continued)

Key Audit Matter	How the matter was addressed in the audit
<p>Allowance for expected credit loss on financial assets (Continued)</p> <p>1. Loans and advances to customers (Continued)</p> <ul style="list-style-type: none"> • the use of forward-looking information to determine the likelihood of future losses being incurred; • Qualitative adjustments made to model driven ECL results raised to address model limitations, emerging risks and trends in underlying portfolios which are inherently judgemental. <p>The determination of ECL on loans and advances to customers therefore involves a very high level of management judgement, thus requiring greater audit attention and was considered a key audit matter in the current year.</p>	<p>8. Reviewing of the PD and LGD calculations including the incorporation of forecast macro-economic information by our data modelling specialists;</p> <p>9. Testing the accuracy and completeness of the ECL model by reperformance and focussing on exception reports.</p> <p>For impairment of loans in stage 3, judgement is required to determine when a loan is considered to be credit impaired and the determination of the impairment loss suffered.</p> <p>1. Where cash flows for large credits include the realisable value of collateral securing the credit, the value of such collateral is based on the opinion of independent and qualified appraisers. We thus assessed the independence and the qualification of the appraisers. Areas of focus included the corporate and international banking lending portfolios which represent high value exposures.</p> <p>2. We ensured that all credit impaired loans have been properly identified by management by:</p> <ul style="list-style-type: none"> • Reviewing the minutes of the Special Assets Management impairment exercise, Management Investment Credit Committee, Board Investment Credit Committee; • Obtaining and testing loan arrears reports and ensuring that all arrears exceeding 90 days are included in the stage 3 impairment list of the ECL model; • Identifying loan facilities meeting certain criteria such as financial difficulties of the borrower, restructured loans, insufficient collaterals and exposures to sectors in decline and ensuring these are included in the list of credit impaired facilities.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MAUBANK LTD**

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (Continued)

The Key Audit Matters applies equally to the audit of the consolidated and separate financial statements.
(Continued)

Key Audit Matter	How the matter was addressed in the audit
	<p>3. For loans that are credit impaired:</p> <ul style="list-style-type: none"> • We independently assessed the appropriateness of provisioning methodologies and policies and formed an independent view on the levels of provisions booked based on the detailed loan and counterparty information in the credit files. • We re-performed calculations within a sample of discounted cash flow models; • We assessed the reasonableness of assumptions used to support the timing and extent of the cash flows; and • Where the borrowers' cash flow forecasts are used to determine recoverable amounts, we ensured that these are supported by objective and unbiased evidence. <p>The disclosures relating to allowances for expected credit loss has been provided in note 32.</p>

Other Information

The directors are responsible for the other information. The other information comprises the information included in the 246-page document titled "MauBank Ltd Financial Statements for the year ended 30 June 2024", which includes the corporate information, Directors' Report, Sustainability report, Corporate Governance Report, Statement of management's responsibility for financial reporting, Report from the secretary, Management discussion and analysis and Administrative information as required by the Companies Act 2001. The other information does not include the consolidated or the 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 an audit opinion or 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAUBANK LTD

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of the Directors for the 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 the International Accounting Standards Board and the requirements of the Companies Act 2001, Banking Act 2004 and Financial Reporting Act 2004 and 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 Company'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 Company or to cease operations, or have no realistic alternative but to do so.

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 scepticism 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 and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 Company'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/or the Company to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MAUBANK LTD**

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements (Continued)

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with or interests in the Company or any of its subsidiary other than in our capacity as auditor and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAUBANK LTD

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS (CONTINUED)

Banking Act 2004

In our opinion, the consolidated and separate financial statements have been prepared on a consistent basis and are complete, fair and properly drawn up and comply with the Banking Act 2004 and the regulations and guidelines of the Bank of Mauritius.

The explanations or information called for or given to us by the officers or agents of the Bank were satisfactory.

Financial Reporting Act 2004

The Directors are responsible for preparing the Corporate Governance Report. Our responsibility under the Financial Reporting Act 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 Group has, pursuant to section 75 of the Financial Reporting Act, complied with the requirements of the Code.



ERNST & YOUNG
Ebène, Mauritius



THIERRY LEUNG HING WAH. F.C.C.A.
Licensed by FRC

Date: 25 September 2025

Financial Performance



Total Operating Income
2025

2.67 Bn

2024 | 2.14 Bn
+24.6%



Net Interest Income
2025

1.84 Bn

2024 | 1.38 Bn
+33.2%



Profit Before Impairment & Tax
2025

1.36 Bn

2024 | 1.07 Bn
+26.0%



Net Trading Income
2025

634 Mn

2024 | 482 Mn
+31.6%



Total Assets
2025

57.6 Bn

2024 | 48.5 Bn
+18.7%



Total Deposits
2025

50.8 Bn

2024 | 41.9 Bn
+21.3%



Loan Portfolio
2025

30.2 Bn

2024 | 24.5 Bn
+23.3%



Non-Interest Income
2025

823 Mn

2024 | 755 Mn
+9.0%

Statements of financial position as at 30 June 2025

Notes	The Group			The Bank			
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023	
	Rs	Rs	Rs	Rs	Rs	Rs	
ASSETS							
Cash and cash equivalents	9(a)	10,151,841,620	10,410,128,675	4,566,250,861	10,151,841,620	10,410,128,675	4,566,250,861
Mandatory balances with the Central Bank		3,351,382,724	2,855,998,585	2,277,213,614	3,351,382,724	2,855,998,585	2,277,213,614
Derivative assets	27(i)	11,415,678	78,759,542	10,883,632	11,415,678	78,759,542	10,883,632
Trading assets	10	1,293,362,942	529,476,283	479,676,718	1,293,362,942	529,476,283	479,676,718
Investment securities	11	10,773,382,864	8,597,507,619	5,059,706,303	10,773,382,864	8,597,507,619	5,059,706,303
Loans and advances to banks	12	790,286,809	905,925,292	938,342,148	790,286,809	905,925,292	938,342,148
Loans and advances to customers	13	29,262,518,141	23,413,207,401	20,297,328,616	29,391,862,418	23,553,801,109	20,445,036,472
Property, plant and equipment	14(a)	1,063,666,754	1,052,888,749	1,071,980,600	789,645,583	772,167,579	784,559,430
Intangible assets	14(b)	91,383,066	78,994,101	105,673,352	91,383,066	78,994,101	105,673,352
Right-of-use assets	14(c)	118,535,850	48,935,082	46,932,965	85,723,351	13,778,833	43,140,219
Investment properties	15	390,500,000	390,500,000	390,500,000	390,500,000	390,500,000	390,500,000
Investment in subsidiary	16	-	-	-	100,000	100,000	100,000
Current tax assets	35(c)	1,316,818	6,640,892	6,525,969	-	5,104,282	5,104,282
Deferred tax assets	35(d)	53,408,656	28,500,174	31,752,759	64,967,192	39,994,557	43,163,019
Other assets	17	349,633,750	246,099,945	254,303,326	388,574,101	285,040,299	293,243,677
Total assets		57,702,635,672	48,643,562,340	35,537,070,863	57,574,428,348	48,517,276,756	35,442,593,727
LIABILITIES							
Deposits from customers	18(a)	50,728,270,006	41,827,432,643	30,423,045,218	50,755,072,519	41,848,275,386	30,434,892,362
Derivative liabilities	27(i)	649,014,993	1,075,921,722	868,250,541	649,014,993	1,075,921,722	868,250,541
Lease liabilities	19	97,037,679	20,614,415	17,740,050	90,465,488	13,748,432	46,120,151
Payable to fellow subsidiary	38	30,407,268	14,654,255	13,649,767	30,407,268	14,654,255	13,649,767
Tax liabilities	35(c)	52,490,230	27,124,229	-	52,490,230	27,124,229	-
Other liabilities	20	624,906,784	631,641,048	539,877,625	624,211,443	630,948,309	539,192,491
Retirement benefit obligations	21	177,375,580	148,531,055	114,984,217	177,375,580	148,531,055	114,984,217
Total liabilities		52,359,502,540	43,745,919,367	31,977,547,418	52,379,037,521	43,759,203,388	32,017,089,529
SHAREHOLDERS' EQUITY							
Stated capital	22	3,216,601,090	3,216,601,090	2,716,420,490	3,216,601,090	3,216,601,090	2,716,420,490
Statutory reserve	23	361,177,386	236,831,994	115,694,092	361,177,386	236,831,994	115,694,092
General banking reserve	24(c)	46,758,912	-	-	46,758,912	-	-
Retained earnings		1,610,878,186	1,125,678,791	537,496,351	1,555,952,225	1,078,925,530	496,293,448
Fair value reserve	11(c)	(267,266,882)	(189,773,573)	(307,836,617)	(267,266,882)	(189,773,573)	(307,836,617)
Other reserve	24(b)	25,955,840	159,276,071	148,720,529	25,955,840	159,276,071	148,720,529
Revaluation reserve	24(a)	349,028,600	349,028,600	349,028,600	256,212,256	256,212,256	256,212,256
Total equity		5,343,133,132	4,897,642,973	3,559,523,445	5,195,390,827	4,758,073,368	3,425,504,198
Total liabilities and equity		57,702,635,672	48,643,562,340	35,537,070,863	57,574,428,348	48,517,276,756	35,442,593,727

The notes on pages 81 to 205 form an integral part of these financial statements.

Approved by the Board of Directors and authorised for issue on 25 September 2025 and signed on its behalf by



Mr Ramanaidoo Sokappadu
Acting Chairperson
On behalf of Board of Directors



Mr Vishuene Vydelingum
Chief Executive Officer
On behalf of Board of Directors



Mr Sivananda Semjeevee
Director
On behalf of Board of Directors

Statements of profit or loss and other comprehensive income

For The Year Ended 30 June 2025

Notes	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Interest revenue calculated using the effective interest method	2,867,111,588	2,133,776,832	1,535,781,531	2,876,994,706	2,144,639,475	1,545,913,247
Other interest and similar income	131,528,648	101,935,798	80,824,165	131,528,648	101,935,798	80,824,165
Interest expense calculated using the effective interest method	(1,158,234,026)	(860,179,688)	(488,592,993)	(1,158,234,026)	(860,179,688)	(488,592,993)
Other interest and similar expense	(6,690,069)	(1,126,179)	(782,131)	(6,522,274)	(1,456,620)	(2,023,121)
Net interest income	1,833,716,141	1,374,406,763	1,127,230,572	1,843,767,054	1,384,938,965	1,136,121,298
Fee and commission income	357,350,804	319,572,553	292,122,893	357,350,804	319,572,553	292,122,893
Fee and commission expense	(86,114,665)	(68,365,291)	(51,608,608)	(86,114,665)	(68,365,291)	(51,608,608)
Net fee and commission income	271,236,139	251,207,262	240,514,285	271,236,139	251,207,262	240,514,285
Net trading income	633,861,561	482,060,084	168,550,278	633,861,561	482,060,084	168,550,278
Net (loss)/gain from derecognition of financial assets measured at FVTOCI	(137,408,881)	(32,255,635)	30,941	(137,408,881)	(32,255,635)	30,941
Other income	54,902,015	53,996,356	55,149,324	54,902,015	53,996,356	55,149,324
	551,354,695	503,800,805	223,730,543	551,354,695	503,800,805	223,730,543
Net operating income	2,656,306,975	2,129,414,830	1,591,475,400	2,666,357,888	2,139,947,032	1,600,366,126
Personnel expenses	(690,807,297)	(536,737,009)	(517,238,561)	(690,807,297)	(536,737,009)	(517,238,561)
Operating lease expenses	(39,980,787)	(38,547,343)	(24,815,016)	(71,285,134)	(38,547,343)	(24,815,016)
Depreciation and amortisation	(102,272,740)	(98,049,687)	(108,307,862)	(93,228,991)	(122,713,190)	(133,656,550)
Other expenses	(457,257,945)	(374,456,643)	(369,321,626)	(456,662,283)	(369,195,486)	(364,091,629)
Profit before impairment and income tax	1,365,988,206	1,081,624,148	571,792,335	1,354,374,183	1,072,754,004	560,564,370
Net impairment loss on financial assets	(446,557,496)	(228,379,764)	(176,184,292)	(446,557,496)	(228,379,764)	(176,184,292)
Profit after impairment but before income tax	919,430,710	853,244,384	395,608,043	907,816,687	844,374,240	384,380,078
Income tax expense	(82,288,731)	(40,108,013)	(7,051,664)	(78,847,408)	(36,788,227)	(3,583,687)
Profit for the year	837,141,979	813,136,371	388,556,379	828,969,279	807,586,013	380,796,391
Earnings per share	0.10	0.11	0.05	0.10	0.11	0.05

The notes on pages 81 to 205 form an integral part of these financial statements.

Statements of profit or loss and other comprehensive income (Cont'd)

For The Year Ended 30 June 2025

Notes	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Profit for the year	837,141,979	813,136,371	388,556,379	828,969,279	807,586,013	380,796,391
Other comprehensive income:						
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Gain on revaluation of property, plant and equipment	-	-	14,101,709	-	-	5,101,709
Deferred tax on revaluation of property, plant and equipment	35(d) -	-	(1,525,086)	-	-	4,914
Gain on revaluation of right-of-use assets	24(a) -	-	8,868,421	-	-	-
Actuarial (loss)/gain for the year	21(iv) (20,701,407)	(25,608,633)	19,481,270	(20,701,407)	(25,608,633)	19,481,270
Deferred tax credit/(charge) on actuarial (loss)/gain	35(d) 1,863,127	1,792,604	(974,063)	1,863,127	1,792,604	(974,063)
<i>Items that may be classified subsequently to profit or loss:</i>						
Debt/ Securities measured at FVTOCI						
Movement on fair value during the year	11(c) (214,902,190)	85,807,409	(116,870,535)	(214,902,190)	85,807,409	(116,870,535)
Fair value gains/(losses) reclassified to profit or loss on disposal	11(c) 137,408,881	32,255,635	(30,941)	137,408,881	32,255,635	(30,941)
Credit impairment charge/(reversal) on financial assets at FVTOCI	24(b) (133,320,231)	10,555,542	128,439,818	(133,320,231)	10,555,542	128,439,818
Other comprehensive (loss)/income for the year, net of tax	(229,651,820)	104,802,557	51,490,593	(229,651,820)	104,802,557	35,152,172
Total comprehensive income for the year attributable to equity holders of the parent	607,490,159	917,938,928	440,046,972	599,317,459	912,388,570	415,948,563

Approved by the Board of Directors and authorised for issue on 25 September 2025 and signed on its behalf by



Mr Ramanaidoo Sokappadu
Acting Chairperson
On behalf of Board of Directors



Mr Vishuene Vydelingum
Chief Executive Officer
On behalf of Board of Directors



Mr Sivananda Semjeevee
Director
On behalf of Board of Directors

The notes on pages 81 to 205 form an integral part of these financial statements.

Statements of changes in equity

For The Year Ended 30 June 2025

	Stated Capital	Statutory Reserve	General Banking Reserve	Retained earnings	Fair Value Reserve	Other Reserve	Revaluation Reserve	Total equity
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
The Group								
At 01 July 2024	3,216,601,090	236,831,994	-	1,125,678,791	(189,773,573)	159,276,071	349,028,600	4,897,642,973
Total comprehensive income								
Profit for the year	-	-	-	837,141,979	-	-	-	837,141,979
Change in fair value of financial assets held at FVTOCI (Note 11 (c))	-	-	-	-	(77,493,309)	-	-	(77,493,309)
Credit impairment charge on financial assets at FVTOCI	-	-	-	-	-	(133,320,231)	-	(133,320,231)
Actuarial loss for the year (Note 21)	-	-	-	(20,701,407)	-	-	-	(20,701,407)
Deferred tax credit on actuarial loss	-	-	-	1,863,127	-	-	-	1,863,127
Total comprehensive income	-	-	-	818,303,699	(77,493,309)	(133,320,231)	-	607,490,159
Issue of shares	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	(162,000,000)	-	-	-	(162,000,000)
Transfer to statutory reserve (Note 23)	-	124,345,392	-	(124,345,392)	-	-	-	-
Transfer to general banking reserve (Note 24(c))	-	-	46,758,912	(46,758,912)	-	-	-	-
At 30 June 2025	3,216,601,090	361,177,386	46,758,912	1,610,878,186	(267,266,882)	25,955,840	349,028,600	5,343,133,132

	Stated Capital	Statutory Reserve	General Banking Reserve	Retained earnings	Fair Value Reserve	Other Reserve	Revaluation Reserve	Total equity
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
The Group								
At 01 July 2023	2,716,420,490	115,694,092	-	537,496,351	(307,836,617)	148,720,529	349,028,600	3,559,523,445
Total comprehensive income								
Profit for the year	-	-	-	813,136,371	-	-	-	813,136,371
Change in fair value of financial assets held at FVTOCI (Note 11 (c))	-	-	-	-	118,063,044	-	-	118,063,044
Credit impairment reversal on financial assets at FVTOCI	-	-	-	-	-	10,555,542	-	10,555,542
Actuarial loss for the year (Note 21)	-	-	-	(25,608,633)	-	-	-	(25,608,633)
Deferred tax credit on actuarial loss	-	-	-	1,792,604	-	-	-	1,792,604
Total comprehensive income	-	-	-	789,320,342	118,063,044	10,555,542	-	917,938,928
Issue of shares	500,180,600	-	-	-	-	-	-	500,180,600
Dividend paid	-	-	-	(80,000,000)	-	-	-	(80,000,000)
Transfer to statutory reserve (Note 23)	-	121,137,902	-	(121,137,902)	-	-	-	-
At 30 June 2024	3,216,601,090	236,831,994	-	1,125,678,791	(189,773,573)	159,276,071	349,028,600	4,897,642,973

The notes on pages 81 to 205 form an integral part of these financial statements.

Statements of changes in equity

For The Year Ended 30 June 2025

	Stated Capital	Statutory Reserve	General Banking Reserve	Retained earnings	Fair Value Reserve	Other Reserve	Revaluation Reserve	Total equity
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
The Group								
At 01 July 2022	2,466,420,956	58,574,633	-	227,552,224	(190,935,141)	20,280,711	327,583,556	2,909,476,939
Total comprehensive income								
Profit for the year	-	-	-	388,556,379	-	-	-	388,556,379
Gain on revaluation of property, plant and equipment	-	-	-	-	-	-	14,101,709	14,101,709
Deferred tax on revaluation of property, plant and equipment	-	-	-	-	-	-	(1,525,086)	(1,525,086)
Gain on revaluation of Right-of-use assets	-	-	-	-	-	-	8,868,421	8,868,421
Change in fair value of financial assets held at FVTOCI (Note 11(c))	-	-	-	-	(116,901,476)	-	-	(116,901,476)
Credit impairment charge on financial assets at FVTOCI	-	-	-	-	-	128,439,818	-	128,439,818
Actuarial gain for the year (Note 21)	-	-	-	19,481,270	-	-	-	19,481,270
Deferred tax charge on actuarial gain	-	-	-	(974,063)	-	-	-	(974,063)
Total comprehensive income	-	-	-	407,063,586	(116,901,476)	128,439,818	21,445,044	440,046,972
Issue of shares (Note 22)	249,999,534	-	-	-	-	-	-	249,999,534
Dividend paid	-	-	-	(40,000,000)	-	-	-	(40,000,000)
Transfer to statutory reserve (Note 23)	-	57,119,459	-	(57,119,459)	-	-	-	-
At 30 June 2023	2,716,420,490	115,694,092	-	537,496,351	(307,836,617)	148,720,529	349,028,600	3,559,523,445
	Stated Capital	Statutory Reserve	General Banking Reserve	Retained earnings	Fair Value Reserve	Other Reserve	Revaluation Reserve	Total equity
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
The Bank								
At 01 July 2024	3,216,601,090	236,831,994	-	1,078,925,530	(189,773,573)	159,276,071	256,212,256	4,758,073,368
Total comprehensive income								
Profit for the year	-	-	-	828,969,279	-	-	-	828,969,279
Gain on revaluation of property, plant and equipment	-	-	-	-	-	-	-	-
Deferred tax on revaluation of property, plant and equipment	-	-	-	-	-	-	-	-
Gain on revaluation of Right-of-use assets	-	-	-	-	-	-	-	-
Change in fair value of financial assets held at FVTOCI (Note 11(c))	-	-	-	-	(77,493,309)	-	-	(77,493,309)
Credit impairment charge on financial assets at FVTOCI	-	-	-	-	-	(133,320,231)	-	(133,320,231)
Actuarial loss for the year (Note 21)	-	-	-	(20,701,407)	-	-	-	(20,701,407)
Deferred tax credit on actuarial loss	-	-	-	1,863,127	-	-	-	1,863,127
Total comprehensive income	-	-	-	810,130,999	(77,493,309)	(133,320,231)	-	599,317,459
Dividend paid	-	-	-	(162,000,000)	-	-	-	(162,000,000)
Transfer to statutory reserve (Note 23)	-	124,345,392	-	(124,345,392)	-	-	-	-
Transfer to general banking reserve (Note 24 (c))	-	-	46,758,912	(46,758,912)	-	-	-	-
At 30 June 2025	3,216,601,090	361,177,386	46,758,912	1,555,952,225	(267,266,882)	25,955,840	256,212,256	5,195,390,827

The notes on pages 81 to 205 form an integral part of these financial statements.

Statements of changes in equity

For The Year Ended 30 June 2025

	Stated Capital	Statutory Reserve	Retained earnings	Fair Value Reserve	Other Reserve	Revaluation Reserve	Total equity
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
The Bank							
At 01 July 2023	2,716,420,490	115,694,092	496,293,448	(307,836,617)	148,720,529	256,212,256	3,425,504,198
Total comprehensive income							
Profit for the year	-	-	807,586,013	-	-	-	807,586,013
Gain on revaluation of property, plant and equipment	-	-	-	-	-	-	-
Deferred tax on revaluation of property, plant and equipment	-	-	-	-	-	-	-
Gain on revaluation of Right-of-use assets	-	-	-	-	-	-	-
Change in fair value of financial assets held at FVTOCI (Note 11 (c))	-	-	-	118,063,044	-	-	118,063,044
Credit impairment reversal on financial assets at FVTOCI	-	-	-	-	10,555,542	-	10,555,542
Actuarial loss for the year (Note 21)	-	-	(25,608,633)	-	-	-	(25,608,633)
Deferred tax credit on actuarial loss	-	-	1,792,604	-	-	-	1,792,604
Total comprehensive income	-	-	783,769,984	118,063,044	10,555,542	-	912,388,570
Issue of shares	500,180,600	-	-	-	-	-	500,180,600
Dividend paid	-	-	(80,000,000)	-	-	-	(80,000,000)
Transfer to statutory reserve (Note 23)	-	121,137,902	(121,137,902)	-	-	-	-
At 30 June 2024	3,216,601,090	236,831,994	1,078,925,530	(189,773,573)	159,276,071	256,212,256	4,758,073,368

	Stated Capital	Statutory Reserve	Retained earnings	Fair Value Reserve	Other Reserve	Revaluation Reserve	Total equity
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
The Bank							
At 01 July 2022	2,466,420,956	58,574,633	194,109,309	(190,935,141)	20,280,711	251,105,633	2,799,556,101
Total comprehensive income							
Profit for the year	-	-	380,796,391	-	-	-	380,796,391
Gain on revaluation of property, plant	-	-	-	-	-	5,101,709	5,101,709
Deferred tax on revaluation of proper	-	-	-	-	-	4,914	4,914
Change in fair value of financial assets held at FVTOCI (Note 11(c))	-	-	-	(116,901,476)	-	-	(116,901,476)
Credit impairment charge on financial assets at FVTOCI	-	-	-	-	128,439,818	-	128,439,818
Actuarial gain for the year (Note 21)	-	-	19,481,270	-	-	-	19,481,270
Deferred tax credit on actuarial gain	-	-	(974,063)	-	-	-	(974,063)
Total comprehensive income	-	-	399,303,598	(116,901,476)	128,439,818	5,106,623	415,948,563
Issue of shares	249,999,534	-	-	-	-	-	249,999,534
Dividend paid	-	-	(40,000,000)	-	-	-	(40,000,000)
Transfer to statutory reserve (Note 23)	-	57,119,459	(57,119,459)	-	-	-	-
At 30 June 2023	2,716,420,490	115,694,092	496,293,448	(307,836,617)	148,720,529	256,212,256	3,425,504,198

The notes on pages 81 to 205 form an integral part of these financial statements.

Statements of Cash Flows

For The Year Ended 30 June 2025

Notes	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Cash from operating activities						
Profit before income tax	919,430,710	853,244,384	395,608,043	907,816,687	844,374,240	384,380,078
Adjustments for:						
Finance charge on lease liabilities	19 6,690,069	1,126,179	782,131	6,522,274	1,456,620	2,023,121
Impairment losses on financial assets (excluding bad debts recovered)	32 450,172,323	231,949,946	185,481,770	450,172,323	231,949,946	185,481,770
Loss on restructure of foreign investment	11 125,837,443	-	-	125,837,443	-	-
Depreciation of property, plant and equipment	14(a) 59,810,165	55,848,260	44,166,881	53,110,166	49,148,260	37,597,790
Amortisation of intangible assets	14(b) 25,666,503	29,544,124	40,251,815	25,666,503	29,544,124	40,251,815
Depreciation of right-of-use assets	14(c) 16,796,072	12,657,303	23,889,166	14,452,322	44,020,806	55,806,945
(Gain)/loss on disposal of property, plant and equipment	31 (425,564)	(1,739)	2,354	(425,564)	(1,739)	2,354
(Gain)/loss on termination of rights of use	31 (201,806)	-	-	(201,806)	-	-
(Gain)/loss on revaluation of investment securities at FVTPL and trading assets	30 (20,538,362)	(36,543,798)	(19,793,152)	(20,538,362)	(36,543,798)	(19,793,152)
Gain on revaluation of investment properties	15 -	-	(10,000,000)	-	-	(10,000,000)
Retirement benefit obligations	8,143,118	7,938,205	(5,136,886)	8,143,118	7,938,205	(5,136,886)
	1,591,380,671	1,155,762,864	655,252,122	1,570,555,104	1,171,886,664	670,613,835
Changes in operating assets and liabilities						
(Increase)/decrease in trading assets	(761,278,536)	(49,799,565)	(24,445,128)	(761,278,536)	(49,799,565)	(24,445,128)
Decrease/(increase) in loans and advances to banks	118,159,827	35,834,606	(487,302,660)	118,159,827	35,834,606	(487,302,660)
Increase in loans and advances to customers	(6,431,580,501)	(3,340,349,564)	(3,161,313,207)	(6,420,331,070)	(3,333,235,417)	(3,152,714,303)
Increase in investment securities	(2,132,077,858)	(3,337,592,816)	1,883,517,175	(2,132,077,858)	(3,337,592,816)	1,883,517,175
Increase/(decrease) in payable to fellow subsidiary	15,753,013	1,004,487	(2,967,485)	15,753,013	1,004,487	(2,967,485)
Increase in deposits from customers	8,900,837,363	11,404,387,425	1,635,622,317	8,906,797,134	11,413,383,024	1,642,919,887
(Increase)/decrease in Mandatory Balance with the Central Bank	(495,384,139)	(578,784,971)	(159,662,383)	(495,384,139)	(578,784,971)	(159,662,383)
(Increase)/decrease in other assets	(103,533,805)	8,203,382	(59,706,020)	(103,533,802)	8,203,379	(59,706,020)
(Decrease)/Increase in net derivative liabilities	(359,562,866)	139,795,270	55,879,463	(359,562,866)	139,795,270	55,879,463
(Decrease)/ increase in other liabilities	(8,242,982)	91,916,691	(44,803,941)	(8,245,585)	91,909,087	(44,803,945)
Cash generated from operations	334,470,187	5,530,377,809	290,070,253	330,851,222	5,562,603,748	321,328,436
Tax paid	35(b) and (c) (81,334,668)	(9,475,205)	(9,875,046)	(76,640,680)	(4,702,932)	(5,088,950)
Tax refund received	35(c) 6,690,657	1,421,687	6,499,779	5,154,047	-	6,032,026
Net cash from operating activities	259,826,176	5,522,324,291	286,694,986	259,364,589	5,557,900,816	322,271,512
Cash from investing activities						
Purchase of equity investments	11 (229,197,900)	(426,348,247)	(93,450,207)	(229,197,900)	(426,348,247)	(93,450,207)
Acquisition of property, plant and equipment	14(a) (70,661,475)	(30,191,085)	(55,693,083)	(70,661,475)	(30,191,085)	(55,693,083)
Acquisition of intangibles	14(b) (38,055,468)	(9,430,197)	(12,730,525)	(38,055,468)	(9,430,197)	(12,730,525)
Proceeds from disposal of investment in equity shares	11(b) -	380,746,590	-	-	380,746,590	-
Proceeds from disposal of property, plant and equipment	498,870	1,739	15,696	498,870	1,739	15,696
Net cash used in investing activities	(337,415,973)	(85,221,200)	(161,858,119)	(337,415,973)	(85,221,200)	(161,858,119)
Cash from financing activities						
Proceeds from share capital	-	500,180,600	249,999,534	-	500,180,600	249,999,534
Dividend paid	(162,000,000)	(80,000,000)	(40,000,000)	(162,000,000)	(80,000,000)	(40,000,000)
Lease repayment capital	19 (9,771,770)	(11,785,055)	(18,861,889)	(9,477,978)	(47,031,139)	(53,197,425)
Lease repayment interest	19 (6,690,069)	(1,126,179)	(782,131)	(6,522,274)	(1,456,620)	(2,023,121)
Net cash (used in)/from financing activities	(178,461,839)	407,269,366	190,355,514	(178,000,252)	371,692,841	154,778,988
Net (decrease)/increase in cash and cash equivalents	(256,051,636)	5,844,372,457	315,192,381	(256,051,636)	5,844,372,457	315,192,381
Cash and cash equivalents, at start of the year	10,410,812,594	4,566,440,137	4,251,247,756	10,410,812,594	4,566,440,137	4,251,247,756
Cash and cash equivalents, at end of the year *	9(a) 10,154,760,958	10,410,812,594	4,566,440,137	10,154,760,958	10,410,812,594	4,566,440,137

Statements of Cash Flows (Cont'd)

For The Year Ended 30 June 2025

Notes	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2022	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Additional information on operational cash flows from interest and dividends						
Interest paid	(1,179,000,674)	(737,968,546)	(400,775,607)	(1,178,832,879)	(738,298,987)	(402,016,597)
Interest received	3,011,715,826	2,204,003,982	1,545,185,341	3,022,496,216	2,213,977,087	1,555,301,326
Dividend received	24,513,171	30,709,321	20,292,428	24,513,171	30,709,321	20,292,428

* Cash and cash equivalents disclosed excludes credit losses of **Rs 2.9Mn** (2024: Rs 0.6Mn; 2023: Rs 0.2Mn).

The notes on pages 81 to 205 form an integral part of these financial statements.

Fund change, Build better

From eco-efficient buildings to renewable energy and reduced resource consumption, MauBank provides financing that accelerates the shift toward more responsible living and business practices. We work alongside customers to support projects that protect natural resources, lower environmental impact and contribute to a more sustainable future for Mauritius.



**Better Buildings,
Better Communities,
Better Planet**

**Where Nature
Meets Structure**

Environmental

Financial statements for the year ended 30 June 2025

1. General information and statement of compliance with IFRS Accounting Standards (“IFRS”)

1.1 General information

MauBank Ltd (formerly known as Mauritius Post and Cooperative Bank Ltd “MPCB”) or the “Bank” has on the 04 January 2016, acquired the assets and liabilities of the National Commercial Bank Ltd (“NCB”) from MauBank Holdings Ltd pursuant to a transfer of undertaking carried out as per the provisions of Section 32A of the Banking Act 2004. Subsequently following the transfer, MPCB changed its name to MauBank Ltd (“MauBank”). Its registered office is 25 Bank Street, Cybercity, Ebene, Republic of Mauritius.

The Bank and its subsidiary, MauBank Investment Ltd (formerly known as “MPCB Investment Ltd”), are together referred as the “Group”.

The Bank is engaged in the provision of commercial banking services.

The principal activity of MauBank Investment Ltd is to act as land promoter and property developer.

The financial statements are presented in Mauritian Rupee (“MUR” or “Rs”), which is also the functional currency of the Group and the Bank.

The directors have authorised the issue of the financial statements on 25 September 2025 and they do not have the power to amend the financial statements after issue.

1.2 Basis of accounting

The 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 Companies Act 2001, the Financial Reporting Act 2004, the Banking Act 2004 and the regulations and guidelines issued by the Bank of Mauritius.

These financial statements have further been prepared on the historical cost basis, except for the revaluation of certain properties and financial instruments which are measured at their revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. 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 and the Bank take 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.

1.3 Going concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Group and the Bank have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2. Application of new and revised International Financial Reporting Standards (“IFRSs”)

2.1 New and revised Standards that are effective but with no material effect on the financial statements

The following amendments to existing IFRS accounting standards became effective for annual periods beginning on 1 July 2024:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Disclosures: Supplier Finance Arrangements -Amendments to IAS 7 and IFRS 7

None of these amendments had an impact on the Bank’s separate and consolidated financial statements for the financial year 30 June 2025.

Financial statements for the year ended 30 June 2025

2.2 New and revised Standards and Interpretations in issue but not yet effective

The standards issued but not yet effective as at year ended 30 June 2025 are as follows:

	Effective date
Lack of exchangeability – Amendments to IAS 21	1 January 2025
Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual Improvements to IFRS Accounting Standards - Volume 11	1 January 2026
Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	1 January 2027

Management considers that the above standards will not have an impact on the financial statements when they become effective except for the standard described below.

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

On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only. The Bank is currently not intending to early adopt the Amendments. With respect to the amendments on the derecognition of financial liabilities that are settled through an electronic payment system, the Bank will perform an assessment of all material electronic payment systems utilised in the various jurisdictions it operates, in order to assess whether the amendments will result in a material change with respect to current practices and whether it meets the conditions to apply the accounting policy option to derecognise such financial liabilities before the settlement date. Moreover, the Bank is reviewing all its other payment systems (such as cheques, credit cards, debit cards) to ensure that the corresponding financial assets are derecognised when the right to cash flows are extinguished and that the corresponding financial liabilities are derecognised on settlement date.

The amendments in these areas are not expected to have a material impact on the financial statements, however, the assessment is yet to be concluded.

IFRS 18 – Presentation and Disclosure in Financial Statements

The standards is effective for annual periods beginning on or after 1 January 2027.

Financial statements for the year ended 30 June 2025

2.2 New and revised Standards and Interpretations in issue but not yet effective (Cont'd)

Key requirements

In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

Statement of profit or loss

An entity will be required to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. In addition, IFRS 18 requires an entity to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'.

Main business activities

For the purposes of classifying its income and expenses into the categories required by IFRS 18, an entity will need to assess whether it has a 'main business activity' of investing in assets or providing financing to customers, as specific classification requirements will apply to such entities. Determining whether an entity has such a specified main business activity is a matter of fact and circumstances which requires judgement. An entity may have more than one main business activity.

Management-defined performance measures IFRS 18 introduces the concept of a management-defined performance measure (MPM) which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity as a whole to users. IFRS 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by IFRS 18 or another IFRS accounting standard.

Location of information, aggregation and disaggregation

IFRS 18 differentiates between 'presenting' information in the primary financial statements and 'disclosing' it in the notes, and introduces a principle for determining the location of information based on identified 'roles' of the primary financial statements and the notes. IFRS 18 requires aggregation and disaggregation of information to be performed with reference to similar and dissimilar characteristics. Guidance is also provided for determining meaningful descriptions, or labels, for items that are aggregated in the financial statements.

Consequential amendments to other accounting standards Narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method from 'profit or loss' to 'operating profit or loss'. The optionality around classification of cash flows from dividends and interest in the statement of cash flows has also largely been removed.

New requirements have been added to IAS 33 Earnings per Share that only permit entities to disclose additional amounts per share, if the numerator used in the calculation meets specified criteria. The numerator must be:

- An amount attributable to ordinary equity holders of the parent entity; and
- A total or subtotal identified by IFRS 18 or an MPM as defined by IFRS 18.

Some requirements previously included within IAS 1 have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which has been renamed IAS 8 Basis of Preparation of Financial Statements. IAS 34 Interim Financial Reporting has been amended to require disclosure of MPMs.

Transition

IFRS 18, and the consequential amendments to the other accounting standards, is effective for reporting periods beginning on or after 1 January 2027 and must be applied retrospectively. Early adoption is permitted and must be disclosed.

The Bank is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies

3.1 Overall considerations

The financial statements have been prepared using the material accounting policies and measurement bases summarised below.

3.2 Financial instruments

Recognition and initial 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 and the Bank commit to purchase or sell the asset.

At initial recognition, the Group and the Bank measure a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss ('FVTPL'), transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. An expected credit loss allowance ("ECL") is recognised for financial assets measured at amortised cost and debt instruments measured at fair value through other comprehensive income ("FVTOCI"), as described in note 6.1, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

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

(1) 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.

(2) 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 statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.2 Financial instruments (Cont'd)

Recognition and initial measurement (Cont'd)

Financial assets

(i) Classification and subsequent measurement

The Group and the Bank have applied IFRS 9 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss ("FVTPL");
- Fair value through other comprehensive income ("FVTOCI"); or
- Amortised cost.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables purchased from clients in factoring arrangements without recourse.

Classification and subsequent measurement of debt instruments depend on:

- (i) the Group's and the Bank's business model for managing the asset; and
- (ii) the cash flow characteristics of the asset.

Business model: the business model reflects how the Group and the Bank manage the assets in order to generate cash flows. That is, whether the Group's and the Bank'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 FVTPL. Factors considered by the Group and the Bank in determining the business model for a group of assets include the following:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group and the Bank's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's and the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group and the Bank assess whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Group and the Bank consider 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 fair value through profit or loss.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.2 Financial instruments (Cont'd)

Recognition and initial measurement (Cont'd)

Financial assets (Cont'd)

(i) Classification and subsequent measurement (Cont'd)

Based on these factors, the Group and the Bank classify their debt instruments into one of the following three measurement categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured as described in note 6.1. Interest income from these financial assets is included in 'Interest income' using the effective interest method. This category includes cash and cash equivalents, loans and advances to banks, loans and advances to customers and mandatory balances with the Central Bank.
- **Fair value through other comprehensive income ("FVTOCI"):** Financial assets that are held both for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost 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 gain from derecognition of financial assets measured at FVTOCI'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method. For financial assets measured at fair value through other comprehensive income, the ECL do not reduce the carrying amount of the financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as ECL amount. This category includes investment securities.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented in the profit or loss within 'Net trading income' in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented separately in 'Other operating income'. Interest income from these financial assets is included in 'Net trading income'. The Group and the Bank hold certain debt instruments within a business model that is primarily focused on trading. These instruments are classified as trading assets and are measured at fair value through profit or loss (FVTPL), reflecting the intention to actively manage and realise gains from short-term market movements.

Equity instruments

The Bank's investments in private equity shares are classified as financial assets at fair value through profit or loss.

Equity instruments held under investment securities are investments held where there are no lock-in period or exit restrictions. The Group and the Bank subsequently measures all equity investments at fair value through profit or loss. Gains and losses on equity investments at FVTPL are included in the 'Net trading income' line in profit or loss. Investments in private equity shares are disclosed under investment securities in Note 11.

Trading assets

Trading assets comprise of units in money market funds and debt instruments at fair value through profit or loss. Trading assets are those assets that the Group and the Bank acquire or incur principally for the purpose of selling or repurchasing in the near term, or holds as part of a portfolio that is managed together for short-term profit or position taking.

Trading assets are initially recognised and subsequently measured at fair value in the statement of financial position, with transaction costs recognised in profit or loss. All changes in fair value are recognised as part of net trading income in profit or loss. The income from the trading assets are recorded in 'other income' in the statement of profit or loss.

(a) Investment in money market Fund

The units meet the definition of an equity instrument as they represent a residual interest in the net assets of the issuer. The issuer does not have a contractual obligation to deliver cash or another financial asset to the holder.

(b) Debt instruments at fair value through profit or loss

The Group and the Bank hold investments in debt instruments with short-term maturities, which are classified as financial assets at fair value through profit or loss.

These instruments are acquired primarily for liquidity management and yield generation, and are not held within a business model solely to collect contractual cash flows. Accordingly, they do not meet the criteria for classification at amortised cost or fair value through other comprehensive income (FVOCI).

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.2 Financial instruments (Cont'd)

Recognition and initial measurement (Cont'd)

Financial assets (Cont'd)

(ii) Impairment

The Group and the Bank assess on a forward-looking basis the expected credit losses on the following financial instruments that are not measured at FVTPL:

- Financial assets that are debt instruments (this includes loans and advances, financial assets at FVTOCI included in investment securities);
- Lease receivables;
- financial guarantee contracts issued; and
- loan commitments issued.

The Group and the Bank recognise 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 forecasts of future economic conditions.

Note 6.1.3 provides more detail of how the expected credit loss allowance is measured.

(iii) Modification of loans

The Group and the Bank sometimes renegotiate or otherwise modify the contractual cash flows of loans to customers. When this happens, the Group and the Bank assess whether or not the new terms are substantially different to the original terms. The Group and the Bank do this by considering, among others, the following factors:

- 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.
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not in financial difficulty.
- Significant change in the interest rate or change in the currency the loan is denominated in.
- 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 and the Bank derecognise the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. 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 and the Bank also assess 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 as a gain or loss on derecognition. If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group and the Bank recalculate 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).

The impact of modifications of financial assets on the expected credit loss calculation is discussed in note 6.1.7.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.2 Financial instruments (Cont'd)

Recognition and initial measurement (Cont'd)

Financial assets (Cont'd)

(iv) 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 and the Bank transfer substantially all the risks and rewards of ownership, or (ii) the Group and the Bank neither transfer nor retain substantially all the risks and rewards of ownership and the Group and the Bank have not retained control.

The Group and the Bank enter 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 and the Bank:

- (a) Have no obligation to make payments unless it collects equivalent amounts from the assets;
- (b) Are prohibited from selling or pledging the assets; and
- (c) Have an obligation to remit any cash it collects from the assets without material delay.

Collateral (shares and bonds) furnished by the Group and the Bank under standard repurchase agreements and securities lending and borrowing transactions are not derecognised because the Group and the Bank retain 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 and the Bank retain a subordinated residual interest.

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group and the Bank currently have a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS Standards, or for gains and losses arising from a group of similar transactions such as in the Group's and the Bank's trading activity.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.2 Financial instruments (Cont'd)

Recognition and initial measurement (Cont'd)

Financial assets (Cont'd)

(vi) Fair value measurement

'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 in the principal or, in its absence, the most advantageous market to which the Group and the Bank have access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group and the Bank measure the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group and the Bank use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group and the Bank determine that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the difference, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out. If an asset or a liability measured at fair value has a bid price and an ask price, then the Group and the Bank measure assets and long positions at a bid price and liabilities and short positions at an ask price.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The Group and the Bank recognise transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. There have been no transfers between levels of the fair value hierarchy during the current and prior financial years.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.2 Financial instruments (Cont'd)

Financial liabilities

(i) Classification and subsequent measurement

In the current period, financial liabilities are classified as subsequently measured at amortised cost:

The Group's and the Bank's financial liabilities include deposits from customers, payable to fellow subsidiary and other liabilities.

Deposits and other borrowed funds are the Group's and the Bank's main sources of debt funding.

Deposits and other borrowed funds are initially measured at fair value minus incremental direct transaction costs. Subsequently, they are measured at their amortised cost using the effective interest method.

All interest-related charges on financial liabilities are included within interest expense.

(ii) Derecognition

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

The exchange between the Group and the Bank and their 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.

(iii) Financial guarantee contracts

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 (calculated as described in note 6.1.3.3); and
- The premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.3 Cash and cash equivalents

Cash and cash equivalents consist of notes and coins on hand, balances with banks in Mauritius and abroad, unrestricted balances with the Central Bank, short term loans and placements with banks maturing within 90 days from date of origination, and highly liquid financial assets with original maturities of 90 days or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group and the Bank in the management of its short-term liquidity commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position.

3.4 Mandatory balances with the Central Bank

The entity holds mandatory reserve balances with the central bank. Management has applied judgment and concluded that these balances do not meet the definition of 'cash' or 'cash equivalents' under IAS 7. Judgment was applied in interpreting the terms 'demand deposit' and 'short-term cash commitments', which are not explicitly defined in IAS 7. Internal definitions were developed based on the entity's operational and regulatory context to guide this assessment.

Key factors considered include: Minimum average balance requirements, access being subject to central bank approval and penalties for non-compliance.

These conditions indicate that the balances do not exhibit the characteristics of a typical demand deposit. Furthermore, the balances are maintained for regulatory compliance purposes and are not intended to meet short-term liquidity needs. Accordingly, these balances are classified as other assets in the statement of financial position and excluded from cash and cash equivalents in the statement of cash flows.

3.5 Loans and advances

The 'loans and advances to customers' and 'loans and advances to banks' caption in the statement of financial position includes loans and advances measured at amortised cost; these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method'. The 'loans to advances to customers' also include lease receivables. See note 3.7.

3.6 Derivative financial instruments

The Group and the Bank enter into a variety of derivative financial instruments some of which are held for trading while others are held to manage its exposure to interest rate and foreign exchange risk. Derivative held include forward contracts, spot position and cross currency swaps. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Net interest from derivative contracts are recorded in profit or loss under trading income.

3.7 Leases

The Group and the Bank assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group and the Bank as a lessee

The Group and the Bank applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets which are accounted in operating expenses. The Group and the Bank recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group and the Bank recognise right-of-use assets at the commencement date of the lease, which is the date the underlying asset is available for use. Right-of-use assets are initially measured at cost except for land which is revalued, comprising:

- (i) The amount of the initial lease liability,
- (ii) Any lease payments made at or before the commencement date, less any lease incentives received,
- (iii) Initial direct costs incurred.

Subsequent to initial recognition, right-of-use assets are generally measured at cost less accumulated depreciation and impairment losses, except for land components, which are revalued to market value based on periodic valuations performed by external independent professional valuers. Buildings are not subject to revaluation and continue to be measured at cost.

Market value reflects fair value determined through appraisals when market indicators suggest a material change. Revaluation surpluses on land are recognised in other comprehensive income and credited to the revaluation reserve in equity. Where a revaluation increase reverses a previous impairment or downward revaluation recognised in profit or loss, the reversal is first recognised in profit or loss to the extent of the previous loss, with any excess recognised in other comprehensive income.

Right-of-use assets are depreciated on a straight-line basis over the lease term, except for land, which is not depreciated.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.7 Leases (Cont'd)

Lease liabilities

At the commencement date of the lease, the Group and the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

The Group and the Bank as a lessor

Leases in which the Group and the Bank does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

3.8 Property, plant and equipment

Freehold land and buildings

Freehold land and buildings are shown at market value, based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. Market value is fair value based on appraisals prepared by external professional valuers if market factors indicate a material change in fair value. Any revaluation surplus is recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent that any revaluation decreases or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land and buildings are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the assets is transferred to accumulated losses.

As no finite useful life for land can be determined, related carrying amounts are not depreciated.

Depreciation for freehold buildings is recognised on a straight-line basis to write down the revalued amount less estimated residual values. Depreciation is calculated at the rate of 2% p.a.

Buildings work in progress represents cost incurred on buildings under construction which are not yet completed or ready for their intended use. On completion of the building, the accumulated costs are transferred from Work In Progress to Property, Plant & Equipment.

Computer equipment, furniture and fittings, office equipment and motor vehicles

Computer equipment, furniture and fittings, office equipment and motor vehicles are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the management. Property, plant and equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

Equipment which is acquired and not yet installed at the reporting date is treated as capital work in progress.

Depreciation is recognised on a straight-line basis over the estimated useful lives at the following rates:

Computer and office equipment	14% - 33%
Furniture and fittings	14% - 25%
Motor vehicles	20%

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

The assets' residual values, useful lives and methods of depreciation are reviewed and adjusted, if appropriate, at each reporting date.

Material residual value estimates and estimates of useful life are updated as required. Repairs and maintenance costs are expensed as incurred.

Gains or losses arising on the disposal of property, plant and equipment is determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss and other comprehensive income within "other income" or "other expenses".

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.9 Investment property

Investment properties are properties held to earn rental and/or for capital appreciation, and are accounted for using the fair value model. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Property rented to the Bank by the subsidiary is not classified as investment property at group level in these financial statements as it includes both the lessor and the lessee. Such property is included within property, plant and equipment and is measured in accordance with Note 3.8 above.

Rental income and operating expenses from investment properties are reported within "Other income" and "Other expenses" respectively.

3.10 Investment in subsidiary

A subsidiary is an entity over which the Bank has control. The Bank controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those 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 Bank. They are deconsolidated from the date that control ceases.

Investment in subsidiary is stated at cost. Where an indication of impairment exists, the recoverable amount of the investments is assessed. Where the carrying amount of the investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to statement of profit or loss and other comprehensive income. On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to statement of profit or loss and other comprehensive income.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.11 Income taxes

Tax expense recognised in the statements of profit or loss and other comprehensive income comprises the sum of current tax, deferred tax, Corporate Social Responsibility Fund ("CSR") and Special Levy.

(a) Current tax

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

(b) Deferred taxation

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's and the Bank's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset only when the Group and the Bank have a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in the consolidated statement of profit or loss and other comprehensive income, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The directors reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the 'sale' presumption set out in the amendments to IAS 12 is not rebutted. As a result, the Group has not recognised any deferred taxes on changes in fair value of the investment properties as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal.

(c) Corporate Social Responsibility Fund ("CSR")

The Group and the Bank are subject to CSR and the contribution is at a rate of 2% on the chargeable income of the preceding financial year.

(d) Special Levy

As per Section 50(H) of the Income Tax Act 1995 (Consolidated to Finance Act 2015), a Special Levy was calculated at 10% on chargeable income. No levy was paid in a year where the Group and the Bank incurred a loss or its book profit did not exceed 5% of its operating income in the preceding year.

(e) Corporate Climate Responsibility Levy

Section 41(iii) of the Finance (Miscellaneous Provisions) Act 2024 ("FMPA 2024"), which was gazetted on 27 July 2024, introduced the Corporate Climate Responsibility (CCR) Levy, effective from the year of assessment commencing on 1 July 2024. The CCR Levy is applicable to all companies, including Mauritian tax-resident partnerships, with a turnover exceeding MUR 50 million, and is charged at 2% of the current year's chargeable income. This levy is recognised as part of income tax expense.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.12 Retirement and other post-retirement benefits

(a) Defined contribution plan

The Group and the Bank contribute to a defined contribution plan for its employees, whereby it pays contributions to a privately administered pension insurance plan. Once the contributions have been paid, the Group and the Bank have no further payment obligations. The regular contributions constitute net periodic costs for the period in which they are due and are included in administrative expenses.

(b) Defined benefit plan

The Bank operate two Defined Benefit Schemes, which are fully funded. The assets of the funds are held independent and administered by the Swan Life Ltd and National Insurance Company Limited. Pension costs are assessed using the projected unit credit method. Actuarial gains and losses are recognised immediately in the statements of profit or loss and other comprehensive income under the heading "other comprehensive income". Past service costs are recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. The Bank carries out an actuarial valuation every year.

Remeasurement recognised in other comprehensive income is accumulated under the heading of employee benefit reserves and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

For employees who are not covered by a pension plan, the net present value of retirement gratuity payable under the Workers' Rights Act is calculated and provided for, where material. The obligation arising under this item is not funded.

(c) State plan

Contributions to the Contribution Sociale Généralisée ("CSG") are expensed to the consolidated statement of profit or loss and other comprehensive income in the period in which they fall due.

(d) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.13 Provisions and contingent liabilities

Provisions are recognised when the Group and the Bank have 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. At the time of the effective payment, the provision is deducted from the corresponding expenses.

All known risks at the reporting date are reviewed in detail and provision is made where necessary after seeking legal advice. Contingent liabilities are disclosed in these financial statements for possible obligations that arise from past events whose existence will be confirmed by uncertain future events not wholly within the control of the Group and the Bank.

3.14 Equity

Stated capital is determined using the value of shares that have been issued. Accumulated losses/retained earnings include all current and prior periods results as disclosed in the statement of profit or loss and other comprehensive income.

Fair value reserve comprise gain on fair value of financial assets held at fair value through other comprehensive income. Revaluation reserves comprise the unrealised gains arising out of the revaluation of property, plant and equipment.

Other reserves represent statutory and non-statutory reserves.

3.15 Acceptances

Acceptances comprise the commitment of the Group and the Bank to pay bills of exchange drawn on customers. The Group and the Bank expect most acceptances to be settled simultaneously with the reimbursement from customers. Acceptances are accounted for as off-balance sheet items and are disclosed as contingent liabilities.

3.16 Guarantees

In the normal course of business, the Group and the Bank issue various forms of guarantees to support their customers. These guarantees are kept off-balance sheet unless a provision is needed to cover probable losses. These guarantees are disclosed as contingent liabilities.

3.17 Off-balance sheet arrangements

In the normal course of business, the Group and the Bank enter into arrangements that, under IFRS, are not recognised on the statement of the financial position and do not affect the statement of profit or loss and other comprehensive income. These types of arrangements are kept off balance sheet as long as the Group and the Bank do not incur an obligation from them or become entitled to an asset itself. As soon as an obligation is incurred, it is recognised on the statement of financial position, with the resulting loss recorded in the statement of profit or loss and other comprehensive income. Contingent liabilities related to legal proceedings or regulatory matters, are not recognised in the financial statements but are disclosed unless the probability of settlement is remote.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.18 Net interest income

Interest income and expense for all financial instruments except for those measured or designated as at FVTPL are recognised in 'Net interest income' as 'Interest income' and 'Interest expense' in the profit or loss account using the effective interest method. Interest on financial instruments measured as at FVTPL is included within the fair value movement during the period, see 'Net trading income'.

The effective interest rate ("EIR") is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated taking into account all the contractual terms of the instrument. The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

The interest income/ interest expense is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance), or to the amortised cost of financial liabilities. For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). The interest is suspended and recognised only upon receipt. For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Interest income calculated using the effective interest method presented in the statement of profit or loss and OCI includes:

- interest on financial assets measured at amortised cost;
- interest on debt instruments measured at FVTOCI;

Interest income and expense on all trading assets and derivatives are considered to be incidental to the Group's and the Bank's trading operations and are presented together with all other changes in the fair value of trading assets and liabilities in net trading income.

3.19 Net fee and commission income

Fee and commission income and expense include fees other than those that are an integral part of EIR.

The Group and the Bank earn fee and commission income from a diverse range of services being provided to its customers.

Fee income earned from services provided to its customers:

These fees include commission income, management and advisory fees. The fees are recognised over time. These include commission on guarantees, commission on insurance and pensions, commission on loans and advances to customers (management fees), commission on trade finance (processing and renewal), management fees from fellow subsidiary, recovery fees from fellow subsidiaries, membership fees and services (included as part of 'others' in Note 30)

Included also are fees pertaining to cancellation and early repayment of credit facilities (included in loans and advances to customer in note 30) which are recognised when they occur that is at a point in time.

Fee income from providing transaction services:

This includes commission on unpaid cheques and service charges (included as part of commission on savings in Note 30) and other transaction fees (included as part of others and commission on trade finance and others in Note 30). This are recognised when the transaction occurs.

Fee and commission expense

Fee and commission expense relate mainly to transaction and service fees, which are expensed as the services are received.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.20 Net trading income

Net trading income includes all gains and losses from changes in the fair value of financial assets and financial liabilities held for trading. The Group and the Bank have elected to present the full fair value movement of trading assets and liabilities in trading income, including any related interest income and expense.

3.21 Foreign currency

(a) Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Group and the Bank, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the consolidated statement of profit or loss and other comprehensive income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

(b) Foreign currency gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'Net trading income' line item;
- for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'Net trading income' line item. Other exchange differences are recognised in OCI in the investment's revaluation reserve;
- for equity instruments measured at FVTOCI, exchange differences are recognised in OCI in the investment's revaluation reserve
- for financial assets measured at FVTPL that are not part of a designated hedge accounting relationship, exchange differences are recognised in profit

3.22 Segment reporting

In prior periods under the Bank of Mauritius Guideline on Segmental Reporting under a, Single Banking Licence Regime, the Group's and the Bank's business was organised under two segments, namely Segment A and Segment B.

- Segment B was essentially directed to the provision of international financial services that give rise to foreign source income. Such services may be fund based or non-fund based.
- Segment A related to banking business other than Segment B business.

Information on Segment B for the years ended 30 June 2024 and 30 June 2023 is disclosed in note 5.

The Bank of Mauritius guidelines with respect to Addendum 2 - Requirements for Banks with respect to residents and non-residents activities has replaced Section 15(B) of the earlier guideline that focussed on Segment A and Segment B.

The Bank is required to organise its business under two segments Residents and Non-residents as at 30 June 2025.

Neither the above guideline nor IFRS mandate the application of IFRS 8 to the financial statements of the Group and the Bank.

Financial statements for the year ended 30 June 2025

3. Summary of material accounting policies (Cont'd)

3.23 Repossessed property

Repossessed properties acquired in exchange for loans as part of an orderly realisation are reported in 'other assets' as inventory as they are held for sale in the ordinary course of business. The repossessed properties are recognised when the risks and rewards of the properties have been transferred to the bank. The corresponding loans are derecognised when the Bank becomes the holder of the title deed. The properties acquired are initially recorded at cost, which is the lower of their fair value less costs to sell and the carrying amount of the loan (net of impairment allowance) at the date of exchange. They are subsequently measured at the lower of the carrying amount or net realisable value. No depreciation is charged in respect of these properties. Any subsequent write-down of the acquired properties to net realisable value is recognised in the statement of comprehensive income, in 'other operating income'. Any subsequent increase in net realisable value, to the extent that it does not exceed the cumulative write-down, is also recognised in 'other operating income'. Gains or losses on disposal of repossessed properties are reported in 'other operating income'.

3.24 Impairment of non-financial assets

At each reporting date, the Group and the Bank review the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

3.25 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

The Group and the Bank consider related parties as key management personnel, directors, shareholders and its subsidiary's undertaking. Interest rate, unless the hedged item has been derecognised, in which case it is released to the statement of profit and loss immediately.

3.26 Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information. Where IAS 8 applies, comparative figures have been adjusted to conform with changes in presentation in the current year.

As required by the Bank of Mauritius *Guideline on Public Disclosure of Information*, disclosures have been made with comparative information for two years.

Financial statements for the year ended 30 June 2025

4. Use of estimates and judgements in applying accounting policies and estimation uncertainty

In the application of the Group's and the Bank's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant management judgement

The following are significant management judgements in applying the accounting policies of the Group and the Bank that have the most significant effect on the financial statements.

(i) Use of estimates and judgements

Management discussed the development, selection and disclosure of the Group and the Bank's critical accounting policies and estimates, and the application of these policies and estimates.

Measurement of the ECL allowance

The measurement of the ECL allowance for financial assets measured at amortised cost and FVTOCI 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). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 6.1.3.3, which also sets out key sensitivities of the ECL to changes in these 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 product/market and the associated ECL; and
 - Establishing groups of similar financial assets for the purposes of measuring ECL.
- Detailed information about the judgements and estimates made by the Bank in the above areas is set out in note 6.1.3.1 to 6.1.3.4

(a) Significant increase of credit risk

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 and the Bank take into account qualitative and quantitative reasonable and supportable forward-looking information.

(b) Establishing groups of assets with similar credit risk characteristics

When ECLs are measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. The Group and the Bank monitor the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that should credit risk characteristics change there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets.

Financial statements for the year ended 30 June 2025

4. Use of estimates and judgements in applying accounting policies and estimation uncertainty (Cont'd)

Significant management judgement (Cont'd)

(ii) Establishing groups of assets with similar credit risk characteristics (Contd)

Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECLs, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12-month or lifetime ECLs but the amount of ECL changes because the credit risk of the portfolios differ.

(iii) Models and assumptions used

The Group and the Bank use various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgement is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

(iv) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of future taxable income against which the deductible temporary differences can be utilised.

(v) Management Overlay

The Bank applies management overlays to Expected Credit Loss estimates whenever they anticipate a heightened level of credit risk that may not have been fully captured by statistical models. During the year, the Bank estimated a management overlay of approximately Rs 100 million on an exposure classified as stage 2.

In the process of determining the extent of the overlay requires management to make judgments and assumptions including using forward-looking estimates, anticipated cash flows from recoverable assets, and reflects risks such as liquidity constraints, sector-specific uncertainties, and operational challenges. The Bank continues to monitor stage 2 exposures on a quarterly basis, reassessing the overlay in light of updated financial information and macroeconomic developments.

Estimation uncertainty

The following are key estimations that the directors have used in the process of applying the Group's and the Bank's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

(i) Estimation in respect of ECL.

(a) Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and determining the forward-looking information relevant to each scenario.

The calculation of specific allowance for credit impairment requires management to estimate the recoverable amount of each impaired asset, being the present value of expected cash flows, including amount recoverable from guarantees and collaterals, discounted at the prevailing effective interest rate of the loans. Where loans are secured against immoveable property, the value of such collateral is based on the opinion of independent and qualified appraisers.

Financial statements for the year ended 30 June 2025

4. Use of estimates and judgements in applying accounting policies and estimation uncertainty (Cont'd)

Estimation uncertainty (Cont'd)

(b) Probability of default

PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

(c) Loss Given Default

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 collateral and integral credit enhancements. Note 6.1.8 gives more details about the assumptions used regarding ECL.

At 30 June 2023 and 30 June 2024, the Bank assessed that there is a significant increase in credit risk with respect to its financial securities held in Ghana. The financial instability in the economy of Ghana led to the country defaulting on its coupon payment and principal at maturity. The Bank has assessed the probability of default to be 100% on these securities whilst LGD has been based on recovery rates of recently restructured sovereign bonds in Ghana as well as on the most recent Moodys sovereign report which discloses the most probable LGD. Refer to note 11.

(ii) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(iii) Pension benefits

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Bank determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Bank considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

Other key assumptions are based on current market conditions. Additional information is disclosed in Note 21.

(iv) Revaluation of property, plant and equipment, right of use assets and investment properties

The Group and the Bank carry its investment properties, land and buildings within property, plant and equipment and land within right of use assets at fair value. For revaluation purposes, the valuation methodology was based on the income approach with corroborative test using the sales comparison approach. The Group and the Bank engaged an independent valuation specialist to assess fair values as at 30 June 2023 estimating the fair value of properties require assumptions such as rental yield and future rental income to be made. The directors assessed that there were no changes in the fair values as at 30 June 2025.

(v) Purchase originated credit impaired assets

Under IFRS 9, a financial asset is classified as Purchased or Originated Credit-Impaired (POCI) if it is credit-impaired at initial recognition. The identification of such assets involves significant judgement, particularly in cases where impairment is not evident from a single event but rather inferred from a combination of indicators.

Management must assess various qualitative and quantitative factors to determine whether a financial asset meets the POCI criteria. These factors may include the borrower's financial difficulty, history of default or breach of contract, concessions granted due to financial stress, bankruptcy risk, or the presence of a deep discount that reflects incurred credit losses.

This judgement is especially critical when assets are acquired through portfolio purchases, business combinations, or originated under distressed conditions. In such cases, the classification as POCI affects the measurement of expected credit losses (ECL) and the recognition of interest revenue

In accordance with IFRS 7, the entity discloses the significant judgements made in identifying POCI financial assets. This includes the basis for determining credit impairment at initial recognition, the rationale for classification, and the impact on ECL measurement and financial statement presentation. These disclosures aim to provide transparency and enhance users' understanding of the entity's credit risk profile and financial reporting practices.

Drive Cleaner, Drive Smarter

The shift to electric mobility is an essential step toward a lower-carbon future. MauBank finances the transition by supporting customers who choose energy-efficient vehicles and technologies that reduce environmental impact. Our role is to make sustainable choices more accessible and practical for households and businesses.



Financing Low-Carbon
Futures

Driving the Future,
Powered by Clean
Energy

Green Financing



Notes to the financial statements

For year ended 30 June 2025

5. Operating segments

In prior periods under the Bank of Mauritius Guideline on Segmental Reporting under a, Single Banking Licence Regime, the Group's and the Bank's business was organised under two segments, namely Segment A and Segment B.

- Segment B was essentially directed to the provision of international financial services that give rise to foreign source income. Such services may be fund based or non-fund based.
- Segment A related to banking business other than Segment B business.

Information on Segment B for the years ended 30 June 2024 and 30 June 2023 is disclosed as per below.

	The Group	
	At 30 June 2024	At 30 June 2023
	Rs	Rs
Assets		
Cash and cash equivalents	741,055,551	1,100,730,570
Loans and advances to banks	905,925,292	938,342,148
Loans and advances to customers	1,313,018,708	545,280,272
Trading assets	529,476,283	479,676,718
Investment securities	1,752,108,908	1,758,139,128
Other assets	23,800,876	21,682,443
Total assets	5,265,385,618	4,843,851,279
Liabilities		
Deposits from customers	9,843,402,370	5,184,603,442
Total liabilities	9,843,402,370	5,184,603,442

	For year ended 30 June 2024	For year ended 30 June 2023
	Rs	Rs
Interest income	275,799,636	143,816,111
Interest expense	(24,791,151)	(2,486,169)
Net interest income	251,008,485	141,329,942
Other operating income	323,213,277	86,110,245
Total operating income	574,221,762	227,440,187

The requirements of new segmental disclosures (i.e for residents and non-residents) have been disclosed in Note 43.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk

Risk management objectives and policies

The Group's and the Bank's activities expose them to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Group's and the Bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Group's and the Bank's financial performance.

The Group and the Bank's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to date information systems. The Group and the Bank regularly review their risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by the Board Conduct Review and Risk Management Committee under policies approved by the Board of Directors. The Risk Management Forum identifies, evaluates and hedges financial risks in close co-operation with the Group and the Bank's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments. In addition, internal audit is responsible for the independent review of risk management and the control environment. The most important types of risks are credit risk, liquidity risk, market risk and operational risk. Market risk includes currency risk, interest rate and other price risk.

6.1 Credit risk analysis

The Group and the Bank take on exposure to credit risk, which is the risk that counterparty will cause a financial loss for the Group and the Bank by failing to discharge an obligation. Credit risk is the most important risk for the Group and the Bank's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally in lending activities that lead to loans and advances. There is also credit risk on cash and cash equivalents, investment securities (excluding equity instruments), financial assets in other assets and off-balance sheet financial instruments, such as loan commitments and guarantees.

6.1.1 Credit risk measurement

Credit risk is the possibility of losses associated with changes in the credit profile of borrowers or counterparties. These losses, associated with changes in portfolio value, could arise due to default or due to deterioration in credit quality.

- Default risk : obligor fails to service debt obligations
- Recovery risk : recovery post default is uncertain
- Spread risk : credit quality of obligor changes leading to a fall in the value of the loan
- Concentration risk : over exposure to an individual obligor, group or industry
- Correlation risk : concentration based on common risk factors between different borrowers, industries or sectors which may lead to simultaneous default

The Group and the Bank's revised credit policy deals with credit concentration limits, exposure limits, diversification strategy, and the Group and the Bank's risk based pricing of loans and advances based on its credit risk appetite and the size of its capital.

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Group and the Bank measure credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD). This is similar to the approach used for the purposes of measuring ECL under IFRS 9. Refer to note 6.1.3.3 for more details.

The Group and the Bank use internal credit risk gradings that reflect its assessment of the probability of default of individual counterparties. The Bank uses internal rating models tailored to the various categories of counterparty. Borrower and loan specific information collected at the time of application (such as disposable income, and level of collateral for retail exposures; and turnover and industry type for wholesale exposures) is fed into this rating model. This is supplemented with external data such as credit bureau scoring information on individual borrowers. The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade. For example, this means that the difference in the PD between an A and A- rating grade is lower than the difference in the PD between a B and B- rating grade.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.1 Credit risk measurement (Cont'd)

In line with the Bank of Mauritius guidelines on credit risk, the Group and the Bank have adopted the standardised measurement of credit risk. In this regard, the tasks under the credit risk unit are as under, amongst others:

- Segmentation of the credit portfolio (in terms of risk but not size);
- Model Requirements (for risk assessments);
- Data requirements;
- Credit risk reporting requirements for regulatory/control and decision-making purposes at various levels;
- Policy requirements for credit risk (credit process & practices, monitoring & portfolio management etc.); and
- Align risk strategy & business strategy.

6.1.2 Risk limit, control and mitigation policies

The Group and the Bank manage, limit and control concentrations of credit risk wherever they are identified in particular, to individual counterparties and groups, and to industries.

The Group and the Bank structure the levels of credit risk they undertake by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by industry sector are set out in the credit policy. Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate.

Some other specific control and mitigation measures are outlined below.

(a) Collateral

The Group and the Bank employ a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security for funds advanced, which is a common practice. The Group and the Bank implement guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for loans and advances are:

- Mortgages over residential properties;
- Fixed charges over land and buildings; and
- Floating charges over business assets such as premises, inventories and accounts receivable.

Loans and advances amounting to Rs 297,896,340 (2024: Rs 189,420,901, 2023:Rs 164,013,821) were fully recovered by collaterals provided to the Bank as part of the arrangement, hence no ECL was adjusted for these facilities.

(b) Credit-related commitments

The primary purpose of these instruments is to ensure that funds are available to a customer as required. Financial guarantees and standby letters of credit carry the same credit risk as loans. Documentary and commercial letters of credit which are written undertakings by the Group and the Bank on behalf of a customer authorising a third party to draw drafts on the Group and the Bank 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 loan.

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 and the Bank are 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, as most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Group and the Bank monitor the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.3 Expected credit loss measurement

The Group and the Bank records an allowance for expected credit loss for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, in this section, all referred to as 'financial instruments'.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit losses or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit losses.

The Bank's policies for determining if there has been a significant increase in credit risk are set out in Note 6.1.3.1

The 12mECL is the portion of LTECL that represent the ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECL and 12mECL are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

Collectively assessed impairment allowances are provided for:

- (i) Portfolios of homogenous assets that are individually below materiality thresholds; and
- (ii) Losses that have been incurred but have not yet been identified, by using the available historical experience, experienced judgment and statistical techniques.

The Group and the Bank has established a policy 'Credit Impairment and Income Recognition Policy' to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group and the Bank categorise its loans into Stage 1, Stage 2, Stage 3 and POCI, as described below:

- Stage 1: When loans are first recognised, the Bank recognises an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3: Loans considered credit-impaired (as outlined in Note 6.1.3.2.) The Bank records an allowance for the LTECL.
- POCI: Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. The ECL allowance is only recognised or released to the extent that there is a subsequent change in the expected credit losses.

The mechanics of the ECL calculation has been included in Note 6.1.3.4.

Post model Adjustments

During the year ended 30 June 2025, the Group and the Bank applied post-model adjustments to reflect emerging credit risk factors not fully captured by the expected credit loss (ECL) models. During the year management assessed a heightened credit risk on certain borrower and hence and an additional ECL charge of MUR 100 million was adjusted on a total exposure of Rs 554m (2024 and 2023: Rs Nil).

In addition to model-driven assessments, a management overlay was applied to incorporate qualitative factors and forward-looking information, particularly where credit risk indicators were observed but not yet reflected in historical data. The determination of whether a specific factor indicates a significant increase in credit risk depends on the nature of the product, the characteristics of the financial instrument, and the borrower's profile. These criteria vary across portfolios, especially between retail and corporate exposures, and are subject to management judgment.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.3 Expected credit loss measurement (Cont'd)

6.1.3.1 Significant increase in credit risk (SICR)

To determine whether credit risk has significantly increased since initial recognition, the Group and the Bank will compare the risk of default at the assessment date with the risk of default at initial recognition. This assessment is to be carried out at each assessment date.

SICR criteria

The Group and the Bank evaluate certain indicators when assessing for SICR by considering all reasonable and supportable information available at the time of assessment. This include both quantitative and qualitative information analysis.

Qualitative criteria:

- In short-term forbearance
- Direct debit cancellation
- Extension to the terms granted
- Previous arrears within the last 12 months
- If the borrower is on the Watchlist
- Significant increase in credit spread
- Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
- Actual or expected forbearance or restructuring
- Actual or expected significant adverse change in operating results of the borrower
- Significant change in collateral value (secured facilities only) which is expected to increase risk of default
- Early signs of cashflow/liquidity problems such as delay in servicing of trade creditors/loans

The Group and the Bank uses two criteria for determining whether there has been a significant increase in credit risk:

- Qualitative indicators as disclosed above
- A backstop of 30 days past due for all financial assets (regardless of the change in internal grades)

The assessment of SICR is performed on a quarterly basis at a portfolio level for all Retail and Corporate financial instruments held by the Group and the Bank. In relation to Treasury financial instruments, where a Watchlist is used to monitor credit risk, this assessment is performed at the counterparty level and on a periodic basis. The criteria used to identify SICR are monitored and reviewed periodically for appropriateness by the independent Credit Risk team.

Low credit risk expedient

IFRS 9 offers a low credit risk (LCR) expedient for the purpose of allocating exposures into stages based on SICR assessment. On application of this expedient, the Group and the Bank may assume that the credit risk of a financial instrument has not increased significantly since initial recognition if it is determined that the financial instrument has low credit risk at the assessment date.

According to IFRS 9, the credit risk on a financial instrument is considered low if:

- (a) The financial instrument has a low risk of default;
- (b) The borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (c) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations.

The Group and the Bank has not used the low credit risk exemption for any financial instruments in the year ended 30 June 2025 (30 June 2024 and 2023: None)

Backstop

A backstop is applied and the financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments.

30+DPD rebuttal

Regardless of the indicators used by the Group and the Bank to determine SICR, there is a rebuttable presumption that the credit risk of a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.

The Group and the Bank shall rebut the 30+ DPD presumptions in the case of any technical delinquencies (i.e. accounts marked as 30+DPD owing to administrative reasons and non-credit related concerns) and cases of delinquencies where payment is linked to government payments with approved invoices which have caused such delinquency. Approval for such instances will be obtained from the Board.

Cure period

The Group and the Bank assess credit risk and classify financial assets into stages in accordance with IFRS 9. Financial assets are transferred between stages based on changes in credit risk and observed payment behaviour. A financial asset classified in Stage 3 (credit-impaired) may be reclassified to Stage 2 once it meets the Group's curing criteria, which requires a minimum period of six months of sustained improvement in credit performance. This includes regular payments and no evidence of further deterioration in credit quality. Following an additional six-month period of continued satisfactory performance in Stage 2, the asset may be reclassified to Stage 1, subject to management's assessment that the borrower has returned to a stable credit profile.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.3 Expected credit loss measurement (Cont'd)

6.1.3.2 Definition of default and credit-impaired assets

The Group and the Bank's definition of default is aligned with both IFRS 9 and regulatory requirements and internal credit risk management practices. As a part of a qualitative assessment of whether an exposure is credit-impaired, the Bank also considers a variety of instances that may indicate unlikelihood to pay. When such events occur, the Bank carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

- An exposure is forbore or modified due to financial difficulties of the borrower
- Internal rating of the borrower indicating default or near-default
- The borrower requesting emergency funding from the Bank
- The borrower having past due liabilities to public creditors or employees
- The borrower is deceased
- A material decrease in the underlying collateral value where the recovery of the loan is expected from the sale of the collateral
- A material decrease in the borrower's turnover or the loss of a major customer
- A covenant breach not waived by the Bank
- The debtor (or any legal entity within the debtor's group) filing for bankruptcy application/protection
- Debtor's listed debt or equity suspended at the primary exchange because of rumours or facts about financial difficulties

Impaired Asset

A loan can be classified as impaired asset when installments of principal and/or interest are due and remain unpaid for 90 days or more, or such unpaid amount has been capitalized, refinanced or rolled-over.

"Past due" loans are loans where payment of principal or interest is contractually due but remains unpaid.

Overdraft

An overdraft facility can be classified as impaired asset when one or more conditions as mentioned below are satisfied:

- the advance exceeds the customer's approved limit continuously for 90 days or more;
- the customer's approved limit has expired for 90 days or more;
- interest on the advance is due and remains unpaid for 90 days or more; or
- the account has been dormant for 90 days or more and deposits are insufficient to cover the interest capitalized during the period. For this purpose, dormant accounts include accounts, which have only a few transactions of insignificant amounts.

Bills Purchased and Discounted:

- The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted.

Investments:

- Interest/ instalment (including maturity proceeds) for investments is due and remains unpaid for more than 90 days.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.3 Expected credit loss measurement (Cont'd)

6.1.3.3 Measuring ECL - Explanation of inputs, assumptions and estimation techniques

The ECL is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per 'Definition of default and credit-impaired assets' above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- EAD is based on the amounts the Bank expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Bank includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.
- Loss Given Default (LGD) represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.
- The ECL is determined by projecting the PD, LGD and EAD for each future year and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future year, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.
- The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.
- The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.
- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12month or lifetime basis.
- For revolving products, the exposure at default is predicted by taking current drawn balance and adding a "credit conversion factor" which allows for the expected drawdown of the remaining limit by the time of default. These assumptions vary by product type and current limit utilisation band, based on analysis of the Bank's recent default data.
- The 12-month and lifetime LGDs are determined using a combination of regulatory and historical vintage analysis. These vary by product type.
- LGD's are typically set at product level due to the limited differentiation in recoveries achieved across different borrowers. These LGD's are influenced by collection strategies, including contracted debt sales and price.
- Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type. Refer to note 6.1.3.4 for an explanation of forward-looking information and its inclusion in ECL calculations.
- The assumptions underlying the ECL calculation - such as how the maturity profile of the PDs and how collateral values change etc are monitored and reviewed on an annual basis.
- There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.3 Expected credit loss measurement (Cont'd)

6.1.3.3 Measuring ECL - Explanation of inputs, assumptions and estimation techniques

Loan commitments and letters of credit :

- When estimating LTECL for undrawn loan commitments, the Group and the Bank estimate the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the four scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

- For credit cards and revolving facilities that include both a loan and an undrawn commitment, ECL is calculated and presented together with the loan. For loan commitments and letters of credit, the ECL is recognised within other liabilities.

Financial guarantee contracts:

The Group and the Bank's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the income statement, and the ECL provision. For this purpose, the Group and the Bank estimates ECL based on the present value of the expected payments to reimburse the holder for a credit loss that it incurs. The shortfalls are discounted by the risk-adjusted interest rate relevant to the exposure. The calculation is made using a probability-weighting of the four scenarios. The ECL related to financial guarantee contracts are recognised within other liabilities.

6.1.3.4 Forward-looking information incorporated in the ECL models

- (i) The calculation of ECL incorporate forward-looking information. The Group and the Bank have performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.
- (ii) These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgement has also been applied in this process. Forecasts of these economic variables (the "base economic scenario") are sourced from Bank of Mauritius, IMF and WEO Forecast Database depending upon the type of portfolio. The impact of these economic variables on the PD has been determined by performing statistical regression analysis to understand the impact changes in these variables have had historically on default rates.
- (iii) ECL is computed as a probability weighted average of three scenarios; baseline (60%), adverse (20%) and good (20%). For computation of the same, PD is computed for each of the scenario by giving a shock to baseline PD curve in upward and downward direction. Final ECL is computed by giving the weightages to each of the scenario to arrive at weighted average ECL.
- (iv) As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group and the Bank consider these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Group and the Bank's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios and economic variable assumptions.

Some of the economic variables considered in the ECL models are as follows:

- 1 Unemployment rate given its impact on secured and unsecured borrowers ability to meet their contractual repayments.
- 2 GDP and core inflation given the significant impact on individual and company's performance and collateral valuations.
- 3 World inflation forecast for significant impact on the company's performance.
- 4 Real GDP growth rate, current accounts balance and CPI inflation.
- 5 SEMDEX given its correlation with the general economic conditions.
- 6 Bank of Mauritius key Repo Rate given how interest rates would be expected to affect borrower's capability to repay.

Sensitivity analysis

The stage 1 and stage 2 expected credit loss rate on the loans and advances portfolio at 30 June 2025 stand at 1.2% (30 June 2024: 0.43%; 30 June 2023: 0.88%). If the loss rate increases or decreases by 5%, the impact on the income statement would be as follows:

	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Increase in loss rate by 5%	(17,621,306)	(5,153,956)	(9,234,708)
Decrease in loss rate by 5%	17,621,306	5,153,956	9,234,708

Advancing Tomorrow's Energy Standards

Moving toward cleaner energy systems requires sustained investment, long planning horizons and strong financial partners. MauBank contributes to this transition by directing capital toward projects that lower environmental impact, improve energy efficiency and strengthen national resilience. Through green financing solutions, the Bank enables households and businesses to participate in the development of a more sustainable energy landscape.

“

From Wind to Wellbeing.

”
Driving the Future,
Powered by Clean
Energy



Powering Tomorrow

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.4 Exposure to Credit Risk

6.1.4.1 Maximum exposure to credit risk - Financial instruments subject to impairment

	The Bank			
	2025			
	Stage 1	Stage 2	Stage 3	Total
	Performing	Special mention	Impaired	
Rs	Rs	Rs	Rs	
	Retail			
Gross carrying amount	9,926,285,905	356,043,357	232,840,375	10,515,169,637
Loss allowance	(28,939,372)	(41,872,393)	(108,014,591)	(178,826,356)
Carrying amount	9,897,346,533	314,170,964	124,825,784	10,336,343,281

	The Bank			
	2025			
	Stage 1	Stage 2	Stage 3	Total
	Performing	Special mention	Impaired	
Rs	Rs	Rs	Rs	
	Corporate and amount due from bank			
Gross carrying amount	18,497,002,877	878,538,011	1,239,242,522	20,614,783,410
Loss allowance	(94,422,250)	(187,192,115)	(487,363,098)	(768,977,463)
Carrying amount	18,402,580,627	691,345,896	751,879,424	19,845,805,947

Included in Stage 1, Corporate and amount due from Bank is an amount of Rs 129.3Mn pertaining to a credit facility granted to the subsidiary of the Company. ECL charge on the loan facility amounts to Rs 0.6Mn. The intercompany transaction is excluded from the Group reported figures.

	The Group and The Bank				
	2025				
	Stage 1	Stage 2	Stage 3	POCI	Total
	Performing	Special mention	Impaired	Impaired	
Rs	Rs	Rs	Rs	Rs	
	Investment securities				
Gross carrying amount	10,145,995,294	-	-	201,555,752	10,347,551,046
Loss allowance	(18,032,745)	-	-	(7,923,095)	(25,955,840)
	10,127,962,549	-	-	193,632,657	10,321,595,206

* Expected credit loss for financial assets classified as POCI at inception is Rs 142M.

	The Group and The Bank			
	2025			
	Stage 1	Stage 2	Stage 3	Total
	Performing	Special mention	Impaired	
Rs	Rs	Rs	Rs	
	Off balance sheet			
Maximum exposure	3,755,210,571	-	345,000	3,755,555,571
Loss allowance	(3,422,840)	-	(102,620)	(3,525,460)
	3,751,787,731	-	242,380	3,752,030,111

ECL on off balance sheet exposures have been recorded in other liabilities. ECL is charged on financial guarantees, letter of credits and other commitments.

	The Group and The Bank			
	2025			
	Cash and cash equivalents and placements			
Gross carrying amount	9,802,900,952	-	-	9,802,900,952
Loss allowance	(2,919,338)	-	-	(2,919,338)
	9,799,981,614	-	-	9,799,981,614

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.4 Exposure to Credit Risk (Cont'd)

6.1.4.1 Maximum exposure to credit risk - Financial instruments subject to impairment (Cont'd)

The Bank				
2024				
Stage 1	Stage 2	Stage 3		
Performing	Special mention	Impaired	Total	
Rs	Rs	Rs	Rs	
Retail				
Gross carrying amount	8,168,422,829	340,599,342	216,925,354	8,725,947,525
Loss allowance	(13,615,290)	(23,539,441)	(98,964,037)	(136,118,768)
Carrying amount	8,154,807,539	317,059,901	117,961,317	8,589,828,757

The Bank				
Corporate and amount due from bank				
Gross carrying amount	15,234,566,647	92,172,368	1,058,977,888	16,385,716,903
Loss allowance	(57,531,463)	(8,392,930)	(449,894,866)	(515,819,259)
Carrying amount	15,177,035,184	83,779,438	609,083,022	15,869,897,644

Included in Stage 1, Corporate and amount due from Bank is an amount of Rs 140.6Mn pertaining to a credit facility granted to the subsidiary of the Company. ECL charge on the loan facility amounts to Rs 0.8Mn. The intercompany transaction is excluded from the Group reported figures.

The Group and the Bank				
Investment securities				
Gross carrying amount	8,036,768,276	-	322,051,352	8,358,819,628
Loss allowance	(17,179,840)	-	(142,096,231)	(159,276,071)
	8,019,588,436	-	179,955,121	8,199,543,557

The Group and the Bank				
Off balance sheet				
Maximum exposure	2,594,461,568	-	-	2,594,461,568
Loss allowance	(2,016,740)	-	-	(2,016,740)
	2,592,444,828	-	-	2,592,444,828

ECL on off balance sheet exposures have been recorded in other liabilities. ECL is charged on financial guarantees, letter of credits and other commitments.

The Group and the Bank				
Cash and cash equivalents and placements				
Gross carrying amount	10,113,502,796	-	-	10,113,502,796
Loss allowance	(683,919)	-	-	(683,919)
	10,112,818,877	-	-	10,112,818,877

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.4 Exposure to Credit Risk (Cont'd)

6.1.4.1 Maximum exposure to credit risk - Financial instruments subject to impairment (Cont'd)

The Bank				
2023				
Stage 1	Stage 2	Stage 3		
Performing	Special mention	Impaired	Total	
Rs	Rs	Rs	Rs	
Retail				
Gross carrying amount	7,276,591,829	383,557,509	249,863,512	7,910,012,850
Loss allowance	(19,978,498)	(28,788,179)	(73,134,468)	(121,901,145)
Carrying amount	7,256,613,331	354,769,330	176,729,044	7,788,111,705

The Bank				
Corporate and amount due from bank				
Gross carrying amount	13,018,873,072	245,929,545	760,795,372	14,025,597,989
Loss allowance	(109,503,401)	(26,936,282)	(293,891,391)	(430,331,074)
Carrying amount	12,909,369,671	218,993,263	466,903,981	13,595,266,915

Included in Stage 1, Corporate and amount due from Bank is an amount of Rs 147.7Mn pertaining to a credit facility granted to the subsidiary of the Company. ECL charge on the loan facility amounts to Rs 0.9Mn. The intercompany transaction is excluded from the Group reported figures.

The Group and the Bank				
Investment securities				
Gross carrying amount	4,685,552,333	-	318,161,624	5,003,713,957
Loss allowance	(14,873,472)	-	(133,847,058)	(148,720,530)
	4,670,678,861	-	184,314,566	4,854,993,427

The Group and the Bank				
Off balance sheet				
Maximum exposure	2,119,139,142	-	-	2,119,139,142
Loss allowance	(2,170,009)	-	-	(2,170,009)
	2,116,969,133	-	-	2,116,969,133

ECL on off balance sheet exposures have been recorded in other liabilities. ECL is charged on financial guarantees, letter of credits and other commitments.

The Group and the Bank				
Cash and cash equivalents and placements				
Gross carrying amount	4,273,915,533	-	-	4,273,915,533
Loss allowance	(189,276)	-	-	(189,276)
	4,273,726,257	-	-	4,273,726,257

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.4 Exposure to Credit Risk (Contd)

6.1.4.1 Maximum exposure to credit risk — Financial instruments subject to impairment (Cont'd)

Risk limit control and mitigation policies

The Group and the Bank manages limits and controls concentrations of credit risk wherever they are identified, in particular, to individual counter parties and groups and to industries.

The Group and the Bank structure the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by industry sector are set out in the credit policy. Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate.

Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrower to meet interest and capital repayment obligation and by changing these lending limits where appropriate.

Some other specific control and mitigation measures are outlined below:

Collaterals and other credit enhancements

The Group and the Bank closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Bank will take possession of collateral to mitigate potential credit losses. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown below:

2025	The Group and the Bank			
	Gross exposure	Impairment allowance	Carrying amount	Fair value of collateral held
	Rs	Rs	Rs	Rs
Credit-impaired assets				
Loans to individuals:				
- Overdrafts	9,580,026	7,641,989	1,938,037	5,585,951
- Term loans	83,035,598	46,533,279	36,502,319	162,640,340
- Mortgages	83,555,034	26,828,348	56,726,686	212,562,892
Loans to corporate entities:				
- Large corporate customers	799,945,538	280,709,063	519,236,475	4,602,887,955
- Small and medium-sized enterprises (SMEs)	457,328,985	208,167,826	249,161,159	995,197,393
- Other	38,637,715	19,497,185	19,140,530	187,759,814
Total credit-impaired assets	1,472,082,896	589,377,690	882,705,206	6,166,634,345

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.4 Exposure to Credit Risk (Cont'd)

6.1.4.1 Maximum exposure to credit risk — Financial instruments subject to impairment (Cont'd)

2024	The Group and the Bank			
	Gross exposure Rs	Impairment allowance Rs	Carrying amount Rs	Fair value of collateral held Rs
Credit-impaired assets				
Loans to individuals:				
- Overdrafts	8,396,587	7,264,455	1,132,132	5,559,400
- Term loans	79,176,376	43,336,683	35,839,693	157,627,217
- Mortgages	96,038,620	35,847,428	60,191,192	199,665,244
Loans to corporate entities:				
- Large corporate customers	776,226,541	313,913,899	462,312,642	4,012,989,737
- Small and medium-sized enterprises (SMEs)	268,908,703	130,208,678	138,700,025	414,291,958
- Other	47,156,414	18,287,760	28,868,654	223,016,024
Total credit-impaired assets	1,275,903,241	548,858,903	727,044,338	5,013,149,580

The investments in Ghana Bond was also credit impaired and ECL allowance was Rs 142.10Mn at 30 June 2024.

2023	The Group and the Bank			
	Gross exposure Rs	Impairment allowance Rs	Carrying amount Rs	Fair value of collateral held Rs
Credit-impaired assets				
Loans to individuals:				
- Overdrafts	5,847,433	5,687,421	160,013	3,100,000
- Term loans	67,441,793	34,709,298	32,732,495	124,927,115
- Mortgages	59,787,879	14,997,977	44,789,902	169,027,086
Loans to corporate entities:				
- Large corporate customers	541,221,042	183,586,036	357,635,006	662,404,614
- Small and medium-sized enterprises (SMEs)	218,500,399	110,168,927	108,331,471	335,145,000
- Other	117,860,337	17,876,201	99,984,136	167,564,587
Total credit-impaired assets	1,010,658,883	367,025,860	643,633,023	1,462,168,402

The investments in Ghana Bond was also credit impaired and ECL allowance was Rs 133.85Mn at 30 June 2023.

No ECL was charged on loans and advances amounting to **Rs 847Mn** (2024: Rs 727 Mn, 2023: Rs 644 Mn) due to exposure being fully covered by its collateral.

The following table shows the distribution of LTV ratios for the Group and the Bank's mortgage credit-impaired portfolio:

Mortgage portfolio – LTV distribution	The Group and the Bank		
	2025 Credit-impaired (Gross carrying amount) Rs	2024 Credit-impaired (Gross carrying amount) Rs	2023 Credit-impaired (Gross carrying amount) Rs
Lower than 50%	29,361,779	30,242,399	36,793,442
50 to 60%	10,450,606	-	1,690,411
60 to 70%	7,991,766	3,582,370	2,871,530
70 to 80%	25,271,988	49,414,692	15,110,959
80 to 90%	5,330,783	8,118,591	-
90 to 100%	1,143,701	4,680,568	3,321,537
	4,004,412	-	-
Total	83,555,035	96,038,620	59,787,879

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.4.2 Financial instruments not subject to impairment

The following table contains an analysis of the financial assets not subject to impairment (i.e. FVTPL):

	The Group and the Bank		
	2025	2024	2023
	Rs	Rs	Rs
<i>Financial assets designated at fair value :</i>			
Trading assets	1,293,362,942	529,479,283	479,676,718
Equity instruments	693,102,556	445,974,417	363,828,963
Derivative assets	11,415,678	78,759,542	10,883,632

6.1.5 Loss Allowance

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL;
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;
- Impact on the measurement of ECL due to changes made to models and assumptions;
- Discount unwind within ECL due to the passage of time, as ECL is measured on a present value basis;
- Foreign exchange retranslations for assets denominated in foreign currencies and other movements; and
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

The following tables explain the changes in the loss allowance between the beginning and the end of the annual period due to these factors:

	The Group and the Bank			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
Rs	Rs	Rs	Rs	
Retail				
Loss allowance as at 01 July 2022	35,177,118	59,885,092	53,478,112	148,540,322
Transfers:				
Transfer from stage 1 to stage 2	(6,632,896)	6,632,896	-	-
Transfer from stage 1 to stage 3	(607,676)	-	607,676	-
Transfer from stage 2 to stage 1	31,082,969	(31,082,969)	-	-
Transfer from stage 2 to stage 3	-	(4,659,759)	4,659,759	-
Transfer from stage 3 to stage 1	1,514,419	-	(1,514,419)	-
Transfer from stage 3 to stage 2	-	468,458	(468,458)	-
				-
Financial assets derecognized during the period other than write-offs	(3,259,626)	(3,891,307)	(1,448,971)	(8,599,904)
New financial assets originated or purchased	8,577,051	-	-	8,577,051
Changes in existing	(14,640,150)	(10,274,216)	7,339,721	(17,574,645)
Impact on ECL of transfers	(31,232,711)	11,709,984	11,189,080	(8,333,647)
Write-offs	-	-	(708,032)	(708,032)
Loss allowance as at 30 June 2023	19,978,498	28,788,179	73,134,468	121,901,145

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.5 Loss Allowance (Cont'd)

	The Group and the Bank			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
Rs	Rs	Rs	Rs	
Retail				
Loss allowance as at 01 July 2023	19,978,498	28,788,179	73,134,468	121,901,145
Transfers:				
Transfer from stage 1 to stage 2	(6,423,291)	6,423,291	-	-
Transfer from stage 1 to stage 3	(721,567)	-	721,567	-
Transfer from stage 2 to stage 1	12,392,892	(12,392,892)	-	-
Transfer from stage 2 to stage 3	-	(4,615,263)	4,615,263	-
Transfer from stage 3 to stage 1	3,717,176	-	(3,717,176)	-
Transfer from stage 3 to stage 2	-	948,287	(948,287)	-
Financial assets derecognized during the period other than write-offs	(2,277,086)	(2,028,459)	(51,645)	(4,357,190)
New financial assets originated or purchased	9,186,141	-	-	9,186,141
Changes in existing	(6,457,593)	(2,776,204)	(6,395,914)	(15,629,711)
Impact on ECL of transfers	(15,779,880)	9,192,502	38,356,745	31,769,367
Write-offs	-	-	(6,750,984)	(6,750,984)
Loss allowance as at 30 June 2024	13,615,290	23,539,441	98,964,037	136,118,768
Out of the Rs 6.75 Mn written off during this financial year, Rs 3.75 Mn pertains to exposures which are subject to enforcement action by the bank. There were no such cases for the financial years ended 30 June 2023.				
The net impairment charge on financial assets under the retail segment is mainly driven by additional ECL charge upon transfer of exposures from stage 1 to stage 2 attracting a higher ECL as at 30 June 2024.				
Loss allowance as at 01 July 2024	13,615,290	23,539,441	98,964,037	136,118,768
Transfers:				
Transfer from stage 1 to stage 2	(4,231,829)	4,231,829	-	-
Transfer from stage 1 to stage 3	(1,664,334)	-	1,664,334	-
Transfer from stage 2 to stage 1	8,917,105	(8,917,105)	-	-
Transfer from stage 2 to stage 3	-	(4,018,254)	4,018,254	-
Transfer from stage 3 to stage 1	892,220	-	(892,220)	-
Transfer from stage 3 to stage 2	-	-	-	-
Financial assets derecognized during the period other than write-offs	(1,434,190)	(1,735,965)	(13,414,494)	(16,584,649)
New financial assets originated or purchased	13,622,861	-	-	13,622,861
Changes in existing	7,982,206	8,001,140	(381,147)	15,602,199
Impact on ECL of transfers	(8,759,957)	20,771,307	28,770,858	40,782,208
Write-offs	-	-	(10,715,031)	(10,715,031)
Loss allowance as at 30 June 2025	28,939,372	41,872,393	108,014,591	178,826,356

Out of the Rs 10.715 Mn written off during this financial year, Rs 6.4 Mn pertains to exposures which are subject to enforcement action by the bank.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.5 Loss Allowance (Cont'd)

	The Group and the Bank			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	Rs	Rs	Rs	Rs
Corporate				
Loss Allowance as at 01 July 2022	55,827,273	16,856,689	276,399,379	349,083,341
Transfers:				
Transfer from stage 1 to stage 2	(5,348,957)	5,348,957	-	-
Transfer from stage 1 to stage 3	(793,569)	-	793,569	-
Transfer from stage 2 to stage 1	9,408,224	(9,408,224)	-	-
Transfer from stage 2 to stage 3	-	(2,523,632)	2,523,632	-
Transfer from stage 3 to stage 1	854,338	-	(854,338)	-
Transfer from stage 3 to stage 2	-	-	-	-
Financial assets derecognized during the period other than write-offs	(10,391,646)	(1,080,928)	(1,758,796)	(13,231,370)
New financial assets originated or purchased	35,752,755	-	-	35,752,755
Impact on ECL of transfers	32,999,928	(1,276,212)	5,410,051	37,133,767
Changes in existing	(8,804,945)	19,019,632	11,534,782	21,749,469
Write-offs	-	-	(156,888)	(156,888)
Loss allowance as at 30 June 2023	109,503,401	26,936,282	293,891,391	430,331,074
Loss allowance as at 01 July 2023	109,503,401	26,936,282	293,891,391	430,331,074
Transfers:				
Transfer from stage 1 to stage 2	(2,778,051)	2,778,051	-	-
Transfer from stage 1 to stage 3	(4,730,563)	-	4,730,563	-
Transfer from stage 2 to stage 1	8,416,433	(8,416,433)	-	-
Transfer from stage 2 to stage 3	-	(13,144,949)	13,144,949	-
Transfer from stage 3 to stage 1	30	-	(30)	-
Transfer from stage 3 to stage 2	-	-	-	-
Financial assets derecognized during the period other than write-offs	(14,824,626)	(1,160,398)	(91,147)	(16,076,171)
New financial assets originated or purchased	24,258,910	-	-	24,258,910
Impact on ECL of transfers	(7,361,630)	2,875,800	175,177,637	170,691,807
Changes in existing	(54,952,441)	(1,475,423)	77,417,737	20,989,873
Write-offs	-	-	(114,376,234)	(114,376,234)
Loss allowance as at 30 June 2024	57,531,463	8,392,930	449,894,866	515,819,259

ECL transferred from stage 3 to stage 1 is minimal relative to transfer reported in the carrying amount since the exposures were fully secured.

The net impairment charge on financial assets under the corporate segment is mainly driven by additional ECL charge upon transfer of exposures from stage 1 to stage 3 attracting a higher ECL as at 30 June 2024.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.5 Loss Allowance (Cont'd)

	The Group and the Bank			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	Rs	Rs	Rs	Rs
Corporate				
Loss allowance as at 01 July 2024	57,531,463	8,392,930	449,894,866	515,819,259
Transfers:				
Transfer from stage 1 to stage 2	(180,927,456)	180,927,456	-	-
Transfer from stage 1 to stage 3	(169,214,286)	-	169,214,286	-
Transfer from stage 2 to stage 1	4,034,000	(4,034,000)	-	-
Transfer from stage 2 to stage 3	-	(1,160,266)	1,160,266	-
Transfer from stage 3 to stage 1	370,165	-	(370,165)	-
Transfer from stage 3 to stage 2	-	-	-	-
Financial assets derecognized during the period other than write-offs	(12,238,197)	(131,172)	(8,357,279)	(20,726,648)
New financial assets originated or purchased	388,893,878	-	-	388,893,878
Impact on ECL of transfers	(4,179,367)	4,418,761	38,856,415	39,095,809
Changes in existing	10,152,050	(1,221,594)	110,122,448	119,052,904
Write-offs	-	-	(273,157,739)	(273,157,739)
Loss allowance as at 30 June 2025	94,422,250	187,192,115	487,363,098	768,977,463

Out of the Rs 273.1 Mn written off during this financial year, Rs 271.9 Mn pertains to exposures which are subject to enforcement action by the bank. (2024 and 2023:Rs Nil)

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.5 Loss Allowance (Cont'd)

	The Group and the Bank				Total
	Stage 1	Stage 2	Stage 3	POCI	
	12-month ECL	Lifetime ECL	Lifetime ECL	Lifetime ECL	
	Rs	Rs	Rs	Rs	Rs
Investment securities					
Loss allowance as at 01 July 2022	20,280,712	-	-	-	20,280,712
Transfer from Stage 1 to Stage 3	(1,689,361)	-	1,689,361	-	-
Financial assets derecognized during the period other than write-off:	(1,608,305)	-	-	-	(1,608,305)
New financial assets originated or purchased	109,575	-	-	-	109,575
Changes in existing	(2,219,148)	-	-	-	(2,219,148)
Impact on ECL of transfers	-	-	132,157,697	-	132,157,697
Loss allowance as at 30 June 2023	14,873,473	-	133,847,058	-	148,720,531
Loss allowance as at 01 July 2023	14,873,473	-	133,847,058	-	148,720,531
Financial assets derecognized during the period other than write-off:	(1,569,602)	-	-	-	(1,569,602)
New financial assets originated or purchased	5,412,979	-	-	-	5,412,979
Changes in existing	(1,537,010)	-	8,249,173	-	6,712,163
Loss allowance as at 30 June 2024	17,179,840	-	142,096,231	-	159,276,071
Loss allowance as at 01 July 2024	17,179,840	-	142,096,231	-	159,276,071
Financial assets derecognized during the period other than write-off:	(4,693,835)	-	(142,096,231)	-	(146,790,066)
New financial assets originated or purchased	6,230,936	-	-	7,923,095	14,154,031
Changes in existing	(684,196)	-	-	-	(684,196)
Loss allowance as at 30 June 2025	18,032,745	-	-	7,923,095	25,955,840

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.5 Loss Allowance (Cont'd)

Significant changes in the gross carrying amount of financial assets that contributed to changes in the loss allowance were as follows:

	The Group and the Bank			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	Rs	Rs	Rs	Rs
Retail				
Gross carrying amount as at 01 July 2022	6,420,330,003	379,825,335	240,378,956	7,040,534,294
Transfers:				
Transfer from stage 1 to stage 2	(311,839,253)	311,839,253	-	-
Transfer from stage 1 to stage 3	(22,526,969)	-	22,526,969	-
Transfer from stage 2 to stage 1	181,411,418	(181,411,418)	-	-
Transfer from stage 2 to stage 3	-	(36,050,782)	36,050,782	-
Transfer from stage 3 to stage 1	5,849,806	-	(5,849,806)	-
Transfer from stage 3 to stage 2	-	1,041,776	(1,041,776)	-
Financial assets derecognized during the period other than write-offs	(521,578,727)	(68,850,002)	(28,495,324)	(618,924,053)
New financial assets originated or purchased	1,849,232,591	-	-	1,849,232,591
Changes in existing*	(324,287,040)	(22,836,653)	1,275,069	(345,848,624)
Other movements**	-	-	(13,837,689)	(13,837,689)
Write-offs	-	-	(1,143,669)	(1,143,669)
Gross carrying amount as at 30 June 2023	7,276,591,829	383,557,509	249,863,512	7,910,012,850
Gross carrying amount as at 01 July 2023	7,276,591,829	383,557,509	249,863,512	7,910,012,850
Transfers:				
Transfer from stage 1 to stage 2	(193,467,733)	193,467,733	-	-
Transfer from stage 1 to stage 3	(20,521,505)	-	20,521,505	-
Transfer from stage 2 to stage 1	154,242,333	(154,242,333)	-	-
Transfer from stage 2 to stage 3	-	(77,203,949)	77,203,949	-
Transfer from stage 3 to stage 1	10,138,790	-	(10,138,790)	-
Transfer from stage 3 to stage 2	-	2,644,292	(2,644,292)	-
Financial assets derecognized during the period other than write-offs	(1,750,721,595)	(22,324,851)	(184,355,374)	(1,957,401,820)
New financial assets originated or purchased	2,238,755,030	-	-	2,238,755,030
Changes in existing*	453,405,680	14,700,941	72,136,002	540,242,623
Other movements**	-	-	1,089,826	1,089,826
Write-offs	-	-	(6,750,984)	(6,750,984)
Gross carrying amount as at 30 June 2024	8,168,422,829	340,599,342	216,925,354	8,725,947,525

*Changes in existing represents movement in interest accrued and foreign exchange movement during the financial year.

**Other movement represents movement in deferred income and interest suspended on non-performing accounts during the financial year.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.5 Loss Allowance (Cont'd)

	The Group and the Bank			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	Rs	Rs	Rs	Rs
Retail				
Gross carrying amount as at 01 July 2024	8,168,422,829	340,599,342	216,925,354	8,725,947,525
Transfers:				
Transfer from stage 1 to stage 2	(243,314,490)	243,314,490	-	-
Transfer from stage 1 to stage 3	(52,322,720)	-	52,322,720	-
Transfer from stage 2 to stage 1	127,000,245	(127,000,245)	-	-
Transfer from stage 2 to stage 3	-	(43,099,939)	43,099,939	-
Transfer from stage 3 to stage 1	6,506,733	-	(6,506,733)	-
Transfer from stage 3 to stage 2	-	-	-	-
Financial assets derecognized during the period other than write-offs	(1,954,725,299)	(72,379,813)	(71,870,031)	(2,098,975,143)
New financial assets originated or purchased	3,356,509,144	-	-	3,356,509,144
Changes in existing*	518,209,461	14,609,522	(2,910,231)	529,908,752
Other movements**	-	-	12,494,388	12,494,388
Write-offs	-	-	(10,715,031)	(10,715,031)
Gross carrying amount as at 30 June 2025	9,926,285,904	356,043,356	232,840,375	10,515,169,635

	The Group and the Bank			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	Rs	Rs	Rs	Rs
Corporate				
Gross carrying amount as at 01 July 2022	10,430,911,880	101,140,474	724,327,393	11,256,379,747
Transfers:				
Transfer from stage 1 to stage 2	(454,303,344)	454,303,344	-	-
Transfer from stage 1 to stage 3	(19,561,486)	-	19,561,486	-
Transfer from stage 2 to stage 1	51,332,211	(51,332,211)	-	-
Transfer from stage 2 to stage 3	-	(17,710,350)	17,710,350	-
Transfer from stage 3 to stage 1	8,970,247	-	(8,970,247)	-
Transfer from stage 3 to stage 2	-	-	-	-
Financial assets derecognized during the period other than write-offs	(8,967,942,966)	(248,493,813)	(379,287)	(9,216,816,066)
New financial assets originated or purchased	11,745,548,429	-	-	11,745,548,429
Changes in existing*	223,993,635	8,022,101	73,542,835	305,558,571
Other movements**	(75,534)	-	(64,690,430)	(64,765,964)
Write-offs	-	-	(306,728)	(306,728)
Gross carrying amount as at 30 June 2023	13,018,873,072	245,929,545	760,795,372	14,025,597,989

*Changes in existing represents movement in interest accrued and foreign exchange movement during the financial year.

**Other movement represents movement in deferred income and interest suspended on non-performing accounts during the financial year.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.5 Loss Allowance (Cont'd)

	The Group and the Bank			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	Rs	Rs	Rs	Rs
Corporate				
Gross carrying amount as at 01 July 2023	13,018,873,072	245,929,545	760,795,372	14,025,597,989
Transfers:				
Transfer from stage 1 to stage 2	(38,314,763)	38,314,763	-	-
Transfer from stage 1 to stage 3	(338,365,298)	-	338,365,298	-
Transfer from stage 2 to stage 1	81,694,219	(81,694,219)	-	-
Transfer from stage 2 to stage 3	-	(106,342,873)	106,342,873	-
Transfer from stage 3 to stage 1	18,083,821	-	(18,083,821)	-
Transfer from stage 3 to stage 2	-	-	-	-
Financial assets derecognized during the period other than write-offs	(9,070,028,917)	(10,109,860)	(22,399,486)	(9,102,538,263)
New financial assets originated or purchased	11,279,230,905	-	-	11,279,230,905
Changes in existing*	243,714,229	6,075,012	84,107,653	333,896,894
Other movements**	39,679,379	-	(75,773,767)	(36,094,388)
Write-offs	-	-	(114,376,234)	(114,376,234)
Gross carrying amount as at 30 June 2024	15,234,566,647	92,172,368	1,058,977,888	16,385,716,903
Gross carrying amount as at 01 July 2024	15,234,566,647	92,172,368	1,058,977,888	16,385,716,903
Transfers:				
Transfer from stage 1 to stage 2	(911,114,445)	911,114,445	-	0
Transfer from stage 1 to stage 3	(465,067,448)	-	465,067,448	-
Transfer from stage 2 to stage 1	46,381,963	(46,381,963)	-	-
Transfer from stage 2 to stage 3	-	(12,100,427)	12,100,427	-
Transfer from stage 3 to stage 1	464,985	-	(464,985)	-
Transfer from stage 3 to stage 2	-	-	-	-
Financial assets derecognized during the period other than write-offs	(4,320,145,932)	(71,211,991)	(151,637,285)	(4,542,995,208)
New financial assets originated or purchased	8,533,348,617	-	-	8,533,348,617
Changes in existing*	353,494,365	4,945,580	(23,351,017)	335,088,928
Other movements**	25,074,124	-	151,707,785	176,781,909
Write-offs	-	-	(273,157,739)	(273,157,739)
Gross carrying amount as at 30 June 2025	18,497,002,876	878,538,011	1,239,242,523	20,614,783,411

*Changes in existing represents movement in interest accrued and foreign exchange movement during the financial year.

**Other movement represents movement in deferred income and interest suspended on non-performing accounts during the financial year.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.5 Loss Allowance (Cont'd)

	The Group and the Bank				Total
	Stage 1	Stage 2	Stage 3	POCI	
	12-month ECL	Lifetime ECL	Lifetime ECL	Lifetime ECL	
	Rs	Rs	Rs	Rs	Rs
Investment securities					
Amount as at 01 July 2022	6,887,231,134	-	-	-	6,887,231,134
Transfers:					
Transfer from stage 1 to stage 3	(307,058,703)	-	307,058,703	-	-
Financial assets derecognized during the period other than write-offs	(4,762,413,096)	-	-	-	(4,762,413,096)
New financial assets originated or purchased	2,694,959,662	-	-	-	2,694,959,662
Changes in existing	172,833,336	-	37,086,429	-	209,919,765
Other movements	-	-	(25,983,508)	-	(25,983,508)
Write-offs	-	-	-	-	-
Amount as at 30 June 2023	4,685,552,333	-	318,161,624	-	5,003,713,957
Amount as at 01 July 2023	4,685,552,333	-	318,161,624	-	5,003,713,957
Financial assets derecognized during the period other than write-offs	(3,945,510,557)	-	-	-	(3,945,510,557)
New financial assets originated or purchased	7,296,726,500	-	-	-	7,296,726,500
Changes in existing	-	-	3,889,728	-	3,889,728
Amount as at 30 June 2024	8,036,768,276	-	322,051,352	-	8,358,819,628
Amount as at 01 July 2024	8,036,768,276	-	322,051,352	-	8,358,819,628
Financial assets derecognized during the period other than write-offs	(6,402,446,613)	-	(179,955,121)	(7,127,777)	(6,589,529,511)
Derecognition of Ghanaian Bonds	-	-	(142,096,231)	-	(142,096,231)
New financial assets originated or purchased	8,503,351,421	-	-	212,627,614	8,715,979,035
Changes in existing	8,322,210	-	-	(3,944,085)	4,378,125
Amount as at 30 June 2025	10,145,995,294	-	-	201,555,752	10,347,551,046

The Ghanaian government bonds were classified as originated credit impaired, post the restructure on 09 October 2024 which resulted in the original instruments being derecognised and new instruments recognised.

Energy Built for Generations

The shift toward renewable energy demands reliable financial partners. MauBank contributes by financing initiatives that improve energy efficiency, reduce dependence on carbon-intensive sources and align with Mauritius' sustainability objectives. Our role is to ensure that capital flows toward projects that deliver long-term environmental value.

“

Turning Ocean Winds
into Endless Power.

”
Sailing Toward
a Sustainable
Tomorrow.

Energy *Wind*

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.6 Write-off policy

The Group and the Bank write off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Group's and the Bank's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

6.1.7 Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached). The Group and the Bank renegotiate loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness), change in interest rates and amendments to covenants. The Bank has a forbearance policy in place to cater for requests for restructuring of debts. When a financial asset is modified, the Group and the Bank assess whether this modification results in derecognition. In accordance with the Group's and the Bank's policy, a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms, the Group and the Bank consider the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or when rights to cash flows between the original counterparties expire because a new debtor replaces the original debtor (unless both debtors are under common control), the extent of change in interest rates, and maturity. If these do not clearly indicate a substantial modification, then;
- A quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest rate. If the difference in present value is greater than 10% the Group deems the arrangement is substantially different leading to derecognition. When performing a quantitative assessment of a modification or renegotiation of a credit-impaired financial asset or a purchased or originated credit-impaired financial asset that was subject to a write-off, the Group and the Bank consider the expected (rather than the contractual) cash flows before modification or renegotiation and compares those with the contractual cash flows after modification or renegotiation.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.7 Modification of financial assets (Cont'd)

- When performing a quantitative assessment of a modification or renegotiation of a credit-impaired financial asset or a purchased or originated credit-impaired financial asset that was subject to a write-off, the entity considers the expected (rather than the contractual) cash flows before modification or renegotiation and compares those with the contractual cash flows after modification or renegotiation. In the case where the financial asset is derecognized, 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 and the Bank monitor credit risk of modified financial assets by evaluating qualitative and quantitative information, as if the borrower is in past due status under the new terms. When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the entity determines if the financial asset's credit risk has increased significantly since initial recognition by comparing the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms with the remaining lifetime PD at the reporting date based on the modified terms. For financial assets modified as part of the forbearance policy, where modification did not result in derecognition, the estimate of PD reflects the ability to collect the modified cash flows taking into account the 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 forbore loan is credit impaired due to the existence of evidence of credit impairment (see above), the Group and the Bank perform 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 forbore 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. Where a modification does not lead to derecognition, the Group and the Bank calculate the modification loss by comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Modification losses for financial assets are included in the profit or loss account. Then the Group and the Bank measure ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

These policies are kept under continuous review. Restructuring is most commonly applied to term loans, in particular customer finance loans. Renegotiated loans that would otherwise be past due or impaired totalled **Rs 3,961,048,952** (30 June 2024: Rs 542,792,857 and 30 June 2023: Rs 118,612,623) for the period under review.

The Group and the Bank sometimes modifies the terms of loans provided to customers due to commercial renegotiations, or for distressed loans, with a view to maximising recovery.

Such restructuring activities include extended payment term arrangements, payment holidays and payment forgiveness. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to term loans.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset. The Group and the Bank monitors the subsequent performance of modified assets. The Group and the Bank may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL).

The Group and the Bank continues to monitor if there is a subsequent significant increase in credit risk in relation to such assets through the use of specific models for modified assets.

The following table includes summary information for financial assets with lifetime ECL whose cash flows were modified during the period as part of the Group's and Bank's restructuring activities and their respective effect on the Group's and the Bank's financial performance:

	The Group and the Bank		
	Loans and advance to customers	Loans and advance to customers	Loans and advance to customers
	2025	2024	2023
	Rs	Rs	Rs
Retail			
Amortised cost before modification	4,238,360,206	1,701,739,471	1,149,083,224

Net modification loss

- - -

Efficiency Built into Light

Solar adoption is not only an environmental choice but an operational advantage. MauBank finances energy solutions that help customers stabilise costs, increase efficiency and strengthen the long-term performance of their activities.

“

Harnessing the Sun,
Sustaining the Future

”

Solar Strength for
a Resilient Island.



Solar Solutions

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.8 Maximum exposure to credit risk before collateral held and other credit risk enhancement

Credit risk exposures are as follows:

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Cash and cash equivalents	9,802,900,952	10,112,818,877	4,273,915,533	9,802,900,952	10,112,818,877	4,273,915,533
Mandatory balance held with Central Bank	3,351,382,724	2,855,998,585	2,277,213,614	3,351,382,724	2,855,998,585	2,277,213,614
Derivative assets	11,415,678	78,759,542	10,883,632	11,415,678	78,759,542	10,883,632
Investment securities	10,080,280,308	8,151,533,202	4,695,877,340	10,080,280,308	8,151,533,202	4,695,877,340
Loans and advances to banks	790,286,809	905,925,292	938,342,148	790,286,809	905,925,292	938,342,148
Loans and advances to customers	29,262,518,141	23,413,207,401	20,297,328,616	29,391,862,418	23,553,801,109	20,445,036,472
Other assets*	287,543,713	216,493,560	190,133,536	326,484,064	255,433,917	229,073,892
	53,586,328,325	45,734,736,459	32,683,694,419	53,754,612,953	45,914,270,524	32,870,342,631

*Other assets include amount due from the subsidiary (in the Bank 's separate financial statements), balances due in clearing and receivables at the Group and at the Bank.

Trading assets have been excluded from the above table as they are not subject to credit risk. Comparative figures reflect this change accordingly.

Credit risk exposures relating to off-balance sheet items are as follows:

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	3,755,555,571	2,594,461,569	2,119,139,142	3,755,555,571	2,594,461,569	2,119,139,142
Credit commitments	3,870,544,419	2,828,967,692	1,300,476,500	3,870,544,419	2,828,967,692	1,300,476,500

The above table represents credit risk exposure to the Group and the Bank as at 30 June 2025, 30 June 2024 and 30 June 2023, without taking account of any collateral held or other credit enhancements attached. For on-balance sheet assets, the exposures set out above are based on net carrying amounts as reported in the statement of financial position.

Management is confident in its ability to continue to control and sustain minimal exposure of credit risk to the Bank resulting from its loans and advances portfolio as:

- **90.69%** (2024: 84.86%; 2023: 89.32%) of the loans and advances portfolio is backed by collaterals:
- **77.76%** (2024: 91.99%; 2023: 83.68%) of the loans and advances portfolio is considered to be neither past due nor impaired; and
- **Rs 6,924 Mn** (2024: Rs 2,013 Mn; 2023: Rs 3,581 Mn) of the loans and advances have been assessed on an individual basis and **Rs 1,472 Mn** (2024: Rs 1,276 Mn; 2023: Rs 1,010 Mn) is considered impaired.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.9 Loans and advances

Total Loans and advances to banks and to customers are summarised as follows:

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Neither past due nor impaired	24,076,688,985	22,958,342,302	18,206,941,587	24,206,033,263	23,098,936,010	18,354,649,443
Past due but not impaired	5,451,836,887	736,825,176	2,570,302,514	5,451,836,887	736,825,176	2,570,302,513
Individually impaired	1,472,082,896	1,275,903,242	1,010,658,883	1,472,082,896	1,275,903,242	1,010,658,883
Gross amount	31,000,608,768	24,971,070,720	21,787,902,984	31,129,953,046	25,111,664,428	21,935,610,839
Less allowance for credit impairment	(947,803,818)	(651,938,027)	(552,232,220)	(947,803,818)	(651,938,027)	(552,232,219)
Net amount	30,052,804,950	24,319,132,693	21,235,670,764	30,182,149,228	24,459,726,401	21,383,378,620

At 30 June 2025, the total impairment provision for loans and advances was Rs 947,803,818 (2024: Rs 651,938,027 and 2023: Rs 552,232,219) of which Rs 595,377,690 (2024: Rs 548,858,903 and 2023: Rs 367,025,859) represented the expected credit losses for stage 3 on impaired loans and the remaining amount of Rs 352,426,128 (2024: Rs 103,079,124 and 2023: Rs 185,206,360) represented the expected credit allowance for stage 1 and 2. Further information on the allowance for credit impairment on loans and advances are provided in Note 12 and 13.

Total Loans and advances to banks and to customers are summarised as follows:

The credit quality of the portfolio of loans and advances that were neither past due nor impaired is assessed by reference to the internal rating system adopted by the Group.

6.1.10 Repossessed collaterals

The properties acquired are initially recorded at cost, which is the lower of their fair value less costs to sell and the carrying amount of the loan (net of impairment allowance) at the date of exchange. They are subsequently measured at the lower of the carrying amount or net realisable value.

No depreciation is charged in respect of these properties. Any subsequent write-down of the acquired properties to net realisable value is recognised in the statement of comprehensive income, in 'other income'. Any subsequent increase in net realisable value, to the extent that it does not exceed the cumulative write-down, is also recognised in 'other income'. Gains or losses on disposal of repossessed properties are reported in 'other income'.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.1 Credit risk analysis (Cont'd)

6.1.11 Country risk management

Cross-border exposures subject banks to country risk, that is the possibility that sovereign borrowers of a particular country may be unable or unwilling, and borrowers unable to fulfill their foreign obligations for reasons beyond the usual credit risk which arises in relation to all lending.

In April 2010, the Bank of Mauritius issued its first guideline on Country Risk Management. In the same year, the Bank put in place its policy on Country Risk Management policy which is a comprehensive document approved by the Board of Directors and which contains the risk appetite of the Group together with a set of techniques on the measurement and monitoring of the Group's country risk exposures.

In September 2020, the Bank of Mauritius issued its first guideline on Cross Border Exposure which was revised in March 2021 and thereafter in August 2022. Prior to issuance of this guideline by the Central Bank, MauBank Ltd already has in place a Cross-Border Investment & Lending Risk Management Policy since November 2019 which is a comprehensive policy dealing with cross border exposures.

The assessment of country risk involves the determination of the nature of risks associated with individual country exposures and the evaluation of country conditions. In this context, MauBank Ltd monitors its country risk exposures at the level of the Asset and Liability Management Committee on a monthly basis.

At 30 June 2025, 19.59 % of the risk weighted exposures were in AA+u countries and the remaining 80.41 % spread between A+ to BBB-u. The highest exposures were in North America represented by 27.32 %, 24.33 % in Africa, 17.18 % in Europe, 16.86 % in Middle East and 14.31 % in East Asia.

At 30 June 2024, 26.04 % of the risk weighted exposures were in AA+u countries and the remaining 73.96 % spread between A+ to BBB-u. The highest exposures were in Africa represented by 50.54 %, 26.04 % in North America, 3.28 % in Europe, 6.38% in Middle East and 13.76% in East Asia.

At 30 June 2023, 25.21 % of the risk weighted exposures were in AA+u countries and the remaining 74.79 % spread between A+ to BBB-u. The highest exposures were in Africa represented by 51.69 %, 25.61 % in North America, 18.51 % in Europe, and 4.14% in East Asia.

6.2 Market risk analysis

Market risk is the risk of loss resulting from adverse movements in the value of financial instruments. It encompasses exposure to interest rates, foreign exchange rates, equity prices and commodity prices. Sound market risk management practices include the measurement and monitoring of market risk as well as the communication and enforcement of risk limits throughout the Group's trading businesses.

Market risk is monitored consistently and reported to the Group's Asset and Liability Committee (ALCO). Movements of major currencies, trends and forecasts are analysed in the ALCO. Matching of Group's Assets and Liabilities is closely monitored by using gap analysis. Limits and authorisation/approval levels are set in the Bank's Liquidity, Interest Rate and Foreign Exchange Risk Policy. Procedures are strictly followed and adhered to.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.1 Foreign currency sensitivity

Foreign exchange risk is the risk that the Group's earnings and economic value will be adversely affected with the movements in the foreign exchange rate. The Group is exposed to this risk in both the spot and forward foreign exchange markets. Spot foreign exchange risk arises when the total present value of assets in a particular currency does not equal the present value of liabilities in that currency. Forward foreign exchange risk arises when for a given currency, the maturity profile of forward purchases differs from the maturity profile of forward sales.

The Group monitors its foreign exchange risk exposure based on limits set in the Group's Foreign Exchange Risk Policy. Authorisation limits are clearly indicated in this policy. Foreign exchange exposures are reported to the Bank of Mauritius as per the guidelines. ALCO is the main forum in which foreign exchange and treasury matters are discussed and analysed.

The Subsidiary is not exposed to any foreign currency risk since it did not have any financial assets or financial liabilities denominated in foreign currencies as at 30 June 2025.

The Group's reporting currency is the Mauritian Rupee (MUR) but it has assets, liabilities, income and expenses in other currencies. The tables on the following summarise the Group's exposure to the foreign exchange rate risk at 30 June 2025, 30 June 2024 and 30 June 2023.

At 30 June 2025 (The Group)	MUR	EURO	USD	GBP	OTHER	TOTAL
	Rs'000	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent
Assets						
Cash and cash equivalents	2,540,690	1,804,667	5,186,253	485,969	137,182	10,154,761
Mandatory balance held with Central Bank	3,222,973	45,320	65,608	17,482	-	3,351,383
Derivative assets	11,416	-	-	-	-	11,416
Trading assets	-	-	1,293,363	-	-	1,293,363
Investment securities	8,498,231	-	2,275,152	-	-	10,773,383
Loans and advances to banks and customers	25,127,933	647,946	5,113,984	40,714	70,033	31,000,610
Other assets	260,708	-	26,836	-	-	287,544
Total assets	39,661,951	2,497,933	13,961,196	544,165	207,215	56,872,460
Less allowance for credit impairment	(810,128)	(1,803)	(132,001)	(6,703)	(88)	(950,723)
	38,851,823	2,496,130	13,829,195	537,462	207,127	55,921,737
Liabilities						
Deposits from customers	36,627,245	2,295,327	11,138,079	539,813	127,806	50,728,270
Derivative liabilities	649,015	-	-	-	-	649,015
Lease liabilities	97,038	-	-	-	-	97,038
Payable to fellow subsidiary	23,110	-	7,298	-	-	30,408
Other liabilities	577,434	1	148	86	15,210	592,879
Total liabilities	37,973,842	2,295,328	11,145,525	539,899	143,016	52,097,610
Net on-balance sheet position	877,981	200,802	2,683,670	(2,437)	64,111	3,824,127
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	3,022,080	36,744	696,732	-	-	3,755,556
Credit commitments	3,870,544	-	-	-	-	3,870,544
Total off-balance sheet amount	6,892,624	36,744	696,732	-	-	7,626,100

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.1 Foreign currency sensitivity (Cont'd)

At 30 June 2024 (The Group)	MUR	EURO	USD	GBP	OTHER	TOTAL
	Rs'000	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent
Assets						
Cash and cash equivalents	6,779,348	518,559	2,323,376	487,645	301,885	10,410,813
Mandatory balance held with Central Bank	2,750,680	29,016	59,415	16,888	-	2,855,999
Derivative assets	78,760	-	-	-	-	78,760
Trading assets	-	-	529,476	-	-	529,476
Investment securities	6,845,399	-	1,752,109	-	-	8,597,508
Loans and advances to banks and customers	21,019,162	918,793	2,967,830	49,044	16,243	24,971,072
Other assets	192,693	-	23,801	-	-	216,494
Total assets	37,666,042	1,466,368	7,656,007	553,577	318,128	47,660,122
Less allowance for credit impairment	(489,583)	(116,967)	(45,021)	(1,035)	(17)	(652,623)
	37,176,459	1,349,401	7,610,986	552,542	318,111	47,007,499
Liabilities						
Deposits from customers	32,878,398	1,255,279	6,818,116	555,323	320,317	41,827,433
Derivative liabilities	1,075,922	-	-	-	-	1,075,922
Lease liabilities	20,614	-	-	-	-	20,614
Payable to fellow subsidiary	14,276	-	378	-	-	14,654
Other liabilities	604,853	1	170	142	242	605,408
Total liabilities	34,594,063	1,255,280	6,818,664	555,465	320,559	43,544,031
Net on-balance sheet position						
	2,582,396	94,121	792,322	(2,923)	(2,448)	3,463,468
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	2,064,208	3,031	524,979	-	2,244	2,594,462
Credit commitments	2,816,198	-	8,047	-	4,723	2,828,968
Total off-balance sheet amount	4,880,406	3,031	533,026	-	6,967	5,423,430

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.1 Foreign currency sensitivity (Cont'd)

At 30 June 2023 (The Group)

	MUR	EURO	USD	GBP	OTHER	TOTAL
	Rs'000	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent
Assets						
Cash and cash equivalents	345,268	327,375	3,539,154	257,196	97,447	4,566,440
Mandatory balance held with Central Bank	2,184,023	23,888	55,799	13,504	-	2,277,214
Derivative assets	10,884	-	-	-	-	10,884
Trading assets	-	-	479,677	-	-	479,677
Investment securities	3,301,567	-	1,758,139	-	-	5,059,706
Loans and advances to banks and customers	19,042,574	474,430	2,219,585	51,227	88	21,787,904
Other assets	168,451	-	21,682	-	-	190,133
Total assets	25,052,767	825,693	8,074,036	321,927	97,535	34,371,958
Less allowance for credit impairment	(488,416)	(3,034)	(60,216)	(755)	-	(552,421)
	24,564,351	822,659	8,013,820	321,172	97,535	33,819,537
Liabilities						
Deposits from customers	24,130,247	805,310	5,066,549	348,836	72,103	30,423,045
Derivative liabilities	868,251	-	-	-	-	868,251
Lease liabilities	17,740	-	-	-	-	17,740
Payable to fellow subsidiary	6,575	-	7,075	-	-	13,650
Other liabilities	512,073	-	193	195	17	512,478
Total liabilities	25,534,886	805,310	5,073,817	349,031	72,120	31,835,164
Net on-balance sheet position	(970,535)	17,349	2,940,003	(27,859)	25,415	1,984,373
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	2,015,224	4,309	99,606	-	-	2,119,139
Credit commitments	1,300,477	-	-	-	-	1,300,477
Total off-balance sheet amount	3,315,701	4,309	99,606	-	-	3,419,616

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.1 Foreign currency sensitivity (Cont'd)

At 30 June 2025 (The Bank)

	MUR	EURO	USD	GBP	OTHER	TOTAL
	Rs'000	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent
Assets						
Cash and cash equivalents	2,540,690	1,804,667	5,186,253	485,969	137,182	10,154,761
Mandatory balance held with Central Bank	3,222,973	45,320	65,608	17,482	-	3,351,383
Derivative assets	11,416	-	-	-	-	11,416
Trading assets	-	-	1,293,363	-	-	1,293,363
Investment securities	8,498,231	-	2,275,152	-	-	10,773,383
Loans and advances to banks and customers	25,257,277	647,946	5,113,984	40,714	70,033	31,129,954
Other assets	299,648	-	26,836	-	-	326,484
Total assets	39,830,235	2,497,933	13,961,196	544,165	207,215	57,040,744
Less allowance for credit impairment	(810,128)	(1,803)	(132,001)	(6,703)	(88)	(950,723)
	39,020,107	2,496,130	13,829,195	537,462	207,127	56,090,021
Liabilities						
Deposits from customers	36,654,048	2,295,327	11,138,079	539,813	127,806	50,755,073
Derivative liabilities	649,015	-	-	-	-	649,015
Lease liabilities	90,465	-	-	-	-	90,465
Payable to fellow subsidiary	23,110	-	7,298	-	-	30,408
Other liabilities	577,132	1	148	86	15,210	592,577
Total liabilities	37,993,770	2,295,328	11,145,525	539,899	143,016	52,117,538
Net on-balance sheet position	1,026,337	200,802	2,683,670	(2,437)	64,111	3,972,483
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	3,022,080	36,744	696,732	-	-	3,755,556
Credit commitments	3,870,544	-	-	-	-	3,870,544
Total off-balance sheet amount	6,892,624	36,744	696,732	-	-	7,626,100

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.1 Foreign currency sensitivity (Cont'd)

At 30 June 2024 (The Bank)

	MUR	EURO	USD	GBP	OTHER	TOTAL
	Rs'000	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent
Assets						
Cash and cash equivalents	6,779,348	518,559	2,323,376	487,645	301,885	10,410,813
Mandatory balance held with Central Bank	2,750,680	29,016	59,415	16,888	-	2,855,999
Derivative assets	78,760	-	-	-	-	78,760
Trading assets	-	-	529,476	-	-	529,476
Investment securities	6,845,399	-	1,752,109	-	-	8,597,508
Loans and advances to banks and customers	21,159,755	918,793	2,967,830	49,044	16,243	25,111,665
Other assets	231,633	-	23,801	-	-	255,434
Total assets	37,845,575	1,466,368	7,656,007	553,577	318,128	47,839,655
Less allowance for credit impairment	(489,583)	(116,967)	(45,021)	(1,035)	(17)	(652,623)
	37,355,992	1,349,401	7,610,986	552,542	318,111	47,187,032
Liabilities						
Deposits from customers	32,899,240	1,255,279	6,818,116	555,323	320,317	41,848,275
Derivative liabilities	1,075,922	-	-	-	-	1,075,922
Lease liabilities	13,748	-	-	-	-	13,748
Payable to fellow subsidiary	14,276	-	378	-	-	14,654
Other liabilities	604,555	1	170	142	242	605,110
Total liabilities	34,607,741	1,255,280	6,818,664	555,465	320,559	43,557,709
Net on-balance sheet position	2,748,251	94,121	792,322	(2,923)	(2,448)	3,629,323
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	2,064,208	3,031	524,979	-	2,244	2,594,462
Credit commitments	2,816,198	-	8,047	-	4,723	2,828,968
Total off-balance sheet amount	4,880,406	3,031	533,026	-	6,967	5,423,430

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.1 Foreign currency sensitivity (Cont'd)

At 30 June 2023 (The Bank)

	MUR	EURO	USD	GBP	OTHER	TOTAL
	Rs'000	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent	Rs'000 equivalent
Assets						
Cash and cash equivalents	345,268	327,375	3,539,154	257,196	97,447	4,566,440
Mandatory balance held with Central Bank	2,184,023	23,888	55,799	13,504	-	2,277,214
Derivative assets	10,884	-	-	-	-	10,884
Trading assets	-	-	479,677	-	-	479,677
Investment securities	3,301,567	-	1,758,139	-	-	5,059,706
Loans and advances to banks and customers	19,190,281	474,430	2,219,585	51,227	88	21,935,611
Other assets	207,391	-	21,682	-	-	229,073
Total assets	25,239,414	825,693	8,074,036	321,927	97,535	34,558,605
Less allowance for credit impairment	(488,416)	(3,034)	(60,216)	(755)	-	(552,421)
	24,750,998	822,659	8,013,820	321,172	97,535	34,006,184
Liabilities						
Deposits from customers	24,142,094	805,310	5,066,549	348,836	72,103	30,434,892
Derivative liabilities	868,251	-	-	-	-	868,251
Lease liabilities	46,120	-	-	-	-	46,120
Payable to fellow subsidiary	6,575	-	7,075	-	-	13,650
Other liabilities	511,783	-	193	195	17	512,188
Total liabilities	25,574,823	805,310	5,073,817	349,031	72,120	31,875,101
Net on-balance sheet position	(823,825)	17,349	2,940,003	(27,859)	25,415	2,131,083
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	2,015,224	4,309	99,606	-	-	2,119,139
Credit commitments	1,300,477	-	-	-	-	1,300,477
Total off-balance sheet amount	3,315,701	4,309	99,606	-	-	3,419,616

The Group and the Bank perform a sensitivity analysis to estimate the potential foreign exchange impact arising from movements in an ordinary market environment. The percentage change was based on the exchange rates prevailing between the start and the end of the financial year.

The sensitivity of profit and equity in regards to the Group's and the Bank's financial instruments is subject to changes in the USD/MUR, EURO/MUR, GBP/MUR, AUD/MUR, CAD/MUR, DKK/MUR, HKD/MUR, INR/MUR, JPY/MUR, NZD/MUR, NOK/MUR, SGD/MUR, ZAR/MUR, SEK/MUR, CHF/MUR, SAR/MUR, UAE/MUR and CNY/MUR exchange rates "all other things being equal".

Agriculture Built for Tomorrow

MauBank supports investments in modern and sustainable agriculture to help farmers adopt efficient, low-impact methods and improve long-term productivity. By directing capital toward resource-smart farming, the Bank contributes to stronger food systems and national resilience.

“

Growing Today,
Sustaining Tomorrow

”
Less Soil, Less
Water, More Future.



Creating Opportunities

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.1 Foreign currency sensitivity (Cont'd)

It assumes the following percentage changes in the exchange rates for the years ended.

	30 June 2025	30 June 2024	30 June 2023
	% change	% change	% change
The Group and the Bank			
United States Dollar	5.00%	4.00%	6.00%
EURO	4.00%	3.00%	7.00%
Great Britain Pound	3.00%	4.00%	8.00%
Australian Dollar	7.00%	5.00%	3.00%
Canadian Dollar	5.00%	1.00%	1.00%
Hong Kong Dollar	5.00%	4.00%	5.00%
Indian Rupee	8.00%	2.00%	1.00%
Japanese Yen	6.00%	6.00%	14.00%
New Zealand Dollar	5.00%	4.00%	6.00%
Singapore Dollar	1.00%	4.00%	2.00%
South African Rand	3.00%	9.00%	7.00%
Swiss Franc	7.00%	4.00%	2.00%
Saudi Arabian Riyal	5.00%	4.00%	6.00%
United Arab Emirates Dirham	5.00%	4.00%	6.00%
Chinese Yuan	4.00%	4.00%	2.00%

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's and the Bank's foreign currency financial instruments held at each reporting date.

If the foreign currencies had strengthened/weakened by the above percentages, then this would have had the following impact on profit and equity for the years ended.

	30 June 2025		30 June 2024		30 June 2023	
	Impact on profit for the year and on equity		Impact on profit for the year and on equity		Impact on profit for the year and on equity	
	Strengthened	Weakened	Strengthened	Weakened	Strengthened	Weakened
	Rs	Rs	Rs	Rs	Rs	Rs
The Group and the Bank						
United States Dollar	(13,584,173)	13,584,173	(10,698,363)	10,698,363	188,386	(188,386)
Euro	495,743	(495,743)	17,739	(17,739)	1,010,808	(1,010,808)
Great Britain Pound	150,543	(150,543)	(72,087)	72,087	(21,453)	21,453
Australian Dollar	(74,339)	74,339	(71,291)	71,291	(2,653)	2,653
Canadian Dollar	247,957	(247,957)	2,423	(2,423)	(39,351)	39,351
Hong Kong Dollar	(1,121)	1,121	(818)	818	2	(2)
Indian Rupee	36,780	(36,780)	6,834	(6,834)	854	(854)
Japanese Yen	1,595	(1,595)	(1,228,765)	1,228,765	(472,031)	472,031
New Zealand Dollar	191	(191)	161	(161)	39	(39)
Singapore Dollar	3,753	(3,753)	16,983	(16,983)	6,090	(6,090)
South African Rand	(1,477)	1,477	(268,324)	268,324	(418,408)	418,408
Swiss Franc	33,911	(33,911)	90,478	(90,478)	227,767	(227,767)
Saudi Arabian Riyal	3,489	(3,489)	4,897	(4,897)	62	(62)
United Arab Emirates Dirham	7,005	(7,005)	(15,363)	15,363	-	-
Chinese Yuan	(79,078)	79,078	1,944	(1,944)	18,682	(18,682)
Total	(12,759,221)	12,759,221	(12,213,552)	12,213,552	498,794	(498,794)

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.2 Interest rate sensitivity

Interest rate risk results from mismatches between asset and liability positions which are subject to unfavourable movements in interest rates with potentially adverse impact on margins, net interest income and economic value of a group's assets, liabilities and shareholders' value. Interest rate risk may be measured using methods which include sensitivity analysis and simulation modelling. The Group has its Interest Rate Risk Policy in which risks limits are laid down. Scenario analysis is worked out based on possible changes in interest rates and their impact on net interest income and margin is analysed and discussed in Group's Asset and Liability Management Committee.

The table below summarises the Group's exposure to interest rate risk at 30 June 2025:

At 30 June 2025 (The Group)	Floating	Up to 1 month	2 – 3 months	4 – 6 months	7 – 12 months	1 – 3 years	Over 3 years	Non interest bearing	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Assets									
Cash and cash equivalents	198,294	6,601,228	-	-	-	-	-	3,355,239	10,154,761
Mandatory balance held with Central Bank	-	-	-	-	-	-	-	3,351,383	3,351,383
Derivative assets	-	-	-	-	-	-	-	11,416	11,416
Trading assets	453,581	-	839,782	-	-	-	-	-	1,293,363
Investment securities	148,793	948,915	1,374,225	2,281,866	96,565	2,283,568	2,946,350	693,101	10,773,383
Loans and advances to customers	28,071,971	169,547	216,984	738,017	221,775	220,029	1,362,286	-	31,000,609
Other assets	-	-	-	-	-	-	-	287,544	287,544
	28,872,639	7,719,690	2,430,991	3,019,883	318,340	2,503,597	4,308,636	7,698,683	56,872,459
Less allowance for credit impairment	-	-	-	-	-	-	-	(950,723)	(950,723)
Total Assets	28,872,639	7,719,690	2,430,991	3,019,883	318,340	2,503,597	4,308,636	6,747,960	55,921,736
At 30 June 2025	Floating	Up to 1 month	2 – 3 months	4 – 6 months	7 – 12 months	1 – 3 years	Over 3 years	Non interest bearing	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Liabilities									
Deposits from customers	24,345,834	63,647	30,645	2,200,269	3,906,609	4,383,509	1,836,205	13,961,552	50,728,270
Derivative liabilities	623,550	-	-	-	-	-	-	25,465	649,015
Lease liabilities	-	2,359	2,087	3,471	9,466	23,150	56,505	-	97,038
Payable to fellow subsidiary	-	-	-	-	-	-	-	30,407	30,407
Other liabilities	-	-	-	-	-	-	-	592,878	592,878
Total liabilities	24,969,384	66,006	32,732	2,203,740	3,916,075	4,406,659	1,892,710	14,610,302	52,097,608
Net on-balance sheet interest sensitivity gap	3,903,255	7,653,684	2,398,259	816,143	(3,597,735)	(1,903,062)	2,415,926	(7,862,342)	3,824,128

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.2 Interest rate sensitivity (Cont'd)

The table below summarises the Bank's exposure to interest rate risk at 30 June 2025:

At 30 June 2025 (The Bank)	Floating	Up to 1 month	2 – 3 months	4 – 6 months	7 – 12 months	1– 3 years	Over 3 years	Non interest bearing	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Assets									
Cash and cash equivalents	198,294	6,601,228	-	-	-	-	-	3,355,239	10,154,761
Mandatory balance held with Central Bank	-	-	-	-	-	-	-	3,351,383	3,351,383
Derivative assets	-	-	-	-	-	-	-	11,416	11,416
Trading assets	453,581	-	839,782	-	-	-	-	-	1,293,363
Investment securities	148,793	948,915	1,374,225	2,281,866	96,565	2,283,568	2,946,350	693,101	10,773,383
Loans and advances to banks and customers	28,201,315	169,547	216,984	738,017	221,775	220,029	1,362,286	-	31,129,953
Other assets	-	-	-	-	-	-	-	326,484	326,484
	29,001,983	7,719,690	2,430,991	3,019,883	318,340	2,503,597	4,308,636	7,737,623	57,040,743
Less allowance for credit impairment	-	-	-	-	-	-	-	(950,723)	(950,723)
Total Assets	29,001,983	7,719,690	2,430,991	3,019,883	318,340	2,503,597	4,308,636	6,786,900	56,090,020
Liabilities									
Deposits from customers	24,345,834	63,647	30,645	2,200,269	3,906,609	4,383,509	1,836,205	13,988,354	50,755,072
Derivative liabilities	623,550	-	-	-	-	-	-	25,465	649,015
Lease liabilities	-	1,911	2,114	3,511	9,546	22,480	50,904	-	90,466
Payable to fellow subsidiary	-	-	-	-	-	-	-	30,407	30,407
Other liabilities	-	-	-	-	-	-	-	592,576	592,576
	24,969,384	65,558	32,759	2,203,780	3,916,155	4,405,989	1,887,109	14,636,802	52,117,536
Net on-balance sheet interest sensitivity gap	4,032,599	7,654,132	2,398,232	816,103	(3,597,815)	(1,902,392)	2,421,527	(7,849,902)	3,972,484

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.2 Interest rate sensitivity (Cont'd)

The table below summarises the Bank's exposure to interest rate risk at 30 June 2024:

At 30 June 2024 (The Bank)	Floating	Up to 1 month	2 – 3 months	4 – 6 months	7 – 12 months	1 – 3 years	Over 3 years	Non interest bearing	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Assets									
Cash and cash equivalents	6,641,723	2,455,508	-	-	-	-	-	1,313,582	10,410,813
Mandatory balance held with Central Bank	-	-	-	-	-	-	-	2,855,999	2,855,999
Derivative assets	-	-	-	-	-	-	-	78,760	78,760
Trading assets	529,476	-	-	-	-	-	-	-	529,476
Investment securities*	154,749	700,174	992,410	2,336,271	2,220,090	568,615	1,065,427	559,772	8,597,508
Loans and advances to banks and customers	22,612,542	812,164	331,048	189,261	8,810	374,432	783,408	-	25,111,665
Other assets	-	-	-	-	-	-	-	255,434	255,434
	29,938,490	3,967,846	1,323,458	2,525,532	2,228,900	943,047	1,848,835	5,063,547	47,839,655
Less allowance for credit impairment	-	-	-	-	-	-	-	(652,622)	(652,622)
Total Assets	29,938,490	3,967,846	1,323,458	2,525,532	2,228,900	943,047	1,848,835	4,410,925	47,187,033
At 30 June 2024									
	Floating	Up to 1 month	2 – 3 months	4 – 6 months	7 – 12 months	1 – 3 years	Over 3 years	Non interest bearing	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Liabilities									
Deposits from customers	15,796,200	1,929,171	1,824,429	773,035	6,372,524	613,132	911,158	13,628,626	41,848,275
Derivative liabilities	1,049,549	-	-	-	-	-	-	26,373	1,075,922
Lease liabilities	-	636	1,252	1,074	1,408	5,859	3,519	-	13,748
Payable to fellow subsidiary	-	-	-	-	-	-	-	14,654	14,654
Other liabilities	-	-	-	-	-	-	-	605,110	605,110
Total liabilities	16,845,749	1,929,807	1,825,681	774,109	6,373,932	618,991	914,677	14,274,763	43,557,709
Net on-balance sheet interest sensitivity gap	13,092,741	2,038,039	(502,223)	1,751,423	(4,145,032)	324,056	934,158	(9,863,838)	3,629,324

*Investments in equity shares have been excluded from 'floating' category interest and has been reclassified under 'non interest bearing' category as fluctuations in prevailing interest rates pertaining to these instruments do not have a direct impact on the financial statements. Comparatives have been adjusted accordingly.

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.2 Interest rate sensitivity (Contd)

The table below summarises the Bank's exposure to interest rate risk at 30 June 2023:

At 30 June 2023 (The Bank)	Floating	Up to	2 – 3	4 – 6	7 – 12	1 – 3 years	Over 3	Non	Total
	Rs'000	1 month	months	months	months	Rs'000	years	interest	
Assets								bearing	Rs'000
Cash and cash equivalents	933,895	2,277,713	-	-	-	-	-	1,354,832	4,566,440
Mandatory balance held with Central Bank	-	-	-	-	-	-	-	2,277,214	2,277,214
Derivative assets	-	-	-	-	-	-	-	10,884	10,884
Trading assets	479,677	-	-	-	-	-	-	-	479,677
Investment securities*	116,684	2,325,281	868,384	-	200,598	456,102	734,829	357,828	5,059,706
Loans and advances to banks and customers	20,262,982	548,578	250,886	5,899	25,494	210,452	631,321	-	21,935,612
Other assets	-	-	-	-	-	-	-	229,073	229,073
	21,793,238	5,151,572	1,119,270	5,899	226,092	666,554	1,366,150	4,229,831	34,558,606
Less allowance for credit impairment	-	-	-	-	-	-	-	(552,421)	(552,421)
Total Assets	21,793,238	5,151,572	1,119,270	5,899	226,092	666,554	1,366,150	3,677,410	34,006,185

At 30 June 2023	Floating	Up to	2 – 3	4 – 6	7 – 12	1 – 3 years	Over 3	Non	Total
	Rs'000	1 month	months	months	months	Rs'000	years	interest	
Liabilities								bearing	Rs'000
Deposits from customers	13,945,800	472,890	570,216	614,956	3,455,370	2,065,701	329,277	8,980,682	30,434,892
Derivative liabilities	-	-	-	-	-	-	868,251	-	868,251
Lease liabilities	-	3,937	7,900	11,772	20,851	1,660	-	-	46,120
Payable to fellow subsidiary	-	-	-	-	-	-	-	13,650	13,650
Other liabilities	-	-	-	-	-	-	-	512,188	512,188
Total liabilities	13,945,800	476,827	578,116	626,728	3,476,221	2,067,361	1,197,528	9,506,520	31,875,101
Net on-balance sheet interest sensitivity gap	7,847,438	4,674,745	541,154	(620,829)	(3,250,129)	(1,400,807)	168,622	(5,829,110)	2,131,084

*Investments in equity shares have been excluded from 'floating' category interest and has been reclassified under 'non interest bearing' category as fluctuations in prevailing interest rates pertaining to these instruments do not have a direct impact on the financial statements. Comparatives have

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.2 Interest rate sensitivity (Cont'd)

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of 2%. A 2% basis point increase or decrease is used and represents management's assessment of the reasonably possible change in interest rate.

The calculations are based on the financial instruments held at the reporting date and which are sensitive to changes in interest rates. All other variables are held constant. The table below depicts the movement in profit and equity at 30 June 2025 given an increase or a decrease of 2% in interest rates.

	The Group			The Bank		
	Year ended 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023	Year ended 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Increase	116,400	149,538	134,202	116,400	149,538	134,202

A decrease of 2% in the interest rates would have the corresponding negative impact.

Average interest by major **currencies** for monetary financial instruments is:

	EURO	USD	GBP	MUR	ZAR	JPY
	%	%	%	%	%	%
The Group and the Bank						
At 30 June 2025						
Assets						
Cash and balances with Central Bank	N/A	N/A	N/A	N/A	N/A	N/A
Balances with banks in Mauritius	N/A	N/A	N/A	N/A	N/A	N/A
Balances with banks abroad	N/A	0.35	0.56	N/A	N/A	N/A
Interbank placements	3.70	5.25	4.95	3.03	7.75	N/A
Trading assets	N/A	4.94	N/A	N/A	N/A	N/A
Investment securities:						
- Amortised cost	N/A	N/A	N/A	N/A	N/A	N/A
- FVTOCI	N/A	4.98	N/A	4.21	N/A	N/A
- FVTPL	N/A	9.32	N/A	N/A	N/A	N/A
Loans and advances to customers	6.44	8.12	7.38	7.48	N/A	7.72
Other investments	N/A	N/A	N/A	N/A	N/A	N/A
Derivative assets	N/A	N/A	N/A	9.28	N/A	N/A
Liabilities						
Deposits						
Balances with banks in Mauritius and other financial institutions	N/A	N/A	N/A	N/A	N/A	N/A
Lease liabilities	N/A	N/A	N/A	7.00	N/A	N/A
Borrowings from Central Bank	N/A	N/A	N/A	N/A	N/A	N/A
Other borrowings	N/A	N/A	N/A	N/A	N/A	N/A
Derivatives liabilities	N/A	5.83	N/A	N/A	N/A	N/A

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.2 Interest rate sensitivity (Cont'd)

	EURO	USD	GBP	MUR
	%	%	%	%
The Group and the Bank				
At 30 June 2024				
Assets				
Cash and balances with Central Bank	N/A	N/A	N/A	N/A
Balances with banks in Mauritius	N/A	N/A	N/A	N/A
Balances with banks abroad	N/A	0.81	1.17	N/A
Interbank placements	3.70	5.25	4.95	3.03
Investment securities:				
- Amortised cost	N/A	N/A	N/A	N/A
- FVTOCI	N/A	4.78	N/A	3.86
- FVTPL	N/A	N/A	N/A	N/A
Loans and advances to customers	7.47	8.50	8.80	7.38
Other investments	N/A	N/A	N/A	N/A
Derivative assets	N/A	N/A	N/A	8.97
Liabilities				
Deposits	0.25	1.30	1.76	2.84
Balances with banks in Mauritius and other financial institutions	N/A	N/A	N/A	N/A
Lease liabilities	N/A	N/A	N/A	7.00
Borrowings from Central Bank	N/A	N/A	N/A	N/A
Other borrowings	N/A	N/A	N/A	N/A
Derivative liabilities	N/A	6.19	N/A	N/A
	EURO	USD	GBP	MUR
	%	%	%	%
The Group and the Bank				
At 30 June 2023				
Assets				
Cash and balances with Central Bank	N/A	N/A	N/A	N/A
Balances with banks in Mauritius	N/A	N/A	N/A	N/A
Balances with banks abroad	N/A	2.29	N/A	N/A
Interbank placements	N/A	4.95	N/A	N/A
Investment securities:				
- Amortised cost	N/A	N/A	N/A	N/A
- FVTOCI	N/A	4.33	N/A	4.49
- FVTPL	N/A	N/A	N/A	N/A
Loans and advances to customers	8.27	8.50	8.26	7.47
Other investments	N/A	N/A	N/A	N/A
Derivative assets	N/A	N/A	N/A	8.04
Liabilities				
Deposits	0.11	0.14	0.84	2.75
Balances with banks in Mauritius and other financial institutions	N/A	N/A	N/A	N/A
Lease liabilities	N/A	N/A	N/A	2.62
Borrowings from Central Bank	N/A	N/A	N/A	N/A
Other borrowings	N/A	N/A	N/A	N/A
Derivative liabilities	N/A	5.89	N/A	N/A

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.2 Market risk analysis (Cont'd)

6.2.3 Interest Rate Benchmark Reform

All of the Bank's LIBOR-linked exposures were transitioned to RFR namely Secured Overnight Financing Rate (SOFR), Term SOFR, SOFR Averages and other RFRs in major currencies. The Bank has made use of the practical expedient allowed under The Phase 2 Amendments where contractual changes, or changes to cash flows that are directly required by the reform, are to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest. Consequently, the effective interest rate (EIR) has been updated to reflect the change in an interest rate benchmark from LIBOR to a Risk Free Rate (RFR) without adjusting the carrying amount as at 30 June 2023.

6.3 Liquidity analysis

Liquidity risk is defined within the Group's and Bank's policy framework as 'the risk that, at any time, the Group and Bank does not have sufficient realisable financial assets to meet its financial obligations as they fall due'. The management of liquidity risk in the Group and Bank is undertaken under the guideline on Liquidity Risk Management issued by the Bank of Mauritius.

The liquidity policy of the Group is to ensure that it:

- can meet its financial obligations as they fall due in the normal course of business; and
- maintains an adequate stock of highly liquid assets to enable it to meet unexpected funding needs at short notice.

The Group's liquidity policy requires establishment and maintenance of three lines of defence:

- Cashflow management where the Group creates a continuously maturing stream of assets and liabilities;
- Maintenance of a liquid assets portfolio; and
- Maintenance of a diversified liability base.

The Treasury Unit manages the day-to-day cash flow management and the overall liquidity is under the close supervision of the Group's Asset and Liability Committee.

Invest Today, Grow Stronger

Reliable access to water is a critical factor for agricultural stability. MauBank supports financing solutions that enable producers to adopt modern irrigation systems, mitigate climate-related risks and maintain consistent productivity across seasons.

“

Growing More with
Every Drop

”
Watering the Future,
Sustainably



Sustaining Growth

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.3 Liquidity analysis (Cont'd)

(i) The tables below show the expected timing of undiscounted cash flows for financial assets and liabilities of the Group and the Bank, slotted as per the rules defined by the Bank of Mauritius.

	Sight	Up to 1 month	2 – 3 months	4 – 6 months	7 – 12 months	1 – 3 years	Over 3 years	Total
At 30 June 2025 (The Group)	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Assets								
Cash and cash equivalents	10,154,761	-	-	-	-	-	-	10,154,761
Mandatory balance held with Central Bank	3,351,383	-	-	-	-	-	-	3,351,383
Derivative assets	-	1,736,494	710,641	146,379	834,389	1,363,302	1,754,893	6,546,098
Trading assets	-	457,952	827,265	-	-	-	-	1,285,217
Investment securities	-	1,168,006	1,933,540	2,362,623	248,611	2,700,576	3,766,975	12,180,331
Loans and advances to banks and customers	631,291	2,025,887	1,929,167	4,109,589	2,539,027	9,158,655	18,083,136	38,476,752
Other assets	287,544	-	-	-	-	-	-	287,544
	14,424,979	5,388,339	5,400,613	6,618,591	3,622,027	13,222,533	23,605,004	72,282,086
Less allowance for credit losses	-	-	-	-	-	-	-	-
Total assets	14,424,979	5,388,339	5,400,613	6,618,591	3,622,027	13,222,533	23,605,004	72,282,086
Liabilities								
Deposits from customers	976,265	4,401,640	2,324,769	8,002,779	6,485,272	12,195,129	17,733,993	52,119,847
Derivative liabilities	-	1,785,734	719,816	146,466	880,047	1,550,219	2,084,214	7,166,496
Payable to fellow subsidiary	-	30,407	-	-	-	-	-	30,407
Lease liabilities	-	1,175	1,394	1,270	1,758	7,547	11,043	24,187
Other liabilities	592,878	-	-	-	-	-	-	592,878
Total liabilities	1,569,143	6,218,956	3,045,979	8,150,515	7,367,077	13,752,895	19,829,250	59,933,815
Net on-balance sheet liquidity gap	12,855,836	(830,617)	2,354,634	(1,531,924)	(3,745,050)	(530,362)	3,775,754	12,348,271
Off balance sheet exposures								
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	-	620,167	686,109	314,967	438,248	1,661,030	35,034	3,755,555
Credit commitments	77,411	1,159,574	927,739	774,109	387,054	155,616	389,041	3,870,544
	77,411	1,779,741	1,613,848	1,089,076	825,302	1,816,646	424,075	7,626,099

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.3 Liquidity analysis (Cont'd)

At 30 June 2024 (The Group)	Sight	Up to 1 month	2 – 3 months	4 – 6 months	7 – 12 months	1 – 3 years	Over 3 years	Total
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Assets								
Cash and cash equivalents	10,410,813	-	-	-	-	-	-	10,410,813
Mandatory balance held with Central Bank	2,855,999	-	-	-	-	-	-	2,855,999
Derivative assets	-	6,953,942	286,320	140,317	566,256	1,449,557	2,379,386	11,775,778
Trading assets	-	-	529,476	-	-	-	-	529,476
Investment securities	-	712,780	1,001,375	2,407,862	2,403,973	1,286,646	1,321,997	9,134,633
Loans and advances to banks and customers	284,900	1,789,386	1,513,454	2,216,301	2,050,042	7,899,362	16,311,685	32,065,130
Other assets	216,494	-	-	-	-	-	-	216,494
Total assets	13,768,206	9,456,108	3,330,625	4,764,480	5,020,271	10,635,565	20,013,068	66,988,323
Liabilities								
Deposits from customers	885,974	6,008,374	3,888,898	2,600,845	8,638,003	6,208,769	14,390,859	42,621,722
Derivative liabilities	-	6,983,808	289,586	141,402	682,426	1,759,268	2,976,494	12,832,984
Lease liabilities	-	14,654	-	-	-	-	-	14,654
Payable to fellow subsidiary	-	1,175	1,394	1,270	1,758	7,547	11,043	24,187
Other liabilities	605,408	-	-	-	-	-	-	605,408
Total liabilities	1,491,382	13,008,011	4,179,878	2,743,517	9,322,187	7,975,584	17,378,396	56,098,955
Net on-balance sheet liquidity gap	12,276,824	(3,551,903)	(849,253)	2,020,963	(4,301,916)	2,659,981	2,634,672	10,889,368
Off balance sheet exposures								
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	-	144,893	694,664	254,652	502,185	969,649	28,418	2,594,461
Credit commitments	56,543	733,320	592,397	565,432	282,716	172,308	426,251	2,828,967
	56,543	878,213	1,287,061	820,084	784,901	1,141,957	454,669	5,423,428

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.3 Liquidity analysis (Cont'd)

	Sight	Up to 1 month	2 – 3 months	4 – 6 months	7 – 12 months	1 – 3 years	Over 3 years	Total
At 30 June 2023 (The Group)	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Assets								
Cash and cash equivalents	4,566,440	-	-	-	-	-	-	4,566,440
Mandatory balance held with Central Bank	2,277,214	-	-	-	-	-	-	2,277,214
Derivative assets	-	184,818	691,827	662,887	162,597	1,449,557	3,096,752	6,248,438
Trading assets	-	479,677	-	-	-	-	-	479,677
Investment securities	-	2,335,070	1,004,706	126,511	244,243	1,007,265	903,938	5,621,733
Loans and advances to banks and customers	361,173	1,249,439	1,001,507	1,213,862	1,412,521	7,327,936	15,758,962	28,325,400
Other assets	419,207	-	-	-	-	-	-	419,207
Total assets	7,624,034	4,249,004	2,698,040	2,003,260	1,819,361	9,784,758	19,759,652	47,938,109
Liabilities								
Deposits from customers	596,165	3,139,886	1,549,629	2,054,793	5,147,861	6,740,536	11,774,654	31,003,524
Derivative liabilities	-	211,502	692,289	658,567	193,379	1,759,268	3,646,991	7,161,996
Lease liabilities	-	1,461	2,076	2,971	3,030	2,592	7,364	19,494
Payable to fellow subsidiary	-	13,650	-	-	-	-	-	13,650
Other liabilities	1,024,666	-	-	-	-	-	-	1,024,666
Total liabilities	1,620,831	3,366,499	2,243,994	2,716,331	5,344,270	8,502,396	15,429,009	39,223,330
Net on-balance sheet liquidity gap	6,003,203	882,505	454,046	(713,071)	(3,524,909)	1,282,362	4,330,643	8,714,779
Off balance sheet exposures								
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	-	84,431	193,129	322,976	268,517	1,145,951	104,135	2,119,139
Credit commitments	26,010	310,173	252,137	260,095	130,048	92,004	230,010	1,300,477
	26,010	394,604	445,266	583,071	398,565	1,237,955	334,145	3,419,616

Notes to the financial statements

For year ended 30 June 2025

6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.3 Liquidity analysis (Cont'd)

	Sight	Up to 1 month	2 – 3 months	4 – 6 months	7 – 12 months	1 – 3 years	Over 3 years	Total
At 30 June 2025 (The Bank)	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Assets								
Cash and cash equivalents	10,154,761	-	-	-	-	-	-	10,154,761
Mandatory balance held with Central Bank	3,351,383	-	-	-	-	-	-	3,351,383
Derivative assets	-	1,736,494	710,641	146,379	834,389	1,363,302	1,754,893	6,546,098
Trading assets	-	457,952	827,265	-	-	-	-	1,285,217
Investment securities	-	1,168,006	1,933,540	2,362,623	248,611	2,700,576	3,766,975	12,180,331
Loans and advances to banks and customers	631,291	2,025,887	1,929,167	4,109,589	2,539,027	9,158,655	18,212,480	38,606,096
Other assets	326,484	-	-	-	-	-	-	326,484
Total assets	14,463,919	5,388,339	5,400,613	6,618,591	3,622,027	13,222,533	23,734,348	72,450,370
Liabilities								
Deposits from customers	977,069	4,405,393	2,325,841	8,003,851	6,489,828	12,199,686	17,744,982	52,146,650
Derivative liabilities	-	1,785,734	719,816	146,466	880,047	1,550,219	2,084,214	7,166,496
Payable to fellow subsidiary	-	30,407	-	-	-	-	-	30,407
Lease liabilities	-	2,517	3,180	5,110	12,722	31,022	61,535	116,086
Other liabilities	592,576	-	-	-	-	-	-	592,576
Total liabilities	1,569,645	6,224,051	3,048,837	8,155,427	7,382,597	13,780,927	19,890,731	60,052,215
Net on-balance sheet liquidity gap	12,894,274	(835,712)	2,351,776	(1,536,836)	(3,760,570)	(558,394)	3,843,617	12,398,155
Off balance sheet exposures								
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	-	620,167	686,109	314,967	438,248	1,661,030	35,034	3,755,555
Credit commitments	77,411	1,159,574	927,739	774,109	387,054	155,616	389,041	3,870,544
	77,411	1,779,741	1,613,848	1,089,076	825,302	1,816,646	424,075	7,626,099

Notes to the financial statements

For year ended 30 June 2025

6 Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.3 Liquidity analysis (Cont'd)

(i) The tables below show the expected timing of undiscounted cash flows for financial assets and liabilities of the Group and the Bank, slotted as per the rules defined by the Bank of Mauritius.

	Sight	Up to 1 month	2 – 3 months	4 – 6 months	7 – 12 months	1 – 3 years	Over 3 years	Total
At 30 June 2024 (The Bank)	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Assets								
Cash and cash equivalents	10,410,813	-	-	-	-	-	-	10,410,813
Mandatory balance held with Central Bank	2,855,999	-	-	-	-	-	-	2,855,999
Derivative assets	-	6,953,942	286,320	140,317	566,256	1,449,557	2,379,386	11,775,778
Trading assets	-	-	529,476	-	-	-	-	529,476
Investment securities	-	712,780	1,001,375	2,407,862	2,403,973	1,286,646	1,321,997	9,134,633
Loans and advances to banks and customers	284,900	1,789,386	1,513,454	2,216,301	2,050,042	7,899,362	16,452,278	32,205,723
Other assets	255,434	-	-	-	-	-	-	255,434
Total assets	13,807,146	9,456,108	3,330,625	4,764,480	5,020,271	10,635,565	20,153,661	67,167,856
Liabilities								
Deposits from customers	886,599	6,011,292	3,889,731	2,601,679	8,641,546	6,212,312	14,399,404	42,642,563
Derivative liabilities	-	6,983,808	289,586	141,402	682,426	1,759,268	2,976,494	12,832,984
Payable to fellow subsidiary	-	14,654	-	-	-	-	-	14,654
Other liabilities	-	713	1,394	1,270	1,758	6,624	4,140	15,899
Lease liabilities	605,110	-	-	-	-	-	-	605,110
Total liabilities	1,491,709	13,010,467	4,180,711	2,744,351	9,325,730	7,978,204	17,380,038	56,111,210
Net on-balance sheet liquidity gap	12,315,437	(3,554,359)	(850,086)	2,020,129	(4,305,459)	2,657,361	2,773,623	11,056,646
Off balance sheet exposures								
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	-	144,893	694,664	254,652	502,185	969,649	28,418	2,594,461
Credit commitments	56,543	733,320	592,397	565,432	282,716	172,308	426,251	2,828,967
	56,543	878,213	1,287,061	820,084	784,901	1,141,957	454,669	5,423,428

Notes to the financial statements

For year ended 30 June 2025

6 Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.3 Liquidity analysis (Cont'd)

	Sight	Up to 1 month	2 – 3 months	4 – 6 months	7 – 12 months	1 – 3 years	Over 3 years	Total
At 30 June 2023 (The Bank)	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Assets								
Cash and cash equivalents	4,566,440	-	-	-	-	-	-	4,566,440
Mandatory balance held with Central Bank	2,277,214	-	-	-	-	-	-	2,277,214
Derivative assets	-	184,818	691,827	662,887	162,597	1,449,557	3,096,752	6,248,438
Trading assets	-	479,677	-	-	-	-	-	479,677
Investment securities	-	2,335,070	1,004,706	126,511	244,243	1,007,265	903,938	5,621,733
Loans and advances to banks and customers	361,173	1,249,439	1,001,507	1,213,862	1,412,521	7,327,936	15,906,670	28,473,108
Other assets	229,074	-	-	-	-	-	-	229,074
Total assets	7,433,901	4,249,004	2,698,040	2,003,260	1,819,361	9,784,758	19,907,360	47,895,684
Liabilities								
Deposits from customers	596,521	3,141,544	1,550,103	2,055,267	5,149,875	6,742,550	11,779,511	31,015,371
Derivative liabilities	-	211,502	692,289	658,567	193,379	1,759,268	3,646,991	7,161,996
Payable to fellow subsidiary	-	13,650	-	-	-	-	-	13,650
Other liabilities	512,188	-	-	-	-	-	-	512,188
Lease liabilities	-	4,038	8,076	11,971	21,030	1,669	-	46,784
Total liabilities	1,108,709	3,370,734	2,250,468	2,725,805	5,364,284	8,503,487	15,426,502	38,749,989
Net on-balance sheet liquidity gap	6,325,192	878,270	447,572	(722,545)	(3,544,923)	1,281,271	4,480,858	9,145,695
Off balance sheet exposures								
Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers	-	84,431	193,129	322,976	268,517	1,145,951	104,135	2,119,139
Credit commitments	26,010	310,173	252,137	260,095	130,048	92,004	230,010	1,300,477
	26,010	394,604	445,266	583,071	398,565	1,237,955	334,145	3,419,616

Notes to the financial statements

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6. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

6.4 Financial assets and liabilities classification

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Financial assets						
<i>Financial assets at fair value through profit or loss:</i>						
Derivative assets	11,415,678	78,759,542	10,883,632	11,415,678	78,759,542	10,883,632
Trading assets	1,293,362,942	529,476,283	479,676,718	1,293,362,942	529,476,283	479,676,718
Equity investments	693,102,556	445,974,417	363,828,963	693,102,556	445,974,417	363,828,963
	1,997,881,176	1,054,210,242	854,389,313	1,997,881,176	1,054,210,242	854,389,313
<i>Financial assets at fair value through OCI:</i>						
Government securities	7,445,044,989	6,084,820,083	2,403,783,840	7,445,044,989	6,084,820,083	2,403,783,840
Other securities	2,340,441,462	2,066,713,119	2,292,093,500	2,340,441,462	2,066,713,119	2,292,093,500
	9,785,486,451	8,151,533,202	4,695,877,340	9,785,486,451	8,151,533,202	4,695,877,340
<i>Financial assets at amortised cost:</i>						
Cash and cash equivalents	10,151,841,620	10,410,128,675	4,566,250,861	10,151,841,620	10,410,128,675	4,566,250,861
Mandatory balance with Central Bank	3,351,382,724	2,855,998,585	2,277,213,614	3,351,382,724	2,855,998,585	2,277,213,614
Loans and advances to banks	790,286,809	905,925,292	938,342,148	790,286,809	905,925,292	938,342,148
Loans and advances to customers	29,262,518,141	23,413,201,701	20,297,328,616	29,391,862,418	23,553,801,109	20,445,036,472
Other assets *	287,543,713	216,493,560	190,133,536	326,484,064	255,433,917	229,073,892
	43,843,573,007	37,801,747,813	28,269,268,775	44,011,857,635	37,981,287,578	28,455,916,987
Total financial assets	55,626,940,634	47,007,491,257	33,819,535,428	55,795,225,262	47,187,031,022	34,006,183,640
Financial liabilities						
<i>Financial liabilities at fair value through profit or loss:</i>						
Derivative liabilities	649,014,993	1,075,921,722	868,250,541	649,014,993	1,075,921,722	868,250,541
<i>Financial liabilities measured at amortised cost:</i>						
Deposits from customers	50,728,270,006	41,827,432,643	30,423,045,218	50,755,072,519	41,848,275,386	30,434,892,362
Lease liabilities	97,037,679	20,614,415	17,740,050	90,465,488	13,748,432	46,120,151
Payable to fellow subsidiary	30,407,268	14,654,255	13,649,767	30,407,268	14,654,255	13,649,767
Other liabilities *	592,878,420	605,408,091	512,478,478	592,575,920	605,109,991	512,187,978
	51,448,593,373	42,468,109,404	30,966,913,513	51,468,521,195	42,481,788,064	31,006,850,258
Total financial liabilities	52,097,608,366	43,544,031,126	31,835,164,054	52,117,536,188	43,557,709,786	31,875,100,799

* Non-financial assets and liabilities have been excluded

Notes to the financial statements

For year ended 30 June 2025

7. Fair value measurement

7.1 Fair value measurement of financial instruments

Financial assets measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (that is unobservable inputs)

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

The Group and the Bank

30 June 2025

Note	Level 1	Level 2	Level 3	Total	
	Rs	Rs	Rs	Rs	
Assets/(liabilities)					
Financial assets at FVTPL	10 and 11(b)	-	839,781,527	693,102,556	1,532,884,083
Financial assets at FVTOCI	11(a)	-	10,080,280,308	-	10,080,280,308
Derivative financial assets	28	-	11,415,678	-	11,415,678
Derivative financial liabilities	28	-	(649,014,993)	-	(649,014,993)
Fair value		-	10,282,462,520	693,102,556	10,975,565,076

30 June 2024

Note	Level 1	Level 2	Level 3	Total	
	Rs	Rs	Rs	Rs	
Assets/(liabilities)					
Financial assets at FVTPL	10 and 11(b)	-	529,476,283	445,974,417	975,450,700
Financial assets at FVTOCI	11(a)	-	8,037,734,666	113,798,536	8,151,533,202
Derivative financial assets	28	-	78,759,542	-	78,759,542
Derivative financial liabilities	28	-	(1,075,921,722)	-	(1,075,921,722)
Fair value		-	7,570,048,769	559,772,953	8,129,821,722

30 June 2023

Note	Level 1	Level 2	Level 3	Total	
	Rs	Rs	Rs	Rs	
Assets/(liabilities)					
Financial assets at FVTPL	10 and 11(b)	-	479,676,718	363,828,963	843,505,681
Financial assets at FVTOCI	11(a)	-	4,695,877,340	-	4,695,877,340
Derivative financial assets	28	-	10,883,632	-	10,883,632
Derivative financial liabilities	28	-	(868,250,541)	-	(868,250,541)
Fair value		-	4,318,187,149	363,828,963	4,682,016,112

Level 3 reconciliation is as follows:

	2025	2024	2023
Balance at 01 July	559,772,953	363,828,962	250,585,603
Transfer from Level 2	-	113,798,536	-
Derecognition due to restructuring ^(a)	(113,798,536)	-	-
Additions	229,197,900	426,348,247	93,450,206
Disposal	-	(380,746,590)	-
Fair value movement	17,930,239	36,543,798	19,793,153
Balance at 30 June	693,102,556	559,772,953	363,828,962
Breakdown fair value movement:			
Unrealised gains/(loss)	17,930,239	36,546,238	19,793,153
Realised gains/(loss)	-	(2,440)	-
	17,930,239	36,543,798	19,793,153

Financial assets at FVTPL comprise of equity instruments. These equity instruments have been valued using Net Assets Value ("NAV") as the Directors believe its NAV represents its fair value. An illiquidity discount within the range of 5% to 15% has been applied. A change of 5% in the illiquidity discounts with respect to financial assets at FVTPL will lead to a change of **Rs 1,144,485** (2024: Rs 1,120,613 and 2023 Rs 1,034,438). There has been no change in the fair value hierarchy.

During the year ended 30 June 2024, an amount of Rs 113,798,536, pertaining to financial assets at FVOCI (Ghana Bond), was reclassified from level 2 to level 3 following a change in inputs to the valuation. Previously, the instrument was classified at level 2 because market prices were available. Since the instrument had reached its maturity, no market prices were available and it was classified as level 3 and a marketability discount was applied due to reduced marketability. Accordingly a marketability discount of 37% was applied on debt instrument classified in financial assets at FVTOCI (Ghana Bond) in the level 3 hierarchy as at 30 June 2024. A change of 5% in the discount rate would have led to a change of Rs 10,421,000.

During the financial year ended 30 June 2025, the Group derecognised its investment in Ghana bonds following a restructuring of the underlying facility as disclosed in 'Derecognition due to restructuring'. As a result of the restructuring, a new financial instrument was received. This instrument has been measured at fair value using Level 2 valuation techniques, based on observable market prices available at the reporting date.

Notes to the financial statements

For year ended 30 June 2025

7. Fair value measurement (Cont'd)

7.1 Fair value measurement of financial instruments (Cont'd)

There has been no transfer between Levels 1 and 2 in the reporting period and the two preceding years.

(i) Measurement of fair value of financial instruments

Derivative products valued using a valuation technique with market observable inputs include forward foreign exchange contracts and cross currency swap. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the foreign exchange spot and forward rates, interest rate curves, volatility curves and/or feeds from appointed valuation/calculation agents.

(ii) FVTPL and FVOCI financial assets

The fair values of the Group's investments in Treasury Bills, Treasury Bonds and Treasury Notes have been determined by reference to the mark to market prices at the reporting date. These are classified as level 2. Equity instruments measured at FVTPL have been valued using Net Assets Value ("NAV").

Apart from the above financial assets, the other financial instruments are measured as described in the accounting policies associated to them.

Level 3-fair value disclosures

During the year 2024, the fair value related to investment held in Ghana Bonds was classified under Level 3 as the significant unobservable input was based on market prices with a marketability discount of 37%. During the financial year 30 June 2025, the debt instrument was restructured and derecognised. The fair value of the new investment was determined by reference to mark to market prices similar to other debt investments and classified under Level 2 fair value hierarchy.

The Group and the Bank measure certain investments in funds (classified under equity as investment securities and measured at fair value through profit or loss) and debt instruments (classified under investment securities and measured at fair value through profit or loss) using Level 3 inputs under the fair value hierarchy. These instruments are valued using techniques that incorporate significant unobservable inputs, due to the absence of quoted market prices or observable market data.

Valuation techniques include the use of net asset value (NAV) for fund investments and quoted price for debt instruments. Where applicable, a marketability discount is applied to reflect the reduced liquidity and transferability of the instruments. The discount rate and other valuation inputs are determined based on market conditions, instrument-specific factors, and historical data.

(i) Regular review and approval of valuation methodologies by senior management;

(ii) Analysis of changes in fair value from period to period, including reconciliation of movements and sensitivity analysis of key unobservable inputs.

Fair value measurements are reviewed at each reporting date, and any changes in valuation assumptions or inputs are assessed for reasonableness and consistency with market developments

7.2 Fair value of financial assets and liabilities not carried at fair value

The following describes the methodologies and assumptions used to determine fair values for those financial instruments which are not already recorded at fair value in the financial statements:

Assets for which fair value approximates carrying value

For financial assets and financial liabilities that have a short term maturity (less than three months), the carrying amount is assumed to approximate fair value. This assumption is also applied to demand deposits and savings accounts without a specific maturity.

Fixed rate financial instruments

The fair value of fixed rate financial assets and liabilities carried at amortised cost are estimated by comparing market interest rates when they are first recognised with current market rates for similar financial instruments. The estimated fair value of fixed interest bearing deposits is based on discounted cash flows using prevailing money market interest rates for debts with similar credit risk and maturity. Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the financial statements.

The table does not include the fair values of non-financial assets (Note 7.3 below) and non-financial liabilities. The financial assets and financial liabilities are measured at level 3 on the fair value hierarchy.

	30 June 2025			
	The Group		The Bank	
	Carrying value Rs	Total fair value Rs	Carrying value Rs	Total fair value Rs
Financial assets				
<i>Financial assets measured at amortised cost:</i>				
Cash and cash equivalents	10,151,841,620	10,151,841,620	10,151,841,620	10,151,841,620
Mandatory balance held with Central Bank	3,351,382,724	3,351,382,724	3,351,382,724	3,351,382,724
Loans and advances to banks	790,286,809	790,286,809	790,286,809	790,286,809
Loans and advances to customers	29,262,518,141	29,182,098,842	29,391,862,418	29,311,443,119
Other assets	287,543,713	287,543,713	326,484,064	326,484,064
	43,843,573,007	43,763,153,708	44,011,857,635	43,931,438,336
Financial liabilities				
<i>Financial liabilities measured at amortised cost:</i>				
Deposits from customers	50,728,270,006	50,741,865,693	50,755,072,519	50,768,668,206
Lease liabilities	97,037,679	97,037,679	90,465,488	90,465,488
Payable to fellow subsidiary	30,407,268	30,407,268	30,407,268	30,407,268
Other liabilities	592,878,420	592,878,420	592,575,920	592,575,920
Total liabilities	51,448,593,373	51,462,189,060	51,468,521,195	51,482,116,882

Notes to the financial statements

For year ended 30 June 2025

7. Fair value measurement (Cont'd)

7.2 Fair value of financial assets and liabilities not carried at fair value (Cont'd)

	30 June 2024			
	The Group		The Bank	
	Carrying value	Total fair value	Carrying value	Total fair value
	Rs	Rs	Rs	Rs
Financial assets				
<i>Financial assets measured at amortised cost:</i>				
Cash and cash equivalents	10,410,128,675	10,410,128,675	10,410,128,675	10,410,128,675
Mandatory balance held with Central Bank	2,855,998,585	2,855,998,585	2,855,998,585	2,855,998,585
Loans and advances to banks	905,925,292	905,925,292	905,925,292	905,925,292
Loans and advances to customers	23,413,207,401	23,315,731,136	23,553,801,109	23,456,324,844
Other assets	216,493,560	216,493,560	255,433,917	255,433,917
Total financial assets	37,801,753,513	37,704,277,248	37,981,287,578	37,883,811,313

Financial liabilities

Financial liabilities measured at amortised cost:

Deposits from customers	41,827,432,643	41,838,988,767	41,848,275,386	41,859,831,510
Lease liabilities	20,614,415	20,614,415	13,748,432	13,748,432
Payable to fellow subsidiary	14,654,255	14,654,255	14,654,255	14,654,255
Other liabilities	605,408,091	605,408,091	605,109,991	605,109,991
Total financial liabilities	42,468,109,404	42,479,665,528	42,481,788,064	42,493,344,188

	30 June 2023			
	The Group		The Bank	
	Carrying value	Total fair value	Carrying value	Total fair value
	Rs	Rs	Rs	Rs
Financial assets				
<i>Financial assets measured at amortised cost:</i>				
Cash and cash equivalents	4,566,250,861	4,566,250,861	4,566,250,861	4,566,250,861
Mandatory balance held with Central Bank	2,277,213,614	2,277,213,614	2,277,213,614	2,277,213,614
Loans and advances to banks	938,342,148	938,342,148	938,342,148	938,342,148
Loans and advances to customers	20,297,328,616	20,174,356,593	20,445,036,472	20,322,064,449
Other assets	190,133,536	190,133,536	229,073,892	229,073,892
Total financial assets	28,269,268,775	28,146,296,752	28,455,916,987	28,332,944,964

Financial liabilities

Financial liabilities measured at amortised cost:

Deposits from customers	30,423,045,218	30,448,321,232	30,434,892,362	30,460,168,376
Lease liabilities	17,740,050	17,740,050	46,120,151	46,120,151
Payable to fellow subsidiary	13,649,767	13,649,767	13,649,767	13,649,767
Other liabilities	512,478,478	512,478,478	512,187,978	512,187,978
Total financial liabilities	30,966,913,513	30,992,189,527	31,006,850,258	31,032,126,272

Notes to the financial statements

For year ended 30 June 2025

7. Fair value measurement (Cont'd)

7.3 Fair value measurement of non-financial assets

30 June 2025

The Group

Property, plant and equipment and investment properties:

Land and buildings

Right of use assets

Investment properties

Level 1	Level 2	Level 3	Total
Rs	Rs	Rs	Rs
-	-	916,191,276	916,191,276
-	-	36,960,908	36,960,908
-	-	390,500,000	390,500,000

30 June 2025

The Bank

Property, plant and equipment and investment properties:

Land and buildings

Right of use assets

Investment properties

Level 1	Level 2	Level 3	Total
Rs	Rs	Rs	Rs
-	-	642,170,105	642,170,105
-	-	4,148,408	4,148,408
-	-	390,500,000	390,500,000

30 June 2024

The Group

Property, plant and equipment and investment properties:

Land and buildings

Right of use assets

Investment properties

Level 1	Level 2	Level 3	Total
Rs	Rs	Rs	Rs
-	-	933,998,094	933,998,094
-	-	39,823,209	39,823,209
-	-	390,500,000	390,500,000

30 June 2024

The Bank

Property, plant and equipment and investment properties:

Land and buildings

Right of use asset

Investment properties

Level 1	Level 2	Level 3	Total
Rs	Rs	Rs	Rs
-	-	653,276,924	653,276,924
-	-	4,666,959	4,666,959
-	-	390,500,000	390,500,000

30 June 2023

The Group

Property, plant and equipment and investment properties:

Land and buildings

Right of use asset

Investment properties

Level 1	Level 2	Level 3	Total
Rs	Rs	Rs	Rs
-	-	951,804,913	951,804,913
-	-	37,500,000	37,500,000
-	-	390,500,000	390,500,000

30 June 2023

The Bank

Property, plant and equipment and investment properties:

Land and buildings

Right of use asset

Investment properties

Level 1	Level 2	Level 3	Total
Rs	Rs	Rs	Rs
-	-	664,383,743	664,383,743
-	-	-	-
-	-	390,500,000	390,500,000

Engineer your Progress

Modern water treatment solutions enhance national resilience and support responsible growth. MauBank contributes to these improvements by financing infrastructure that promotes efficient resource management and reduces environmental impact.

“

From Waste
to Worth

”
Turning Wastewater
into Lifewater



Water
Reimagined

Notes to the financial statements

For year ended 30 June 2025

7. Fair value measurement (Cont'd)

7.3 Fair value measurement of non-financial assets (Cont'd)

Freehold land and buildings (Level 3)

Freehold land and buildings under property, plant and equipment, investment properties and land in right of use assets are revalued as indicated in notes 3.10, 3.13 and 3.12 respectively. The Group engages external, independent and qualified valuers to determine the fair value of the Group's land and buildings. The last valuation was performed in the year ended 30 June 2023.

The appraisal are carried out using income approach.

The significant unobservable input is the adjustment for factors specific to the land and buildings in question. The extent and direction of this adjustment depends on the number and characteristics of the observable market transactions in similar properties that are used as the starting point for valuation. Although this input is a subjective judgement, management considers that the overall valuation would not be materially affected by reasonably possible alternative assumptions. The significant unobservable valuation input is the price per square meter which is within the range of Rs 10,000 to Rs 115,000.

8. Capital management policies and procedures

The Group's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To comply with the capital and other requirements set by the Central Bank;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business

For the Bank, capital adequacy and the use of regulatory capital are monitored daily by the Bank's management, employing techniques based on the guidelines developed by the Basel Committee as implemented by the Central Bank, for supervisory purposes. The required information is filed with the Central Bank on a quarterly basis.

Previously, the Central Bank requires each bank to maintain a ratio of total regulatory capital to the risk-weighted asset (the 'Capital Adequacy Ratio') at or above a minimum of 10%. The Bank's regulatory capital is divided into two tiers:

- Tier 1 capital: share capital, statutory reserve and general banking reserve created by appropriations of retained earnings; and
- Tier 2 capital: qualifying subordinated loan capital, loss-loan reserve and unrealised gains arising on the fair valuation of property, plant and equipment.

With the implementation of Basel III since 01 July 2014, the Bank has to maintain a ratio of total regulatory capital to the risk-weighted asset (the 'Capital Adequacy Ratio' or 'CAR') at or above a minimum of 10%, a minimum total CAR 10% plus capital conservation buffer of 2.5%, a Common Equity Tier 1 (CET1) CAR of at least 6.5% and a Tier 1 CAR of at least 8% from 01 January 2020. As per latest Bank of Mauritius Guidelines, on 24 February 2023, on average, over the maintenance period as defined below, banks shall maintain minimum cash balances equivalent to 9.0 percent (hereinafter referred to as "Cash Reserve Ratio") on their average rupee (MUR) and foreign currency (FCY) deposits in the preceding 28 day period.

The Bank's regulatory capital is divided into the following two tiers:

- Tier 1 capital (going-concern capital): comprises of (i) Common Equity Tier 1 and (ii) Additional Tier 1 Capital

(i) The Bank's Common Equity Tier 1 (CET1) capital consists of the following:

- (a) stated capital;
- (b) statutory reserve;
- (c) fair value reserve; and
- (d) Retained earnings/ (Accumulated losses)

(ii) The Bank has no Additional Tier 1 (AT1) capital as at 30 June 2024

- Tier 2 capital (gone-concern capital): qualifying subordinated loan capital, general banking reserve and unrealised gains arising on the fair valuation of property, plant and equipment.

The risk-weighted assets are measured by means of a hierarchy of risk weights classified according to the nature of and reflecting an estimate of credit, market and other risks associated with each asset and counterparty, taking into account any eligible collateral or guarantees. A similar treatment is adopted for off-balance sheet exposure, with some adjustments to reflect the more contingent nature of the potential losses.

Notes to the financial statements

For year ended 30 June 2025

8. Capital management policies and procedures (Cont'd)

The following table summarises the composition of regulatory capital and the ratios of the Bank as at 30 June 2025, 30 June 2024 and 30 June 2023 respectively. During the year ended 30 June 2022, the Bank complied with all of the externally imposed capital requirements to which it is subject. At 30 June 2025, capital adequacy ratio was 16.50% as compared to 19.68% at 30 June 2024 and 15.35% at 30 June 2023.

	The Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs'000	Rs'000	Rs'000
Tier 1 Capital			
Common Equity Tier 1 Capital: instruments and reserves			
Paid up share capital	3,216,601	3,216,601	2,716,420
Retained earnings	1,555,952	1,078,926	496,293
Accumulated other comprehensive income and other disclosed reserves (excluding revaluation surplus on land and building assets)	166,625	206,334	(43,422)
Common equity Tier 1 Capital before regulatory adjustments	4,939,178	4,501,861	3,169,291
Common equity Tier 1 Capital: regulatory adjustments	(145,433)	(119,186)	(154,351)
Common equity Tier 1 Capital after regulatory adjustments	4,793,745	4,382,675	3,014,940
Tier 1 Capital	4,793,745	4,382,675	3,014,940
Tier 2 Capital			
Tier 2 Capital: instruments and provisions			
Provisions and loan loss reserves	354,979	267,235	249,012
Surplus arising from revaluation of land and buildings owned by the Bank	115,296	115,296	115,296
Tier 2 Capital before regulatory adjustments	470,275	382,531	364,308
Tier 2 Capital: regulatory adjustments	(3,882)	(3,856)	(5,515)
Tier 2 Capital	466,393	378,675	358,793
Total Regulatory Capital (Rs)	5,260,138	4,761,350	3,373,733
Risk Weighted Assets (Rs)	31,873,324	24,189,648	21,981,003
Common Equity Tier 1 Capital Adequacy Ratio (%)	15.04	18.12	13.72
Tier 1 Capital Adequacy Ratio (%)	15.04	18.12	13.72
Capital Adequacy Ratio (%)	16.50	19.68	15.35

Notes to the financial statements

For year ended 30 June 2025

8. Capital management policies and procedures (Cont'd)

The risk-weighted assets of the Bank are determined by applying prescribed risk weights to on- and off-balance sheet assets, according to the credit risk of the counterparty as follows:

On Balance Sheet Exposures	Exposures before CRM* (Rs)	Exposures after CRM* (Rs)	Risk-weights (%)	RWA** (Rs)
Cash items	447,119,301	447,119,301	0 -20	19,051,859
Claims on sovereigns	5,586,729,297	5,586,729,297	0 - 150	369,417,995
Claims on central banks (and international institutions)	11,633,676,350	11,633,676,350	0 - 150	-
Claims on multilateral development banks (MDBs)	555,909,252	555,909,252	0 - 150	441,612,918
Claims on banks	5,536,009,351	5,536,009,351	0 - 150	1,452,685,580
Claims on non-central government public sector entities (PSEs)	4,527,474,181	4,527,474,181	0 - 150	185,037,701
Claims on securities firms	453,581,415	453,581,415	0 - 150	226,790,708
Claims on corporates	14,692,996,128	14,520,996,648	0 - 150	14,184,852,129
Claims included in the regulatory retail portfolio	3,340,955,853	2,858,863,939	75	2,144,147,954
Claims secured by residential property	7,787,381,396	7,776,217,499	35 - 125	3,522,523,332
Claims secured by commercial real estate	723,063,606	723,063,606	100 - 125	830,109,044
Past due claims	857,029,527	857,029,527	50 - 150	1,080,132,142
Other assets	1,290,952,944	1,290,468,332	100 - 1,250	1,291,618,332
Total on-balance sheet credit risk-weighted exposures	57,432,878,601	56,767,138,698		25,747,979,694

Off-Balance Sheet Exposures - Non-Market-Related	Total before CRM* (Rs)	Total after CRM* (Rs)	CCF (%)	RWA** (Rs)
Direct credit substitutes	1,790,095,959	1,790,095,959	100	1,763,476,359
Trade-related contingent items	698,490,331	698,490,331	35 - 100	1,023,959
Transaction-related contingent items	1,266,969,281	1,266,969,281	50	633,484,641
Other commitments	3,870,544,419	3,870,544,419	0 - 50	-
Total non-market-related off-balance sheet risk-weighted credit exposures	7,626,099,990	7,626,099,990		2,397,984,959

Off-Balance Sheet Exposures - Market-Related	Notional principal amount (Rs)	Potential future exposure (Rs)	Credit equivalent amount (Rs)	RWA** (Rs)
Total	5,077,370,202	253,622,452	258,537,830	252,340,547

Operational Risk		Average gross income (Rs)	Capital charge (Rs)	RWA** (Rs)
Option 1 - Basic Indicator Approach		2,135,557,015	320,333,552	3,203,335,523

Foreign Currency Exposure				RWA** (Rs)
Aggregate net open foreign exchange position				271,683,457

*CRM- Credit risk mitigation

**RWA- Risk weighted asset

Notes to the financial statements

For year ended 30 June 2025

9.(a) Cash and cash equivalents

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Cash in hand	335,411,907	280,560,835	212,148,260
Foreign currency notes and coins	16,448,100	16,748,963	80,376,344
Balances with banks in Mauritius and abroad	2,996,337,457	1,189,163,890	1,831,743,419
Unrestricted balances with the Central Bank (Note (a))	205,335,697	194,529,340	164,458,971
Placements with banks (Note (b))	6,601,227,797	8,729,809,566	2,277,713,143
	10,154,760,958	10,410,812,594	4,566,440,137
Allowance for expected credit losses	(2,919,338)	(683,919)	(189,276)
	10,151,841,620	10,410,128,675	4,566,250,861
Current	10,151,841,620	10,410,128,675	4,566,250,861

(a) Unrestricted balances with the Central Bank represent amounts above the minimum cash reserve requirement ("CRR").

(b) Loans to and placements with banks are balances with original maturity periods of less than three months.

Notes to the financial statements

For year ended 30 June 2025

9.(b) Reconciliation of liabilities arising from financing activities.

The table below details changes in the Group's and the Bank's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Bank statement of cash flows from financing activities.

The Group

	01 July 2024	Financing cash outflows	Non Cash flow movement	Interest expense	30 June 2025
	Rs	Rs	Rs	Rs	Rs
Lease liabilities (Note 19)	20,614,415	(16,461,839)	86,195,034	6,690,069	97,037,679
	20,614,415	(16,461,839)	86,195,034	6,690,069	97,037,679

The Group

	01 July 2023	Financing cash outflows	Non Cash flow movement	Interest expense	30 June 2024
	Rs	Rs	Rs	Rs	Rs
Lease liabilities (Note 19)	17,740,050	(12,911,234)	14,659,420	1,126,179	20,614,415
	17,740,050	(12,911,234)	14,659,420	1,126,179	20,614,415

The Group

	01 July 2022	Financing cash outflows	Non Cash flow movement	Interest expense	30 June 2023
	Rs	Rs	Rs	Rs	Rs
Lease liabilities (Note 19)	36,601,939	(19,644,020)	-	782,131	17,740,050
	36,601,939	(19,644,020)	-	782,131	17,740,050

The Bank

	01 July 2024	Financing cash outflows	Non Cash flow movement	Interest expense	30 June 2025
	Rs	Rs	Rs	Rs	Rs
Lease liabilities (Note 19)	13,748,432	(16,000,252)	86,195,034	6,522,274	90,465,488
	13,748,432	(16,000,252)	86,195,034	6,522,274	90,465,488

The Bank

	01 July 2023	Financing cash outflows	Non Cash flow movement	Interest expense	30 June 2024
	Rs	Rs	Rs	Rs	Rs
Lease liabilities (Note 19)	46,120,151	(48,487,759)	14,659,420	1,456,620	13,748,432
	46,120,151	(48,487,759)	14,659,420	1,456,620	13,748,432

The Bank

	01 July 2022	Financing cash outflows	Non Cash flow movement	Interest expense	30 June 2023
	Rs	Rs	Rs	Rs	Rs
Lease liabilities (Note 19)	99,317,576	(55,220,546)	-	2,023,121	46,120,151
	99,317,576	(55,220,546)	-	2,023,121	46,120,151

Notes to the financial statements

For year ended 30 June 2025

10. Trading assets

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Securities held at FVTPL:			
Debt instruments measured at fair value	839,781,527	-	-
Investments in money market funds	453,581,415	529,476,283	479,676,718
	1,293,362,942	529,476,283	479,676,718
Remaining terms to maturity			
- Within 3 months	453,581,415	529,476,283	479,676,718
- Over 6 and up to 12 months	-	-	-
- Over 1 and up to 3 years	186,348,874	-	-
- Over 3 and up to 5 years	378,030,824	-	-
- Over 5 years	275,401,829	-	-
	1,293,362,942	529,476,283	479,676,718
<i>Reconciliation Movement</i>			
Balance at start	529,476,283	479,676,718	687,904,980
Additions	1,290,754,819	-	-
Reclassified to equity investments*	-	-	(232,673,390)
Fair value movement	2,608,123	-	-
Disposals	(526,941,128)	-	-
Other movements**	(2,535,155)	49,799,565	24,445,128
Balance at end	1,293,362,942	529,476,283	479,676,718

Management determined that investment in equity instruments included under Trading assets are expected to be realised in less than 12 months.

The Group and the Bank hold investments in debt instruments and money market funds that are classified as financial assets at fair value through profit or loss (FVTPL). These instruments are measured at fair value at each reporting date, with changes in fair value recognised in profit or loss.

Investments in money market funds are valued based on the published net asset value (NAV) per unit at the reporting date. Where income is reinvested, additional units are allocated to the Group and the Bank, increasing the carrying amount of the investment. The fair value of these investments reflects both the NAV and the number of units held.

**Other movements represent return on investments and foreign exchange movements.

Notes to the financial statements

For year ended 30 June 2025

11. Investment securities

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Financial assets at FVTOCI (Note (a) below)	10,080,280,308	8,151,533,202	4,695,877,340
Equity investments at FVTPL (Note (b) below)	693,102,556	445,974,417	363,828,963
	10,773,382,864	8,597,507,619	5,059,706,303

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Remaining terms to maturity of financial assets at FVTOCI			
- Within 3 months	2,996,467,459	1,806,382,782	3,193,665,569
- Over 3 and up to 6 months	2,281,865,890	2,336,270,537	110,682,830
- Over 6 and up to 12 months	96,565,134	2,220,089,755	200,598,160
- Over 1 and up to 3 years	2,402,653,011	671,770,260	456,102,134
- Over 3 and up to 5 years	1,401,180,707	947,347,555	349,865,767
- Over 5 years	1,594,650,663	169,672,313	384,962,880
	10,773,382,864	8,151,533,202	4,695,877,340
Current	5,374,898,483	6,362,743,074	3,504,946,559
Non-Current	5,398,484,381	1,788,790,128	1,190,930,781
	10,773,382,864	8,151,533,202	4,695,877,340

At 30 June 2023, an ECL of Rs 133.85 Mn was accounted in the statement of profit or loss pertaining to securities invested in Ghana. The investment in Ghana has been classified in stage 3 as reflected in note 6. The ECL included judgments and estimates, accordingly this has been disclosed in note 4. Refer to note 6.1.5 for ECL on investment securities.

At 30 June 2024, an additional ECL charge of Rs 8.25Mn was made in respect of the securities invested in Ghana, increasing the ECL allowance to Rs 142.10 Mn

The Ghanaian government bonds were restructured on 05 October 2024. Prior to the restructure, the bonds had a carrying amount of Rs 197.7 Mn and a Rs 140.5Mn representing the cumulative gains /losses recognised on the bonds. The terms of the restructuring involved a debt exchange programme where the old bonds would be exchanged for new bonds. The exchange was viewed as an actual expiry of the rights of the original bonds. This resulted in the derecognition of the old bonds and recognition of the new bonds. The new instruments issued are originated credit impaired. The impact of the derecognition was as follows:

- Reversal of ECL on the old bonds amounting to Rs 142Mn. (Note 32)
- the cumulative losses previously recognised in OCI are reclassified from equity to profit or loss amounting to Rs 142 Mn.(Note 32)
- the carrying amount of Rs 197.7Mn has been derecognised.
- Net loss from derecognition of financial assets measured at FVTOCI (see below)

	The Group and The Bank
	30 June 2025
	Rs
Carrying Amount on 05 October 2024	197,905,940
Cumulative fair value reserve	140,559,117
Net derecognition of Ghana bonds	338,465,057
Recognition of restructured Facility	(212,627,614)
Loss on derecognition of financial assets	125,837,442

Notes to the financial statements

For year ended 30 June 2025

11. Investment securities (Cont'd)

(a) Financial assets at FVTOCI

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
<u>Investment in debt securities</u>			
Government Bonds	2,542,903,171	-	-
Treasury Notes	1,487,584,470	391,756,704	-
BOM Notes	294,793,857	-	-
BOM Bonds	170,047,082	169,672,311	161,859,082
Treasury Bills	3,244,510,266	5,523,391,068	2,241,924,758
Corporate Bonds	750,626,827	752,866,540	890,384,852
Foreign Bonds	695,642,478	725,523,023	948,673,743
Foreign Treasury Bills	894,172,157	588,323,556	453,034,905
	10,080,280,308	8,151,533,202	4,695,877,340

(b) Financial assets at FVTPL

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Equity investments	693,102,556	445,974,417	363,828,963
<i>Reconciliation movement</i>			
Balance at 01 July	445,974,417	363,828,962	17,912,214
Reclassified from trading assets	-	-	232,673,390
Additions	229,197,900	426,348,247	93,450,206
Disposal	-	(380,746,590)	-
Fair value movement	17,930,239	36,543,798	19,793,153
Other movement	-	-	-
Balance at 30 June	693,102,556	445,974,417	363,828,963

Financial assets at FVTPL comprise of equity instruments held for trading.

(c) Fair value reserve

	The Group and the bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Balance at 01 July	(189,773,573)	(307,836,617)	(190,935,141)
Movement on fair value during the year	(214,902,190)	85,807,409	(116,870,535)
Fair value gains/(losses) reclassified to profit or loss on disposal*	137,408,881	32,255,635	(30,941)
Balance at 30 June	(267,266,882)	(189,773,573)	(307,836,617)

*Included in the fair value gains/(losses) reclassified to profit or loss on disposal is an amount of MUR 125.8 million, which relates to the derecognition of investments held in Ghana bonds. These bonds were restructured during the financial year, resulting in their derecognition from the Group's investment portfolio of the Bank

Notes to the financial statements

For year ended 30 June 2025

12. Loans and advances to banks

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Loans and advances to banks - outside Mauritius	792,534,403	910,694,230	946,528,837
Less allowance for expected credit losses	(2,247,594)	(4,768,938)	(8,186,689)
Net	790,286,809	905,925,292	938,342,148

(a) Remaining term to maturity

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
- Within 3 months	-	-	254,065,732
- Over 3 and up to 6 months	641,443,177	83,050,570	-
- Over 6 and up to 12 months	-	-	-
- Over 1 and up to 3 years	144,524,704	827,643,660	692,463,105
- Over 3 and up to 5 years	6,566,521	-	-
- Over 5 years	-	-	-
	792,534,402	910,694,230	946,528,837
Current	641,443,177	83,050,570	254,065,732
Non-Current	151,091,225	827,643,660	692,463,105
	792,534,402	910,694,230	946,528,837

(b) Allowance for expected credit losses

ECL allowances under stages 1 and 2	Total
Rs	Rs

The Group and the Bank

Balance at 01 July 2022	2,908,391	2,908,391
Provision for expected credit losses for the year (Note 32)	5,278,298	5,278,298
Balance at 30 June 2023	8,186,689	8,186,689
Provision for expected credit losses for the year (Note 32)	(3,417,751)	(3,417,751)
Balance at 30 June 2024	4,768,938	4,768,938
Provision for expected credit losses for the year (Note 32)	(2,521,344)	(2,521,344)
Balance at 30 June 2025	2,247,594	2,247,594

Notes to the financial statements

For year ended 30 June 2025

13. Loans and advances to customers

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Retail customers						
Credit cards	117,643,917	103,428,098	99,381,999	117,643,917	103,428,098	99,381,999
Mortgages	5,989,247,746	5,295,504,797	4,932,655,419	5,989,247,746	5,295,504,797	4,932,655,419
Other retail loans	4,450,613,684	3,327,014,630	2,877,975,432	4,450,613,684	3,327,014,630	2,877,975,432
Corporate customers	18,587,290,627	14,041,871,721	12,413,092,779	18,716,634,904	14,182,465,429	12,560,800,635
Entities outside Mauritius	1,063,278,392	1,292,557,244	518,268,517	1,063,278,392	1,292,557,244	518,268,517
	30,208,074,366	24,060,376,490	20,841,374,146	30,337,418,643	24,200,970,198	20,989,082,002
Less allowance for expected credit losses	(945,556,225)	(647,169,089)	(544,045,530)	(945,556,225)	(647,169,089)	(544,045,530)
Net	29,262,518,141	23,413,207,401	20,297,328,616	29,391,862,418	23,553,801,109	20,445,036,472
<i>Of which</i>						
Investment in finance lease	2,041,882,194	1,406,996,278	1,267,428,833	2,041,882,194	1,406,996,278	1,267,428,833
Less allowance for expected credit losses	(35,179,333)	(26,279,001)	(32,978,616)	(35,179,333)	(26,279,001)	(32,978,616)
	2,006,702,861	1,380,717,277	1,234,450,217	2,006,702,861	1,380,717,277	1,234,450,217

There has been a significant increase in the loans and advances to customers and finance lease facilities following more credit commitments disbursed /lease facilities provided during the year. An analysis of the allowance for credit losses has been provided in 13(c).

(a) Remaining term to maturity

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
- Within 3 months	4,387,403,141	2,850,815,055	2,652,757,006	4,387,403,141	2,850,815,055	2,652,757,006
- Over 3 and up to 6 months	2,146,650,246	940,608,387	720,163,929	2,146,650,246	940,608,387	720,163,929
- Over 6 and up to 12 months	1,559,032,872	1,587,803,988	338,114,157	1,559,032,872	1,587,803,988	338,114,157
- Over 1 and up to 3 years	2,848,999,818	2,157,677,925	1,812,567,693	2,848,999,818	2,157,677,925	1,812,567,693
- Over 3 and up to 5 years	3,660,433,285	2,763,508,873	2,048,313,543	3,660,433,285	2,763,508,873	2,048,313,543
- Over 5 years	15,605,555,004	13,759,962,262	13,269,457,818	15,734,899,281	13,900,555,970	13,417,165,674
	30,208,074,366	24,060,376,490	20,841,374,146	30,337,418,643	24,200,970,198	20,989,082,002
Current	8,093,086,259	5,379,227,430	3,711,035,092	8,093,086,259	5,379,227,430	3,711,035,092
Non-Current	22,114,988,107	18,681,149,060	17,130,339,054	22,244,332,384	18,821,742,768	17,278,046,910
	30,208,074,366	24,060,376,490	20,841,374,146	30,337,418,643	24,200,970,198	20,989,082,002

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Small Actions,
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Together We Turn
Waste into Worth.



Plastic Recycling

Notes to the financial statements

For year ended 30 June 2025

13. Loans and advances to customers (Cont'd)

(b) Net investment in finance leases

	Up to 1 year	Over 1 up to 5 years	Over 5 years	Total
	Rs	Rs	Rs	Rs
The Group and the Bank				
2025				
Gross investment in finance leases	639,982,714	1,570,766,629	196,783,775	2,407,533,118
Less unearned finance income	(133,157,057)	(221,662,102)	(10,831,765)	(365,650,924)
Net investment in finance leases	506,825,657	1,349,104,527	185,952,010	2,041,882,194
2024				
Gross investment in finance leases	465,112,183	1,079,325,157	123,438,252	1,667,875,592
Less unearned finance income	(96,329,356)	(157,603,202)	(6,946,756)	(260,879,314)
Net investment in finance leases	368,782,827	921,721,955	116,491,496	1,406,996,278
2023				
Gross investment in finance leases	437,329,518	967,295,629	87,498,296	1,492,123,443
Less unearned finance income	(85,903,672)	(133,929,307)	(4,861,631)	(224,694,610)
Net investment in finance leases	351,425,846	833,366,322	82,636,665	1,267,428,833

A finance lease contract is prepared for these facilities which give the lessees the option to purchase the assets for a residual value at the conclusion of the lease arrangements. Finance leases are secured mainly by charges on the leased assets and/or corporate/personal guarantees. The lease period ranges from 1-15 years.

(c) Allowance for expected credit losses

	ECL allowances under stage 3	ECL allowances under stages 1 and 2	Total
	Rs	Rs	Rs
The Group and the Bank			
Balance at 30 June 2022	329,877,491	165,349,973	495,227,464
Provision for /(Reversal of) expected credit losses for the year (Note 32)	38,468,534	11,669,698	50,138,232
Concession to customers	(375,630)	-	(375,630)
Written off against provision	(944,536)	-	(944,536)
Balance at 30 June 2023	367,025,859	177,019,671	544,045,530
Provision for expected credit losses for the year (Note 32)	303,180,266	(78,709,485)	224,470,781
Concession to customers	(220,004)	-	(220,004)
Written off against provision	(121,127,218)	-	(121,127,218)
Balance at 30 June 2024	548,858,903	98,310,186	647,169,089
Provision for /(Reversal of) expected credit losses for the year (Note 32)	330,401,410	251,868,350	582,269,760
Concession to customers	(9,854)	-	(9,854)
Written off against provision	(283,872,770)	-	(283,872,770)
Balance at 30 June 2025	595,377,689	350,178,536	945,556,225

Notes to the financial statements

For year ended 30 June 2025

13. Loans and advances to customers (Cont'd)

(c) Allowance for expected credit losses (Cont'd)

Allowance for expected credit losses by industry sectors

	Gross amount of loans 30 June 2025	Non-Performing loans 30 June 2025	Expected credit loss stage 3 30 June 2025	Expected credit loss stage 1-2 30 June 2025	Total allowances for expected credit losses 30 June 2025	Total allowances for expected credit losses 30 June 2024	Total allowances for expected credit losses 30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
The Group							
Agriculture and Fishing	299,168,235	91,814,538	77,947,769	2,726,049	80,673,818	82,856,094	89,974,950
Manufacturing	1,578,457,126	402,891,810	209,437,807	6,149,421	215,587,228	46,722,916	138,185,843
Tourism	2,699,660,036	393,968,816	70,864,520	12,214,296	83,078,816	179,210,996	66,012,576
Transport	645,989,317	6,868,622	3,482,977	6,504,891	9,987,868	8,304,351	13,726,495
Construction	9,861,419,547	130,081,727	61,476,728	234,474,970	295,951,698	102,637,702	80,659,157
Financial and Business Services	5,053,872,479	19,857,923	1,027,854	27,402,247	28,430,101	86,081,321	34,142,822
Traders	3,077,837,381	294,644,809	106,569,470	28,513,532	135,083,002	67,390,189	42,337,656
Information Technology	60,419,261	-	-	627,000	627,000	364,023	482,136
Personal	2,894,840,737	63,983,113	44,184,240	12,756,181	56,940,421	50,015,877	45,928,482
<i>of which credit cards</i>	115,251,107	8,940,043	8,547,901	-	8,547,901	6,753,721	8,722,357
Education	210,926,412	131,132	-	2,426,498	2,426,498	645,480	1,757,539
Professional	82,322,675	2,447,102	2,447,102	1,029,506	3,476,608	515,539	524,125
Foreign Governments	125,061,823	-	-	506,228	506,228	2,255,928	1,741,926
Global Business Licence Holders	1,384,384,067	-	-	2,296,777	2,296,777	289,730	1,389,294
Others	2,233,715,270	65,393,304	17,939,223	12,550,939	30,490,162	19,878,943	27,182,529
	30,208,074,366	1,472,082,896	595,377,690	350,178,535	945,556,225	647,169,089	544,045,530

	Gross amount of loans 30 June 2025	Non-Performing loans 30 June 2025	Expected credit loss stage 3 30 June 2025	Expected credit loss stage 1-2 30 June 2025	Total allowances for expected credit losses 30 June 2025	Total allowances for expected credit losses 30 June 2024	Total allowances for expected credit losses 30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs	Rs
The Bank							
Agriculture and Fishing	299,168,235	91,814,538	77,947,769	2,726,049	80,673,818	82,856,094	89,974,950
Manufacturing	1,578,457,126	402,891,810	209,437,807	6,149,421	215,587,228	46,722,916	138,185,843
Tourism	2,699,660,036	393,968,816	70,864,520	12,214,296	83,078,816	179,210,996	66,012,576
Transport	645,989,317	6,868,622	3,482,977	6,504,891	9,987,868	8,304,351	13,726,495
Construction	9,990,763,824	130,081,727	61,476,728	234,474,970	295,951,698	102,637,702	80,659,157
Financial and Business Services	5,053,872,479	19,857,923	1,027,854	27,402,247	28,430,101	86,081,321	34,142,822
Traders	3,077,837,381	294,644,809	106,569,470	28,513,532	135,083,002	67,390,189	42,337,656
Information Technology	60,419,261	-	-	627,000	627,000	364,023	482,136
Personal	2,894,840,737	63,983,113	44,184,240	12,756,181	56,940,421	50,015,877	45,928,482
<i>of which credit cards</i>	115,251,107	8,940,043	8,547,901	-	8,547,901	6,753,721	8,722,357
Education	210,926,412	131,132	-	2,426,498	2,426,498	645,480	1,757,539
Professional	82,322,675	2,447,102	2,447,102	1,029,506	3,476,608	515,539	524,125
Foreign Governments	125,061,823	-	-	506,228	506,228	2,255,928	1,741,926
Global Business Licence Holders	1,384,384,067	-	-	2,296,777	2,296,777	289,730	1,389,294
Others	2,233,715,270	65,393,304	17,939,223	12,550,939	30,490,162	19,878,943	27,182,529
	30,337,418,643	1,472,082,896	595,377,690	350,178,535	945,556,225	647,169,089	544,045,530

Others comprise mainly of media entertainment, Health development certificate holders and infrastructure sectors

Notes to the financial statements

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14.(a) Property, plant and equipment

	Freehold land and buildings	Computer and office equipment	Furniture and fittings	Motor vehicles	Assets in progress	Total
	Rs	Rs	Rs	Rs	Rs	Rs
The Group						
Cost/Valuation						
At 01 July 2024	980,857,465	300,132,726	359,998,072	22,744,147	905,130	1,664,637,540
Reclassified from computer software	-	-	-	-	-	-
Additions during the year	-	22,720,020	4,640,516	-	43,300,939	70,661,475
Capitalisation of assets in progress	-	30,805,662	7,548,365	-	(38,354,027)	-
Write off	-	-	-	-	-	-
Disposal during the year	-	(434,177)	(209,875)	(1,200,873)	-	(1,844,925)
At 30 June 2025	980,857,465	353,224,231	371,977,078	21,543,274	5,852,042	1,733,454,090
Depreciation						
At 01 July 2024	46,859,371	224,671,917	329,882,332	10,335,171	-	611,748,791
Disposal during the year	-	(416,564)	(209,875)	(1,145,181)	-	(1,771,620)
Charge for the year	17,806,818	31,488,110	8,052,352	2,462,885	-	59,810,165
At 30 June 2025	64,666,189	255,743,463	337,724,809	11,652,875	-	669,787,336
Carrying amount						
At 30 June 2025	916,191,276	97,480,768	34,252,269	9,890,399	5,852,042	1,063,666,754

	Freehold land and buildings	Computer and office equipment	Furniture and fittings	Motor vehicles	Assets in progress	Total
	Rs	Rs	Rs	Rs	Rs	Rs
The Group						
Cost/Valuation						
At 01 July 2023	980,857,465	271,482,444	351,443,003	16,114,941	8,203,995	1,628,101,848
Reclassified from computer software	-	-	-	-	6,565,324	6,565,324
Additions during the year	-	3,485,757	1,970,280	6,629,206	19,443,055	31,528,298
Capitalisation of assets in progress	-	25,385,242	6,584,789	-	(31,970,031)	-
Write off	-	-	-	-	(1,337,213)	(1,337,213)
Disposal during the year	-	(220,717)	-	-	-	(220,717)
At 30 June 2024	980,857,465	300,132,726	359,998,072	22,744,147	905,130	1,664,637,540
Depreciation						
At 01 July 2023	29,052,552	198,051,586	321,051,339	7,965,771	-	556,121,248
Disposal during the year	-	(220,717)	-	-	-	(220,717)
Charge for the year	17,806,819	26,841,048	8,830,993	2,369,400	-	55,848,260
At 30 June 2024	46,859,371	224,671,917	329,882,332	10,335,171	-	611,748,791
Carrying amount						
At 30 June 2024	933,998,094	75,460,809	30,115,740	12,408,976	905,130	1,052,888,749

Notes to the financial statements

For year ended 30 June 2025

14.(a) Property, plant and equipment (Cont'd)

	Freehold land and buildings	Computer and office equipment	Furniture and fittings	Motor vehicles	Assets in progress	Total
	Rs	Rs	Rs	Rs	Rs	Rs
The Group						
Cost/Valuation						
At 01 July 2022	1,003,937,263	224,017,907	347,859,689	11,580,378	3,810,616	1,591,205,853
Reclassified from computer software	-	-	-	-	5,133,293	5,133,293
Additions during the year	-	7,168,236	656,657	4,534,563	43,495,853	55,855,309
Capitalisation of assets in progress	-	41,146,884	2,926,657	-	(44,073,541)	-
Write off	-	-	-	-	(162,226)	(162,226)
Disposal during the year	-	(850,583)	-	-	-	(850,583)
Revaluation during the year	14,101,709	-	-	-	-	14,101,709
Transfers	(37,181,507)	-	-	-	-	(37,181,507)
At 30 June 2023	980,857,465	271,482,444	351,443,003	16,114,941	8,203,995	1,628,101,848
Depreciation						
At 01 July 2022	49,222,072	182,012,058	312,008,294	6,725,982	-	549,968,406
Disposal during the year	-	(832,532)	-	-	-	(832,532)
Charge for the year	17,011,987	16,872,060	9,043,045	1,239,789	-	44,166,881
	(37,181,507)	-	-	-	-	(37,181,507)
At 30 June 2023	29,052,552	198,051,586	321,051,339	7,965,771	-	556,121,248
Carrying amount						
At 30 June 2023	951,804,913	73,430,858	30,391,664	8,149,170	8,203,995	1,071,980,600
The Bank						
Cost/Valuation						
At 01 July 2024	693,436,295	296,000,040	334,382,063	20,386,188	905,130	1,345,109,716
Additions during the year	-	22,720,020	4,640,516	-	43,300,939	70,661,475
Capitalisation of assets in progress	-	30,805,662	7,548,365	-	(38,354,027)	-
Disposal during the year	-	(434,177)	(209,875)	(1,200,873)	-	(1,844,925)
At 30 June 2025	693,436,295	349,091,545	346,361,069	19,185,315	5,852,042	1,413,926,266
Depreciation						
At 01 July 2024	40,159,371	218,346,956	304,266,325	10,169,485	-	572,942,137
Disposal during the year	-	(416,564)	(209,875)	(1,145,181)	-	(1,771,620)
Charge for the year	11,106,819	31,488,110	8,052,352	2,462,885	-	53,110,166
At 30 June 2025	51,266,190	249,418,502	312,108,802	11,487,189	-	624,280,683
Carrying amount						
At 30 June 2025	642,170,105	99,673,043	34,252,267	7,698,126	5,852,042	789,645,583

Notes to the financial statements

For year ended 30 June 2025

14.(a) Property, plant and equipment (Cont'd)

	Freehold land and buildings	Computer and office equipment	Furniture and fittings	Motor vehicles	Assets in progress	Total
	Rs	Rs	Rs	Rs	Rs	Rs
The Bank						
Cost/Valuation						
At 01 July 2023	693,436,295	267,349,758	325,826,994	13,756,982	8,203,995	1,308,574,024
Reclassified from computer software	-	-	-	-	6,565,324	6,565,324
Additions during the year	-	3,485,757	1,970,280	6,629,206	19,443,055	31,528,298
Capitalisation of assets in progress	-	25,385,242	6,584,789	-	(31,970,031)	-
Write off	-	-	-	-	(1,337,213)	(1,337,213)
Disposal during the year	-	(220,717)	-	-	-	(220,717)
At 30 June 2024	693,436,295	296,000,040	334,382,063	20,386,188	905,130	1,345,109,716
Depreciation						
At 01 July 2023	29,052,552	191,726,625	295,435,332	7,800,085	-	524,014,594
Disposal during the year	-	(220,717)	-	-	-	(220,717)
Charge for the year	11,106,819	26,841,048	8,830,993	2,369,400	-	49,148,260
At 30 June 2024	40,159,371	218,346,956	304,266,325	10,169,485	-	572,942,137
Carrying amount						
At 30 June 2024	653,276,924	77,653,084	30,115,738	10,216,703	905,130	772,167,579

	Freehold land and buildings	Computer and office equipment	Furniture and fittings	Motor vehicles	Assets in progress	Total
	Rs	Rs	Rs	Rs	Rs	Rs
The Bank						
Cost/Valuation						
At 01 July 2022	690,757,997	219,885,221	322,243,680	9,222,419	3,810,616	1,245,919,933
Reclassified from computer software	-	-	-	-	5,133,293	5,133,293
Additions during the year	-	7,168,236	656,657	4,534,563	43,495,853	55,855,309
Capitalisation of assets in progress	-	41,146,884	2,926,657	-	(44,073,541)	-
Write off	-	-	-	-	(162,226)	(162,226)
Disposal during the year	-	(850,583)	-	-	-	(850,583)
Revaluation	5,101,709	-	-	-	-	5,101,709
Transfers	(2,423,411)	-	-	-	-	(2,423,411)
At 30 June 2023	693,436,295	267,349,758	325,826,994	13,756,982	8,203,995	1,308,574,024
Depreciation						
At 01 July 2022	20,983,976	175,687,097	286,441,378	6,560,296	-	489,672,747
Disposal during the year	-	(832,532)	-	-	-	(832,532)
Charge for the year	10,491,987	16,872,060	8,993,954	1,239,789	-	37,597,790
Transfers	(2,423,411)	-	-	-	-	(2,423,411)
At 30 June 2023	29,052,552	191,726,625	295,435,332	7,800,085	-	524,014,594
Carrying amount						
At 30 June 2023	664,383,743	75,623,133	30,391,662	5,956,897	8,203,995	784,559,430

Notes to the financial statements

For year ended 30 June 2025

14.(a) Property, plant and equipment (Cont'd)

The Group's and the Bank's freehold land and buildings have been revalued by a chartered valuer as at 30 June 2023. These valuations were based on market conditions prevailing at that time. If these freehold land and buildings were stated on the historical cost basis, the net book value would be as follows:

	The Group			The Bank		
	2025	2024	2023	2025	2024	2023
	Rs	Rs	Rs	Rs	Rs	Rs
Cost	769,576,739	769,576,739	769,576,739	505,694,820	505,694,820	505,694,820
Accumulated depreciation	(153,313,294)	(139,975,405)	(126,637,516)	(98,271,455)	(90,211,204)	(82,150,953)
	616,263,445	629,601,334	642,939,223	407,423,365	415,483,616	423,543,867

The valuation of the Group's and the Bank's freehold land and buildings is made every three years. There has been no significant change in the fair value of property, plant and equipment from prior year based on directors' valuation.

14.(b) Intangible assets

The Group and the Bank

Cost

	Computer software	Assets in progress	Total
	Rs	Rs	Rs
At 01 July 2022	611,282,815	9,647,259	620,930,074
Reclassification to computer hardware	-	(5,133,293)	(5,133,293)
Additions during the year	678,004	12,381,526	13,059,530
Capitalisation of assets in progress	5,681,731	(5,681,731)	-
Write off	-	(329,005)	(329,005)
At 30 June 2023	617,642,550	10,884,756	628,527,306
Reclassification to computer hardware	-	(6,565,324)	(6,565,324)
Additions during the year	240,304	9,189,893	9,430,197
Capitalisation of assets in progress	9,850,836	(9,850,836)	-
At 30 June 2024	627,733,690	3,658,489	631,392,179
Additions during the year	14,768,510	25,402,398	40,170,908
Amount expensed	-	(2,115,440)	(2,115,440)
Capitalisation of assets in progress	12,144,942	(12,144,942)	-
At 30 June 2025	654,647,142	14,800,505	669,447,647

Amortisation

At 01 July 2022	482,602,139	-	482,602,139
Charge for the year	40,251,815	-	40,251,815
At 30 June 2023	522,853,954	-	522,853,954
Charge for the year	29,544,124	-	29,544,124
At 30 June 2024	552,398,078	-	552,398,078
Charge for the year	25,666,503	-	25,666,503
At 30 June 2025	578,064,581	-	578,064,581

Carrying amount

At 30 June 2025	76,582,561	14,800,505	91,383,066
At 30 June 2024	75,335,612	3,658,489	78,994,101
At 30 June 2023	94,788,596	10,884,756	105,673,352

Value that Lasts Longer

Effective risk management is central to responsible banking. MauBank maintains strong monitoring and analytical capabilities that support well-informed decisions, protect the Bank's resilience and ensure sustainable growth for customers and stakeholders.

“

Together We Build Resilient Futures.

”



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Notes to the financial statements

For year ended 30 June 2025

14.(c) Right of Use assets

The Group	Land and building Rs
Cost/Valuation	
At 01 July 2022	145,149,286
Revaluation during the year	8,868,421
At 30 June 2023	154,017,707
Additions during the year	14,659,420
At 30 June 2024	168,677,127
Additions during the year	87,440,970
Termination during the year	(22,274,781)
At 30 June 2025	233,843,316
Accumulated Depreciation	
At 01 July 2022	83,195,576
Charge for the year	23,889,166
At 30 June 2023	107,084,742
Charge for the year	12,657,303
At 30 June 2024	119,742,045
Charge for the year	16,796,072
Termination during the year	(21,230,651)
At 30 June 2025	115,307,466
Carrying amount	
At 30 June 2025	118,535,850
At 30 June 2024	48,935,082
At 30 June 2023	46,932,965
The Bank	
Cost/Valuation	
At 01 July 2022	279,286,748
Additions during the year	-
At 30 June 2023	279,286,748
Additions during the year	14,659,420
At 30 June 2024	293,946,168
Additions during the year	87,440,970
Termination during the year	(22,274,781)
At 30 June 2025	359,112,357
Accumulated Depreciation	
At 01 July 2022	180,339,584
Charge for the year	55,806,945
At 30 June 2023	236,146,529
Charge for the year	44,020,806
At 30 June 2024	280,167,335
Charge for the year	14,452,322
Termination during the year	(21,230,651)
At 30 June 2025	273,389,006
Carrying amount	
At 30 June 2025	85,723,351
At 30 June 2024	13,778,833
At 30 June 2023	43,140,219

Notes to the financial statements

For year ended 30 June 2025

14(c) Right of Use assets (Cont'd)

The Group and the Bank have lease contracts for land and building used in its operations. The contracts generally have lease terms of 3 to 5 years, The Group revalues its land every three years. The fair valuation exercise has been carried out by a chartered, independent valuer. A net gain of Rs 8,868,421 was recognised as at 30 June 2023 in Other Comprehensive Income. The sales comparison approach has been used. The directors have assessed the fair value of the right of use assets and concluded that fair value has remained unchanged.

The carrying amount of the right of use of land should these have been stated at historical cost would be:

	Group			Bank		
	2025	2024	2023	2025	2024	2023
	Rs	Rs	Rs	Rs	Rs	Rs
Cost	13,161,582	13,161,582	10,227,973	5,185,510	5,185,510	2,251,901
Depreciation	(3,429,924)	(2,512,571)	(3,847,117)	(1,037,102)	(518,551)	(2,251,901)
	9,731,658	10,649,011	6,380,856	4,148,408	4,666,959	-

The following are amounts recognised in profit or loss:

Depreciation expense on right-of-use assets	16,796,072	12,657,303	23,889,166	14,452,322	44,020,806	55,806,945
Interest expense on lease liabilities	6,690,069	1,126,179	782,131	6,522,274	1,456,620	2,023,121
	23,486,141	13,783,482	24,671,297	20,974,596	45,477,426	57,830,066

The Group and the Bank has short term leases of **Rs 40.0Mn** (2024: Rs 38.5Mn, 2023: Rs 24.8Mn) and **Rs 75.2Mn** (2024: Rs 38.5Mn, 2023: Rs 24.8Mn) which has been accounted as an operating lease expense in the statement of profit or loss.

The Group and the Bank had total cash outflows for operating and lease liabilities amounted to **Rs 56.4Mn** (2024: Rs 50.9Mn, 2023:Rs 44.4Mn) and **Rs 87.3Mn** (2024: Rs 86.4Mn , 2023:Rs 80.0Mn) respectively.

Notes to the financial statements

For year ended 30 June 2025

15. Investment properties

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Balance at 01 July	390,500,000	390,500,000	380,500,000
Fair value gain	-	-	10,000,000
Balance at 30 June	390,500,000	390,500,000	390,500,000

Rental income of **Rs 22.2 Mn** (2024: Rs 22.6 Mn, 2023: Rs 24.7 Mn) was received and operational expenses of **Rs 10.8 Mn** (2024: Rs 11.8 Mn, 2023: Rs 8.5 Mn) were incurred during the year under review towards the investment properties. Direct operating expenses incidental to property that generated income amounted to **Rs 8.8 Mn** (2024: Rs 8.8 Mn, 2023: Rs 6.4 Mn) whereas direct operating expenses incidental to property that did not generate income amounted to **Rs 3.0 Mn** (2024: Rs 3.0 Mn, 2023: Rs 2.2Mn). It is the policy of the Bank to revalue its investment property every 3 years.

The last revaluation performed by an external chartered valuer was in the financial year 30 June 2023. For the financial year 30 June 2025 and 30 June 2024, the Directors have performed an internal valuation and have assessed the fair value of the investment properties to have remained unchanged. The land was revalued using the sales comparison approach and properties rented out have been valued using the income approach.

The following factors were also considered:

- The location of the property
- The availability of major services around the perimeter of the property
- The demand for similar commercial property in that particular region
- The existing state of repairs and maintenance of the property

16. Investment in subsidiary

16.1 Unquoted and at cost

	The Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Balance at end of year	100,000	100,000	100,000

16.2 Details of the subsidiary are as follows:

Name of subsidiary	Principal activity	Type of shares	% holding	30 June 2025	30 June 2024	30 June 2023
				Rs	Rs	Rs
MauBank Investment Ltd	Land promoter and property developer	Ordinary shares	100	100,000	100,000	100,000

16.3 The subsidiary was incorporated in the Republic of Mauritius on 17 March 2014 as a private company with liability limited by shares.

16.4 The Bank has a 100% holding in MauBank Investment Ltd and the proportion of the voting rights in this subsidiary held directly by the Bank does not differ from the proportion of ordinary shares held.

16.5 Management considers that there has been no impairment of the investment in the subsidiary at 30 June 2025 (2024 and 2023: Nil)

Notes to the financial statements

For year ended 30 June 2025

17. Other assets

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Due from the subsidiary (Note (i) below)	-	-	-	33,722,960	33,722,960	33,722,960
Due from holding company (Note (i) below)	653,490	810,212	5,905,120	653,490	810,212	5,905,120
Due from fellow subsidiary (Note (i) below)	256	1,118	222	256	1,118	222
Amount receivable in clearing ((Note (iii) below)	94,603,249	43,463,514	54,041,441	94,603,249	43,463,514	54,041,441
Prepayments	47,479,262	23,751,902	55,638,883	47,479,262	23,751,902	55,638,883
Other receivables (iv)	158,613,530	133,455,246	91,423,286	163,830,921	138,672,640	96,640,677
Repossessed properties (v)	38,790,800	38,763,467	38,763,467	38,790,800	38,763,467	38,763,467
Others (vi)	9,493,163	5,854,486	5,854,486	9,493,163	5,854,486	8,530,907
	349,633,750	246,099,945	251,626,905	388,574,101	285,040,299	293,243,677
Current	308,701,482	205,195,010	213,398,391	347,641,833	244,135,364	252,338,742
Non-Current	40,932,268	40,904,935	40,904,935	40,932,268	40,904,935	40,904,935
	349,633,750	246,099,945	254,303,326	388,574,101	285,040,299	293,243,677

- (i) The amounts due from the subsidiary, holding company and fellow subsidiary are interest free, unsecured and receivable on demand.
- (ii) No allowance for expected credit losses has been made on the amount due from the subsidiary, holding company and fellow subsidiary as management has assessed their impact to be immaterial.
- (iii) These represents cheques in course of collection.
- (iv) Management has assessed the recoverability of the other receivables and has not identified any material provisions for impairment at 30 June 2025, 30 June 2024 and 30 June 2023. Also included in other receivables is an amount due from fellow subsidiary of **Rs 92,387,583** as at 30 June 2025, Rs 72,230,283 as at 30 June 2024 and Rs 34,952,318 due to fellow subsidiary as at 30 June 2023.
- (v) Repossessed properties are physically seized assets as a result of non-payment of the debtor. The Bank's policy is to disposed of those assets as soon as market conditions permits.
- (vi) Others include stationery, stock of credit cards and other items of stock maintained by procurement and card operations teams.

Notes to the financial statements

For year ended 30 June 2025

18. Deposits from customers

Retail, corporate and government

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
(a) Demand	14,094,542,751	13,070,532,538	7,917,868,568	14,121,345,264	13,091,375,281	7,929,715,712
Savings	17,930,670,858	15,600,015,315	13,795,018,472	17,930,670,858	15,600,015,315	13,795,018,472
Time deposits	18,703,056,397	13,156,884,790	8,710,158,178	18,703,056,397	13,156,884,790	8,710,158,178
	50,728,270,006	41,827,432,643	30,423,045,218	50,755,072,519	41,848,275,386	30,434,892,362
(b) Time deposits with remaining term to maturity:						
- Within 3 months	6,202,487,816	3,802,325,662	1,212,813,358	6,202,487,816	3,802,325,662	1,212,813,358
- Over 3 and up to 6 months	2,047,203,787	799,303,244	1,013,024,211	2,047,203,787	799,303,244	1,013,024,211
- Over 6 and up to 12 months	2,879,003,355	6,459,703,880	3,276,647,595	2,879,003,355	6,459,703,880	3,276,647,595
- Over 1 and up to 3 years	6,441,970,049	1,177,403,706	2,631,895,383	6,441,970,049	1,177,403,706	2,631,895,383
- Over 3 and up to 5 years	1,131,200,475	914,895,904	573,719,879	1,131,200,475	914,895,904	573,719,879
- Over 5 years	1,190,915	3,252,394	2,057,752	1,190,915	3,252,394	2,057,752
	18,703,056,397	13,156,884,790	8,710,158,178	18,703,056,397	13,156,884,790	8,710,158,178
Current	11,128,694,958	11,061,332,786	5,502,485,164	11,128,694,958	11,061,332,786	5,502,485,164
Non-Current	7,574,361,439	2,095,552,004	3,207,673,014	7,574,361,439	2,095,552,004	3,207,673,014
	18,703,056,397	13,156,884,790	8,710,158,178	18,703,056,397	13,156,884,790	8,710,158,178
(c) Retail	19,761,822,825	16,782,833,798	14,820,247,548	19,761,822,825	16,782,833,798	14,820,247,548
Corporate	27,235,602,601	21,955,047,931	13,463,191,174	27,262,405,114	21,975,890,674	13,475,038,318
Government	3,730,844,580	3,089,550,914	2,139,606,496	3,730,844,580	3,089,550,914	2,139,606,496
	50,728,270,006	41,827,432,643	30,423,045,218	50,755,072,519	41,848,275,386	30,434,892,362

Deposits of Rs 2,883,556,313 for the year ended 30 June 2024 (2023: Rs 3,034,038,478, 2023: Rs 2,168,436,856) held as collateral for irrevocable commitments under credit facilities are inclusive in Deposits from customers.

19. Lease liabilities

	The Group	The Bank
	Rs	Rs
At 01 July 2022	36,601,939	99,317,576
Finance charge	782,131	2,023,121
Repayment during the year	(19,644,020)	(55,220,546)
At 30 June 2023	17,740,050	46,120,151
Finance charge	1,126,179	1,456,620
Additions during the year	14,659,420	14,659,420
Repayment during the year	(12,911,234)	(48,487,759)
At 30 June 2024	20,614,415	13,748,432
Finance charge	6,690,069	6,522,274
Additions during the year	87,440,970	87,440,970
Termination during the year	(1,245,936)	(1,245,936)
Repayment during the year	(16,461,839)	(16,000,252)
At 30 June 2025	97,037,679	90,465,488

The lease liabilities relate to the right of use assets.

Notes to the financial statements

For year ended 30 June 2025

19. Lease liabilities (Cont'd)

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Remaining term to maturity						
- Within 3 months	4,446,290	2,308,124	3,430,641	4,024,727	1,888,486	11,837,660
- Over 3 and up to 6 months	3,470,954	1,031,887	2,884,209	3,510,978	1,073,836	11,772,381
- Over 6 and up to 12 months	9,465,566	1,323,722	2,899,773	9,545,615	1,407,620	20,850,670
- Over 1 and up to 3 years	23,149,850	6,470,229	2,254,722	22,480,337	5,859,352	1,659,440
- Over 3 and up to 5 years	16,947,673	1,748,046	669,514	16,198,869	1,018,359	-
- Over 5 years	39,557,346	7,732,407	5,601,191	34,704,962	2,500,779	-
	97,037,679	20,614,415	17,740,050	90,465,488	13,748,432	46,120,151
Current	17,382,810	4,663,733	9,214,623	17,081,320	4,369,942	44,460,711
Non-Current	79,654,869	15,950,682	8,525,427	73,384,168	9,378,490	1,659,440
	97,037,679	20,614,415	17,740,050	90,465,488	13,748,432	46,120,151

20. Other liabilities

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Cheques in clearance	154,804,487	114,242,249	84,963,174	154,804,487	114,242,249	84,963,174
Due on extinction of guarantees (Note (i))	8,974,558	103,598,429	122,496,861	8,974,558	103,598,429	122,496,861
Other payables and accruals (Note (ii))	442,407,843	411,558,299	330,247,580	441,712,502	410,865,560	329,562,446
Overdrawn balances on nostro account	15,194,436	225,330	-	15,194,436	225,330	-
Provisions for other liabilities	3,525,460	2,016,741	2,170,010	3,525,460	2,016,741	2,170,010
	624,906,784	631,641,048	539,877,625	624,211,443	630,948,309	539,192,491
Current	617,731,784	528,042,619	432,864,269	617,036,443	527,349,880	432,179,135
Non-Current	7,175,000	103,598,429	107,013,356	7,175,000	103,598,429	107,013,356
	624,906,784	631,641,048	539,877,625	624,211,443	630,948,309	539,192,491

The other payables and accruals balance are unsecured and interest free. These includes funds received from other banks not yet allocated, provisions and accruals, amount due to card service provider and collections to be remitted to statutory authorities.

Note (i) Due on extinction of guarantees pertains to an amount owed to fellow subsidiary for excess consideration paid by the latter on the acquisition of a portfolio of clients from the bank. The excess consideration pertained to off balance sheet exposure attached to the portfolio of clients. The excess consideration is refunded to the fellow subsidiary as when the guarantees extinguish.

Note (ii) Included in other payables and accruals is an amount of **Rs 10.7Mn** (2024: Rs 10.7Mn, 2023: Rs 7.0Mn) pertaining to vacation leave accrued in respect of the provisions of the Workers rights Act 2019.

Notes to the financial statements

For year ended 30 June 2025

21. Retirement Benefits Obligations

Pension plan

The pension plan is a final salary defined benefit plan for senior employees and is wholly funded by the Bank. It provides for a pension at retirement and a benefit on death or disablement in service before retirement. The assets of the plan are held independently and administered by a private insurance company. Employee benefits obligations have been based on reports from Swan Life and SICOM Ltd dated 29 July 2024 and 09 August 2024 respectively.

(i) Amounts recognised in the statements of financial position:

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
The Group and the Bank			
Present value of funded obligations	(215,038,181)	(184,024,019)	(162,287,799)
Fair value of plan assets	37,662,601	35,492,964	47,303,582
Liabilities in the statement of financial position	(177,375,580)	(148,531,055)	(114,984,217)
Residual retirement gratuities	(73,044,264)	(54,608,141)	(26,442,000)
Defined benefit plan	(104,331,316)	(93,922,914)	(88,542,217)
	(177,375,580)	(148,531,055)	(114,984,217)

(ii) Movements in the liability recognised in the statements of financial position:

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
The Group and the Bank			
At start	(148,531,055)	(114,984,217)	(139,602,373)
Amounts recognised in profit or loss (Note 33)	(15,453,236)	(13,364,786)	(13,235,084)
Actuarial gains/(losses) recognised in other comprehensive income	(20,701,407)	(25,608,633)	19,481,270
Direct benefit paid	2,105,537	777,137	-
Employer contributions	5,204,581	4,649,444	18,371,970
At end	(177,375,580)	(148,531,055)	(114,984,217)

(iii) Amounts recognised in the statement of profit or loss

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
The Group and the Bank			
Current service cost	7,816,159	6,899,081	7,000,843
Scheme expenses	198,873	460,797	741,651
Cost of insuring benefits	86,642	228,696	228,696
Interest cost	9,020,068	7,588,970	7,121,746
Expected return on plan assets	(1,668,506)	(1,812,758)	(1,857,852)
Total included in pension and other costs	15,453,236	13,364,786	13,235,084
Actual return on plan assets	2,301,227	2,511,140	2,439,006

Notes to the financial statements

For year ended 30 June 2025

21. Retirement Benefits Obligations (Cont'd)

Pension plan (Cont'd)

(iv) Amount recognized in Other Comprehensive Income:

The Group and the Bank

Gains on pension scheme assets	640,530	704,791	581,154
Experience (losses)/gains on the liabilities	(1,890,293)	(9,109,655)	5,782,077
Changes in assumptions underlying the present value of the scheme	(19,451,644)	(17,203,769)	13,118,039
	(20,701,407)	(25,608,633)	19,481,270

	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Gains on pension scheme assets	640,530	704,791	581,154
Experience (losses)/gains on the liabilities	(1,890,293)	(9,109,655)	5,782,077
Changes in assumptions underlying the present value of the scheme	(19,451,644)	(17,203,769)	13,118,039
	(20,701,407)	(25,608,633)	19,481,270

(v) Movements in defined benefit obligations:

The Group and the Bank

At 01 July	(184,024,019)	(162,287,799)	(190,950,590)
Current service cost	(7,816,159)	(6,899,081)	(7,000,843)
Interest cost	(9,020,068)	(7,588,970)	(7,121,746)
Benefits transferred out	-	6,592,000	-
Actuarial (losses)/gains	(21,341,937)	(26,313,424)	18,900,116
Benefits paid	7,164,002	12,473,255	23,885,264
At 30 June	(215,038,181)	(184,024,019)	(162,287,799)

	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
At 01 July	(184,024,019)	(162,287,799)	(190,950,590)
Current service cost	(7,816,159)	(6,899,081)	(7,000,843)
Interest cost	(9,020,068)	(7,588,970)	(7,121,746)
Benefits transferred out	-	6,592,000	-
Actuarial (losses)/gains	(21,341,937)	(26,313,424)	18,900,116
Benefits paid	7,164,002	12,473,255	23,885,264
At 30 June	(215,038,181)	(184,024,019)	(162,287,799)

(vi) Movements in the fair value of plan assets:

The Group and the Bank

At 01 July	35,492,964	47,303,582	51,348,217
Expected return on plan assets	1,668,506	1,812,758	1,857,852
Assets transferred out	-	(6,592,000)	-
Actuarial gains	640,530	704,791	581,154
Employer contributions	5,204,581	4,649,444	18,371,970
Scheme expenses	(198,873)	(460,797)	(741,651)
Cost of insuring risks benefits	(86,642)	(228,696)	(228,696)
Benefits paid	(5,058,465)	(11,696,118)	(23,885,264)
At 30 June	37,662,601	35,492,964	47,303,582

	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
At 01 July	35,492,964	47,303,582	51,348,217
Expected return on plan assets	1,668,506	1,812,758	1,857,852
Assets transferred out	-	(6,592,000)	-
Actuarial gains	640,530	704,791	581,154
Employer contributions	5,204,581	4,649,444	18,371,970
Scheme expenses	(198,873)	(460,797)	(741,651)
Cost of insuring risks benefits	(86,642)	(228,696)	(228,696)
Benefits paid	(5,058,465)	(11,696,118)	(23,885,264)
At 30 June	37,662,601	35,492,964	47,303,582

Notes to the financial statements

For year ended 30 June 2025

21. Retirement Benefits Obligations (Cont'd)

Pension plan (Cont'd)

(vii) Expected return on assets

The assets of the plan are invested in the deposit administration fund of Swan Life and Sicom Ltd. The latter is expected to produce a smooth progression of return from one year to the next. The breakdown of the assets above corresponds to a notional allocation of the underlying investments based on the long term strategy of the fund.

As the fund is expected to produce a smooth return, a fairly reasonable indication of future returns can be obtained by looking at historical ones. Therefore, the long term expected return on asset assumption has been based on historical performance of the fund.

In terms of the individual expected returns, the expected return on equities has been based on an equity risk premium above a risk free rate. The risk free rate has been measured in accordance to the yields on government bonds at the measurement date.

The fixed interest portfolio includes government bonds, debentures, mortgages and cash. The expected return for this asset class has been based on yields of government bonds at the measurement date.

(viii) Description of the pension schemes

Retirement gratuities

The Bank participates in a defined contribution (DC) pension plan which is administered by SICOM. Its contributions for DC employees are expensed to the income statement.

In addition, the Bank has recognised a liability under its defined contribution plan of **Rs 73,044,264** in its Statement of Financial Position as at 30 June 2024 (30 June 2024: Rs 54,608,141 and 30 June 2023: Rs 26,442,000) in respect of residual retirement gratuities that are expected to be paid out of the Bank's cash flow to its employees under the Workers' Rights Act (WRA) 2019.

As per the Finance Act 2023, the Bank applies the gratuity formula of 15/26.

The Bank has a residual obligation imposed by WRA 2019 on top of its DC plan. It is therefore particularly exposed to investment under-performance of the DC plan. Refer to 21(a)

There has been no plan amendment, curtailment or settlement during the year.

Defined benefit plan

The Bank also has a defined plan administered by Swan Life. The Bank has recognised a net defined benefit liability of **Rs 104,331,316** in its statement of financial position as at 30 June 2024 (30 June 2024: Rs 93,922,914 and 30 June 2023: Rs 88,542,217).

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

Investment risk (where the plan is funded): 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.

Longevity risk (where the plan is funded and an annuity is paid over life expectancy): The plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the 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 assets of the plan are invested in the Deposit Administration Policy underwritten by Swan Life. The Deposit Administration Policy is a pooled insurance product for Group Pension Schemes. It is a long-term investment Policy which aims to provide a smooth progression of returns from one year to the next without regular fluctuations associated with asset-linked investments such as Equity Funds. Moreover, the Deposit Administration Policy offers a minimum guaranteed return of 4% p.a.

Notes to the financial statements

For year ended 30 June 2025

21. Retirement Benefits Obligations (Cont'd)

Pension plan (Cont'd)

(ix) Pension schemes

(a) Retirement Gratuities

The Group and the Bank

Principal Assumptions used at End of Year

	30 June 2025	30 June 2024	30 June 2023
- Discount rate	6.10%	5.70%	2.9% - 5.9%
- Rate of salary increases	4.00%	4.00%	3.70%
- Rate of pension increases	N/A	N/A	N/A
- Average retirement age (ARA)	65	65	65
- Average life expectancy for:			
- Male at ARA	10.6 years	10.6 years	15.9 years
- Female at ARA	12.5 years	12.5 years	20.0 years

The Group and the Bank

Sensitivity Analysis on Retirement Gratuities

	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
- Increase due to 1% decrease in discount rate	27,812,074	23,006,770	10,056,000
- Decrease due to 1% increase in discount rate	21,686,566	17,520,780	7,483,000

The above sensitivity analysis has been carried out by recalculating the present value of obligation at end of period after increasing or decreasing the discount rate while leaving all other assumptions unchanged. The results are particularly sensitive to a change in discount rate due to the nature of the liabilities being the difference between the pure retirement gratuities under the Workers Rights Act 2019 and the deductions allowable, being five times the annual pension provided and half the lump sum received by the member at retirement from the pension fund with reference to the Bank's share of contributions. Any similar variation in the other assumptions would have shown smaller variations in the defined benefit obligation.

Future cashflows

- The funding policy is to pay benefits out of the Bank's cashflow as and when due.

- Expected employer contribution for the next year	Rs 153,700	Rs 134,700	Rs 114,000
- Weighted average duration of the defined benefit obligation	17 years	17 years	18 years

Notes to the financial statements

For year ended 30 June 2025

21. Retirement Benefits Obligations (Cont'd)

Pension plan (Cont'd)

(ix) Pension schemes (Cont'd)

(b) Defined benefit plan with Swan Life

The Group and the Bank

Principal Assumptions used at End of Year

	30 June 2025	30 June 2024	30 June 2023
- Discount rate	5.30%	4.70%	4.90%
- Future long-term salary increase	4.00%	4.00%	3.00%
- Post retirement mortality tables	Swan Annuity Rates	Swan Annuity Rates	Swan Annuity Rates

Amounts for the current and previous periods

	Rs	Rs	Rs
Defined benefit obligation	(141,602,478)	(129,178,364)	(129,102,799)
Plan assets	37,271,162	35,255,450	40,560,582
Deficit	(104,331,316)	(93,922,914)	(88,542,217)
Actuarial gains/(losses) on plan liabilities	(8,159,420)	(2,119,574)	8,085,116
Actuarial gains/(losses) on plan assets	650,853	712,880	972,154

Sensitivity Analysis on Defined Benefit Obligation at End of Year

	Rs	Rs	Rs
- Increase due to 1% increase in future long term salary assumption	6,459,646	6,244,888	5,994,881
- Decrease due to 1% decrease in future long term salary assumption	5,933,653	5,679,238	5,384,944
- Increase due to 1% decrease in discount rate	6,899,624	6,785,144	6,439,917
- Decrease due to 1% increase in discount rate	6,198,495	6,048,744	5,723,931

The sensitivity analysis above have been determined based on sensibly possible changes of the discount rate or salary increase rate occurring at the end of the reporting period if all other assumptions remained unchanged.

Future cashflows

- Expected employer contribution for the next year	6,200,000	3,400,000	7,010,000
- Weighted average duration of the defined benefit obligation	5 years	5 years	5 years

Notes to the financial statements

For year ended 30 June 2025

22. Stated capital

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
<i>Issued, subscribed and paid up</i>			
At 01 July	3,216,601,090	2,716,420,490	2,466,420,956
Issue of new shares	-	500,180,600	249,999,534
At 30 June	3,216,601,090	3,216,601,090	2,716,420,490

During the year ended 30 June 2024, the bank's shareholders injected **Rs 500,180,600** (30 June 2023: Rs 249,999,534) in the form of new equity capital.

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Number	Number	Number
<i>Number of shares of no par value</i>			
At 01 July	8,419,472,765	7,346,728,224	6,801,813,502
Number of shares of no par value issued during the year	-	1,072,744,541	544,914,722.00
At 30 June	8,419,472,765	8,419,472,765	7,346,728,224

The no par value shares carry the same rights.

Each share confers on the holder the right to:

- one vote on a poll at a meeting of the Bank on any resolution;
- an equal share in the distribution of the surplus assets of the Bank.

23. Statutory Reserve

Pursuant to the provision of the Banking Act 2004, a sum equal to no less than 15% of the profit after tax is transferred to a Statutory Reserve Account, until the balance in that reserve account is equal to the Bank's paid up capital. This reserve is not distributable. However, if there are accumulated losses, this transfer is not applicable.

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
The Group and the Bank			
Balance at start of year	236,831,994	115,694,092	58,574,633
Transfer from profit or loss for the year	124,345,392	121,137,902	57,119,459
Balance at end of year	361,177,386	236,831,994	115,694,092

Notes to the financial statements

For year ended 30 June 2025

24.(a) Revaluation Reserve

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Balance at beginning of year	349,028,600	349,028,600	327,583,556	256,212,256	256,212,256	251,105,633
Increase arising on revaluation of properties	-	-	14,101,709	-	-	5,101,709
Deferred tax on revaluation of properties	-	-	(1,525,086)	-	-	4,914
Gain on Right-of-use assets	-	-	8,868,421	-	-	-
Balance at end of year	349,028,600	349,028,600	349,028,600	256,212,256	256,212,256	256,212,256

Revaluation reserve pertains to any movements between the carrying amount of property, plant and equipment, specifically land and buildings and its revalued amount as at reporting date.

24.(b) Other Reserve

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Balance at beginning of year	159,276,071	148,720,529	20,280,711
Credit impairment (reversal)/charge on financial assets at FVTOCI during the year (Note 32)	(133,320,231)	10,555,542	128,439,818
Balance at end of year	25,955,840	159,276,071	148,720,529

Other reserve pertains to net ECL charge on financial assets at fair value through other comprehensive income.

During the year under review, the Group and the Bank derecognised their investment in Ghana following a restructuring of the underlying financial instrument. As a result, a reversal of expected credit losses amounting to MUR 142 million was recognised in profit or loss and is included within the credit impairment reversal disclosed above.

24.(c) General Banking Reserve

	The Group and the Bank		
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Balance at beginning of year	-	-	-
Transfer from profit or loss for the year	46,758,912	-	-
Balance at end of year	46,758,912	-	-

Regulatory provision is conducted in accordance with the Bank of Mauritius Guideline on 'Classification, Provisioning and Write offs' which require the Bank to take a minimum level of general provisioning as follows:

- Exposures with bullet repayment with remaining maturity of more than 2 years (other than those to sovereigns, central banks, Multilateral Development Banks and banks): 1.5%
- Exposures to or guaranteed by counterparties whose rating is investment grade or better: 0.5% (The ratings should be issued by an Eligible External Credit Assessment Institution (ECAI) as per the Guideline on the Recognition and Use of External Credit Assessment Institutions. The guarantee should meet the minimum requirements stipulated in the Guideline on Standardised Approach to Credit Risk).
- All other performing exposures: 1% Additional portfolio provision is also required as a macroprudential policy measure ranging between 0.5% to 1% depending on the sectors.

The excess between the general provision and IFRS 9 ECL has been accounted in General Reserve.

Notes to the financial statements

For year ended 30 June 2025

25. (a) Contingent liabilities

The Bank operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, the Bank is involved in various litigation, and the Bank is of the opinion that disclosing these estimates on a case-by-case basis would prejudice their outcome.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Bank takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

Litigation being a common occurrence in the banking industry due to the nature of the business undertaken, the Bank has established formal controls and policies for managing legal claims. Once professional advice has been obtained and the amount of loss reasonably estimated, the Bank makes adjustments to account for any adverse effects which the claims may have on its financial standing.

At 30 June 2025, the Bank had claims amounting to **Rs 8.2 Mn** (2024: Rs 21 Mn) in relation to industrial disputes, for which appropriate legal actions have been taken to resist such claims. At this point in time, the Bank does not consider any liability to devolve from these disputes.

25. (b) Off- balance sheet exposures

- (i) Acceptances on account of customers
- (ii) Financial guarantees on account of customers
- (iii) Letters of credit and other obligations on account of customers
- (iv) Outward bills for collection

The Group and the Bank		
30 June 2025	30 June 2024	30 June 2023
Rs	Rs	Rs
482,262	10,251,734	3,140,945
3,056,582,978	2,030,087,265	1,977,528,749
5,072,541	3,798,576	2,636,862
693,417,790	550,323,994	135,832,586
3,755,555,571	2,594,461,569	2,119,139,142

- (i) These are acceptances under usance Letter of credit for importation purpose whereby the buyer as per their contract agreement with the seller enjoys a credit facility to pay at a future date.
- (ii) These are issued by the Bank on behalf of its customers, the Principal, as financial assurance to the Beneficiaries in the event that the Principal defaults on their contractual obligations.
- (iii) These are written undertakings by an importer's bank, known as the Issuing bank, on behalf of its customer whereby it promises to effect payment in favour of an exporter (beneficiary) up to a stated sum of money, within a prescribed time limit and against stipulated documents and terms of the credit.
- (iv) This is a method of payment used in international trade whereby an exporter entrusts the handling of commercial and often financial documents to the Bank and provides instructions concerning the release of these documents to the importer. The Bank do not provide any guarantee of payment under collection.

ECL for financial guarantee contracts of **Rs 3,525,460** (2024: Rs 2,016,741; 2023: Rs 2,170,010) has been included in other liabilities.

26. Credit commitments

- Loans and other facilities*
- Undrawn credit facilities

The Group and the Bank		
30 June 2025	30 June 2024	30 June 2023
Rs	Rs	Rs
3,870,544,419	2,828,967,692	1,300,476,500

Undrawn credit facilities refer to credit facilities that the Bank has agreed to be made available to the Borrower, upon receiving signed facility offer letter under a committed credit facility that the Borrower has either not drawn, or has partly drawn. For such facilities, the date that the Bank becomes a party to the irrevocable commitment shall be considered to be the date of initial recognition for the purpose of applying impairment requirements.

Notes to the financial statements

For year ended 30 June 2025

27. Derivatives

(i) The fair value of derivative instruments is analysed as follows:

The Group and the Bank	Notional principal amount	Fair value	Derivative assets	Derivative liabilities
	Rs	Rs	Rs	Rs
30 June 2025				
Foreign exchange forward contracts	1,907,677,105	1,921,126,408	10,012,637	(23,461,940)
Cross currency swap	3,548,932,965	4,174,308,499	38,029	(625,413,563)
Foreign exchange spot contracts	330,845,064	329,619,542	1,365,012	(139,490)
	5,787,455,134	6,425,054,449	11,415,678	(649,014,993)
30 June 2024				
Foreign exchange forward contracts	829,897,130	818,579,400	11,400,141	(82,411)
Foreign exchange swap contracts	9,951,032,621	10,959,586,307	67,280,531	(1,075,834,218)
Foreign exchange spot contracts	15,455,904	15,382,127	78,870	(5,093)
	10,796,385,655	11,793,547,834	78,759,542	(1,075,921,722)
30 June 2023				
Foreign exchange forward contracts	1,052,307,917	1,056,827,928	5,876,440	(10,396,451)
Cross currency swap	4,588,533,276	5,522,071,361	4,930,067	(857,854,090)
Foreign exchange spot contracts	7,379,594	7,302,469	77,125	-
	5,648,220,787	6,586,201,758	10,883,632	(868,250,541)

(ii) Cross currency swap with the holding company

On 18 October 2019, MauBank Ltd entered into a USD/MUR cross currency swap arrangement with MauBank Holdings Ltd (MBH) whereby the Bank received USD 99,750,000 from its holding company in exchange for Rs 3,640,875,000. The duration of the swap arrangement is for a period of 12 years, with a five year grace period on capital repayment and seven years linear capital repayment thereafter. Interest and capital (after grace period) are payable every six months. The interest rate applicable on the USD and Rs amount are respectively USD six months LIBOR + 80bps and MUR cost of funds + 80bps. On 01 August 2023, the cross currency swap was repriced and adjusted to Daily Compounded SOFR.

The bank will repay capital amount of USD 7,125,000 plus accrued interest to MauBank Holdings Ltd (MBH) while MBH will repay capital amount of MUR 260,062,500 plus accrued interest to the bank every 6 months as from 01 August 2024 up to 01 February 2031.

The cross currency swap is included in foreign exchange swap contracts above.

(iii) Besides the cross currency swap with the holding company, the Bank has positions in the following types of derivatives:

Forward contracts

Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. Forward contracts are customised contracts transacted in the over-the-counter market.

Spot position

The current balance on spot position account reflects the bought/sold amounts (FX deals) in original currencies and equivalent amounts corresponding to the prevailing FX spot "Accounting" rate as of the settlement date.

Swap contracts

Currency swap contracts are commitments to exchange one set of cash flows in one currency for another set of cash flows in another currency.

Notes to the financial statements

For year ended 30 June 2025

28. Net interest income

	The Group			The Bank		
	Year ended					
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Interest income on financial instruments measured at amortised cost						
Loans and advances	1,781,310,425	1,515,114,495	1,154,681,819	1,791,193,543	1,525,977,138	1,164,813,535
Commission on loans and advances	89,039,047	42,911,626	59,870,936	89,039,047	42,911,626	59,870,936
Placements	248,479,892	176,709,202	82,762,329	248,479,892	176,709,202	82,762,329
Trade finance	170,087,581	88,970,718	70,772,095	170,087,581	88,970,718	70,772,095
	2,288,916,945	1,823,706,041	1,368,087,179	2,298,800,063	1,834,568,684	1,378,218,895
Interest income on financial instruments measured at FVTOCI						
Investment Securities:						
- Government stocks	95,523,464	1,731,061	67,008	95,523,464	1,731,061	67,008
- Treasury notes	53,863,766	7,976,653	-	53,863,766	7,976,653	-
- Bank of Mauritius Bonds	4,095,467	4,091,699	4,087,491	4,095,467	4,091,699	4,087,491
- Corporate Bonds	37,302,232	36,582,850	44,902,877	37,302,232	36,582,850	44,902,877
- Treasury Bills	117,378,689	73,293,344	4,323,932	117,378,689	73,293,344	4,323,932
- Bank of Mauritius Bills	92,569,727	81,101,589	57,254,911	92,569,727	81,101,589	57,254,911
- Bank of Mauritius Notes	7,653,817	-	-	7,653,817	-	-
- Foreign bonds	127,402,428	57,586,908	30,129,800	127,402,428	57,586,908	30,129,800
- Foreign bills	42,405,053	47,706,687	26,928,333	42,405,053	47,706,687	26,928,333
	578,194,643	310,070,791	167,694,352	578,194,643	310,070,791	167,694,352
Total interest income calculated using EIR	2,867,111,588	2,133,776,832	1,535,781,531	2,876,994,706	2,144,639,475	1,545,913,247
Other interest and similar income						
Finance lease	131,528,648	101,935,798	80,824,165	131,528,648	101,935,798	80,824,165
Interest expense on financial instruments measured at amortised cost						
Deposits from customers	1,156,998,796	859,802,621	477,118,687	1,156,998,796	859,802,621	477,118,687
Other borrowed funds	1,235,230	377,067	11,474,306.00	1,235,230	377,067	11,474,306
	1,158,234,026	860,179,688	488,592,993	1,158,234,026	860,179,688	488,592,993
Other interest and similar expense						
Finance charge on leases	6,690,069	1,126,179	782,131	6,522,274	1,456,620	2,023,121
Net interest income	1,833,716,141	1,374,406,763	1,127,230,572	1,843,767,054	1,384,938,965	1,136,121,298

*In the current year, interest income /expense on finance leases has been presented separately from interest income/charges calculated under the Effective Interest Rate (EIR) method. In the prior year, this was included within EIR-based interest expense/income. Prior year presentation of the interest income and expense have been amended to confirm with current year presentation. There is no impact on the prior year figures.

Notes to the financial statements

For year ended 30 June 2025

29. Net fee and commission income

	The Group and the Bank		
	Year ended	Year ended	Year ended
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Fee and commission income			
Commission on guarantees	32,980,890	27,832,503	20,107,154
Commission on insurances and pensions	16,260,209	16,690,773	16,093,026
Commission on loans and advances to customers	6,832,050	7,308,686	6,378,190
Commission on savings	76,135,474	60,696,234	49,794,887
Commission on trade finance	71,309,162	53,862,340	50,701,171
Management fees from fellow subsidiary	33,035,253	38,572,433	44,171,993
Recovery fees from fellow subsidiary	37,712,163	48,377,185	53,240,195
Other fee income from fellow subsidiary	9,105,806	7,738,676	8,489,433
Others	73,979,797	58,493,723	43,146,844
Total fee and commission income	357,350,804	319,572,553	292,122,893
Recognised over a period of time	141,747,399	151,965,297	168,221,137
Recognised at a point in time	215,603,405	167,607,256	123,901,756
Total fee and commission income	357,350,804	319,572,553	292,122,893
Fee and commission expense			
Credit card expenses	80,504,820	63,534,952	47,065,904
Other fees paid	5,609,845	4,830,339	4,542,704
Total fee and commission expense	86,114,665	68,365,291	51,608,608
Net fee and commission income	271,236,139	251,207,262	240,514,285

30. Net trading income

	The Group and the Bank		
	Year ended	Year ended	Year ended
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Foreign exchange transactions	146,463,637	544,577,976	156,414,224
Gain/(Loss) on derivatives	346,608,676	(133,183,552)	(42,903,836)
Net revaluation gain/(loss) on financial instruments	60,471,785	(9,896,848)	2,494,108
Interest income on debt instruments at FVTPL in trading assets.	14,628,516	-	-
Gain on valuation of investment securities and trading assets at FVTPL 11(b)	20,538,362	36,543,798	19,793,152
Interest income on cross currency swap sold	299,629,193	324,605,452	243,752,093
Interest expense on cross currency swap bought	(254,478,608)	(280,586,742)	(210,999,463)
	633,861,561	482,060,084	168,550,278

31. Other income

	The Group and the Bank		
	Year ended	Year ended	Year ended
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Gain on revaluation of investment properties (Note 15)	-	-	10,000,000
Rental income on investment properties	22,196,668	22,616,026	24,668,655
Gain/(loss) on disposal of property, plant and equipment	425,564	1,739	(2,354)
Gain/(loss) on termination of rights of use assets	201,806	-	-
Dividend and other income	32,077,977	31,378,591	20,483,023
	54,902,015	53,996,356	55,149,324

Notes to the financial statements

For year ended 30 June 2025

32. Net impairment loss on financial assets

	The Group and the Bank		
	Year ended	Year ended	Year ended
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
ECL charge/(reversal) under stage 1 and 2 for cash and cash equivalents	2,235,419	494,643	189,276
ECL (reversal)/charge under stage 1 and 2 for loans and advances to banks (Note 12 (b))	(2,521,344)	(3,417,751)	5,278,298
ECL charge/(reversal) under stage 1 and 2 for loans and advances to customers (Note 13 (c))	251,868,350	(78,709,485)	11,669,698
ECL charge under stage 3 for loans and advances (Note 13 (c))	330,401,410	303,180,266	38,468,534
ECL charge/(reversal) under stage 1 and 2 for financial assets at FVTOCI (Note 25(b))	8,776,000	2,306,369	(5,407,240)
ECL (reversal)/charge under stage 3 for financial assets at FVTOCI (Note 11)	(142,096,231)	8,249,173	133,847,058
ECL charge/ (reversal) under stage 1 and 2 for off balance sheet items	1,403,757	(153,269)	1,436,146
ECL charge under stage 3 for off balance sheet items	104,962	-	-
Bad debts recovered	(3,614,827)	(3,570,182)	(9,297,478)
	446,557,496	228,379,764	176,184,292

Amounts included in the cash flow statements excludes ECL charge/(reversal) under stage 1 and 2 for cash and cash equivalent and bad debt recovered.

33. Personnel expenses

	The Group and the Bank		
	Year ended	Year ended	Year ended
	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Wages and salaries	501,696,091	394,858,675	374,235,468
Compulsory social security obligations	29,559,277	23,535,438	22,400,176
Pension cost under defined contribution plan	30,340,376	24,212,609	23,908,924
Pension cost under defined benefit plan (Note 21(ii))	15,453,236	13,364,786	13,235,084
Contribution to PRGF	137,865	110,586	261,636
Other personnel expenses	113,620,452	80,654,915	83,197,273
	690,807,297	536,737,009	517,238,561

Notes to the financial statements

For year ended 30 June 2025

34. Other expenses

	The Group			The Bank		
	Year ended 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023	Year ended 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Business promotion and marketing expenses	33,905,433	28,331,081	18,405,448	33,905,433	28,331,081	18,405,448
Travel expenses	4,165,175	3,647,525	526,518	4,165,175	3,647,525	526,518
Office operating expenses	40,002,001	36,357,911	33,034,038	40,002,001	36,357,911	33,034,038
Stationeries	12,615,517	10,053,875	7,965,120	12,615,517	10,053,875	7,965,120
General administration expenses	27,038,542	20,815,039	24,142,643	27,013,815	20,788,257	24,137,669
Professional fees	47,899,293	39,186,448	62,139,460	47,666,893	38,878,098	61,840,460
Insurances	34,042,183	18,902,572	18,187,856	33,708,018	18,672,199	17,957,485
Repairs and maintenance	178,661,546	144,778,174	138,458,412	178,657,176	144,778,174	138,458,412
Utilities	70,119,028	61,038,080	54,602,043	70,119,028	61,038,080	54,602,043
Training	5,623,536	3,329,590	3,013,368	5,623,536	3,329,590	3,013,368
Other operating expenses	3,185,691	8,016,348	8,846,720	3,185,691	3,320,696	4,151,068
	457,257,945	374,456,643	369,321,626	456,662,283	369,195,486	364,091,629

35. Income tax expense

(a) Income tax

The applicable tax rate in Mauritius is **5%** for the year ended 30 June 2025 (2024: 5%; 2023: 5%) for profit up to Rs 1.5 Bn. In addition, the Bank is subject to **2%** Corporate Climate Responsibility (2024: 2%, 2023: 2%) and **2%** Corporate Social Responsibility Fund (CSR) for the year ended 30 June 2025 (2024 and 2023: 2%). As at 30 June 2025, the Group had net income tax liability of **Rs 51,173,412** (2024: Rs 20,483,337 and 2023: Rs Nil). The Group had an income tax asset of Rs 6,525,969 at 30 June 2023.

The Bank had no levy during the financial year ended 30 June 2024 (2023: Rs Nil). Special levy on banks is governed under the VAT Act. Every bank shall in every year be liable to pay the taxation authorities a special levy calculated at 5.5% where leviable income is less than or equal to MUR 1.2bn or at 4.5% where leviable income is greater than MUR 1.2bn. Leviable income applies to banking transactions of Segment A and is defined as the sum of net interest income and other income before deduction of expenses as per VAT Act.

The Group is also subject to the Advanced Payment Scheme (APS).

Under the APS, the Bank is required to submit an APS Statement and pay tax quarterly on the basis of either last year's income or the income for the current quarter.

Contribution to the CSR Fund is a rate of 2% on the chargeable income of the preceding financial year.

Contribution to the CCR Fund is a rate of 2% on the chargeable income of the current financial year.

Please refer to note 39 "Events after the reporting period" for details relating to change in tax rate.

Notes to the financial statements

For year ended 30 June 2025

35. Income tax expense (Cont'd)

(b) Statement of profit or loss and other comprehensive income

	The Group			The Bank		
	Year ended 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023	Year ended 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Income tax on adjusted profit for the year	58,464,467	34,670,994	2,938,724	55,466,475	31,827,161	-
Underprovision on settlement of prior year corporate tax liability	712,290	-	-	712,290	-	-
Movement in deferred taxation	(12,130,511)	5,045,189	3,687,255	(12,194,664)	4,961,066	3,583,687
Effect of changes in deferred tax rate*	(10,914,844)	-	-	(10,914,844)	-	-
CCR Contribution paid during the year for prior year*	13,015,781	-	-	13,015,781	-	-
CCR contribution for the year	22,186,590	-	-	22,186,590	-	-
CSR contribution for the year	10,954,958	391,830	425,685	10,575,780	-	-
Tax expense	82,288,731	40,108,013	7,051,664	78,847,408	36,788,227	3,583,687

*This relates to the amount of deferred tax expense (or income) and income tax relating to changes in tax rates following the introduction of the CCRL (2%)

(c) Statement of financial position

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Balance at 01 July	20,483,337	(6,525,969)	(6,515,111)	22,019,947	(5,104,282)	(6,047,358)
Income tax on adjusted profit for the year	58,464,467	34,670,994	2,938,724	55,466,475	31,827,161	-
Underprovision on settlement of prior year corporate tax liability	712,290	-	-	712,290	-	-
CCRL contribution payable	22,186,590	-	-	22,186,590	-	-
CSR contribution payable	10,954,958	391,830	425,685	10,575,780	-	-
Tax refund received during the year	6,690,657	1,421,687	6,499,779	5,154,047	-	6,032,026
Tax paid during the year	(61,932,448)	(2,424,447)	(2,633,922)	(59,586,286)	-	-
Tax deducted at source	(6,386,439)	(7,050,758)	(7,241,124)	(4,038,613)	(4,702,932)	(5,088,950)
Balance at 30 June	51,173,412	20,483,337	(6,525,969)	52,490,230	22,019,947	(5,104,282)
Presented as follows:						
Current tax assets	(1,316,818)	(6,640,892)	(6,525,969)	-	(5,104,282)	(5,104,282)
Current tax liabilities	52,490,230	27,124,229	-	52,490,230	27,124,229	-

(d) Deferred tax assets

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Balance at 01 July	(28,500,174)	(31,752,759)	(37,939,163)	(39,994,557)	(43,163,019)	(47,715,855)
Movement during the year						
- (Credited)/Charged to statements of profit or loss	(12,130,511)	5,045,189	3,687,255	(12,194,664)	4,961,066	3,583,687
Effect of changes in deferred tax rate*	(10,914,844)	-	-	(10,914,844)	-	-
- (Credited)/Charged to other comprehensive income:						
On actuarial (loss)/gain	(1,350,954)	(1,792,604)	974,063	(1,350,954)	(1,792,604)	974,063
Effect of changes in deferred tax rate*	(512,173)	-	-	(512,173)	-	-
On revaluation of property, plant and equipment	-	-	1,525,086	-	-	(4,914)
Balance at 30 June	(53,408,656)	(28,500,174)	(31,752,759)	(64,967,192)	(39,994,557)	(43,163,019)

Notes to the financial statements

For year ended 30 June 2025

35. Income tax expense (Cont'd)

(d) Deferred tax assets (Cont'd)

Deferred tax arises on the following timing differences:

	The Group			The Bank		
	Year ended 30 June 2025 Rs	Year ended 30 June 2024 Rs	Year ended 30 June 2023 Rs	Year ended 30 June 2025 Rs	Year ended 30 June 2024 Rs	Year ended 30 June 2023 Rs
Accelerated tax depreciation	8,764,963	(3,137,550)	2,762,170	8,988,695	(2,849,667)	3,134,176
Provision for credit impairment	(88,218,402)	(56,974,033)	(35,165,602)	(88,218,402)	(56,974,033)	(35,165,602)
Retirement benefit obligations	(15,963,802)	(10,397,174)	(5,749,211)	(15,963,802)	(10,397,174)	(5,749,211)
Revaluation of building	42,008,585	42,008,583	23,650,128	30,226,317	30,226,317	11,867,862
Tax loss carried forward	-	-	(17,250,244)	-	-	(17,250,244)
Balance at 30 June	(53,408,656)	(28,500,174)	(31,752,759)	(64,967,192)	(39,994,557)	(43,163,019)

(e) Income tax reconciliation

The tax charge on the Group's and the Bank's profit differs from the theoretical amount that would arise using the basic tax rate of the Group as follows:

	The Group			The Bank		
	Year ended 30 June 2025 Rs	Year ended 30 June 2024 Rs	Year ended 30 June 2023 Rs	Year ended 30 June 2025 Rs	Year ended 30 June 2024 Rs	Year ended 30 June 2023 Rs
Profit before income tax	919,430,710	853,244,384	395,608,043	907,816,687	844,374,240	384,380,078
Tax at 9% / 5%	82,748,764	42,662,219	19,780,402	81,703,502	42,218,712	19,219,004
Non-allowable items	4,492,880	22,666,769	19,448,873	4,430,480	22,540,766	19,346,114
Non taxable	(5,442,461)	-	-	(5,442,461)	-	-
Exempt income	(3,955,807)	(15,727,989)	(9,695,433)	(3,955,807)	(15,682,073)	(8,747,923)
Other deductions	(701,533)	-	-	(701,533)	-	-
Deferred tax on CCRL	(10,914,844)	5,045,189	3,687,258	(10,914,844)	4,961,066	3,583,687
CCRL for previous year	13,015,781	-	-	13,015,781	-	-
CSR contribution	-	391,830	425,685	-	-	-
Underprovision on settlement of prior year corporate tax liability	712,290	-	-	712,290	-	-
Effect for high tax rates for subsidiary (Subsidiary is taxed at 15%)	2,333,661	2,320,239	3,222,077	-	-	-
Utilisation of previously unrecognised tax losses	-	(17,250,244)	(29,817,195)	-	(17,250,244)	(29,817,195)
Tax expense	82,288,731	40,108,013	7,051,667	78,847,408	36,788,227	3,583,687

Non-allowable items pertain to allowance for expected credit loss, depreciation and legal fees.

Exempt income comprise of bad debts written off and gain on cross currency swap.

(f) Numerical reconciliation between average effective tax rate and applicable tax rate

	The Group			The Bank		
	Year ended 30 June 2025 %	Year ended 30 June 2024 %	Year ended 30 June 2023 %	Year ended 30 June 2025 %	Year ended 30 June 2024 %	Year ended 30 June 2023 %
Applicable tax rate	5	5	5	5	5	5
CCRL	2	-	-	2	-	-
CSR	2	2	2	2	2	2
Average effective tax rate (tax expenses divided by profit before tax)	9	7	7	9	7	7

The applicable tax rate of the subsidiary of the Bank is 15%.

Notes to the financial statements

For year ended 30 June 2025

35. Income tax expense (Cont'd)

(f) Time lapse of tax losses

The bank did not have any tax losses at 30 June 2025.

36. Profit for the year

	The Group			The Bank		
	Year ended 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023	Year ended 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
<i>Profit for the year is arrived at after charging:</i>						
Depreciation and amortisation	(102,272,740)	(98,049,687)	(108,307,862)	(93,228,991)	(122,713,190)	(133,656,550)
Directors' emoluments	(22,719,675)	(20,806,652)	(29,094,744)	(22,539,675)	(20,542,652)	(28,830,744)
Payable to auditors (including VAT):						
- Audit services	(9,085,000)	(8,682,500)	(8,399,600)	(9,085,000)	(8,682,500)	(8,199,500)
- Fees for other services	(632,500)	(2,357,500)	(2,530,000)	(632,500)	(2,357,500)	(2,530,000)
Staff costs (Note 33)	690,807,297	536,737,009	(517,238,561)	690,807,297	536,737,009	(517,238,561)
Operating lease rentals (Note 41(b(i)))	(71,285,134)	(38,547,343)	(24,815,016)	(71,285,134)	(385,473,473)	(24,815,016)
and crediting:						
Rental income (Note 31)	22,196,668	22,616,026	24,668,655	22,196,668	22,616,026	24,668,655

37. Earnings per share

The earnings per share for the year ended 30 June 2025 and for the comparative years were calculated as follows:

The Group	Earnings per share (Rs)	Profit for the year attributable to equity holders of the parent (Rs)	Weighted Average Number of shares used
Year ended 30 June 2025	0.10	837,141,979	8,419,472,765
Year ended 30 June 2024	0.11	813,136,371	7,436,123,602
Year ended 30 June 2023	0.05	388,556,379	7,074,270,863

The Bank	Earnings per share (Rs)	Profit for the year attributable to equity holders of the parent (Rs)	Weighted Average Number of shares used
Year ended 30 June 2025	0.10	828,969,279	8,419,472,765
Year ended 30 June 2024	0.11	807,586,013	7,436,123,602
Year ended 30 June 2023	0.05	380,796,391	7,074,270,863

Notes to the financial statements

For year ended 30 June 2025

38. Related party transactions

Transactions and balances between the Group and its related parties are as follows:

The Group and the Bank

	Directors and Key management personnel Rs
Loans and advances	
At 30 June 2025	78,173,686
At 30 June 2024	62,643,465
At 30 June 2023	58,759,367
Deposits	
At 30 June 2025	45,458,112
At 30 June 2024	36,086,862
At 30 June 2023	83,893,838
Interest income	
Year ended 30 June 2025	
Loans and advances	2,230,532
Year ended 30 June 2024	
Loans and advances	1,849,645
Year ended 30 June 2023	
Loans and advances	1,316,695
Interest expense	
Year ended 30 June 2025	
Deposits	1,153,779
Year ended 30 June 2024	
Deposits	928,130
Year ended 30 June 2023	
Deposits	1,048,126
Key management personnel compensation (Salaries and short-term employee benefits including directors' emoluments)	
Year ended 30 June 2025	88,461,408
Year ended 30 June 2024	66,651,289
Year ended 30 June 2023	71,233,403
Key management personnel compensation (Post employment benefits)	
Year ended 30 June 2025	3,906,766
Year ended 30 June 2024	2,550,390
Year ended 30 June 2023	4,445,894

The loans and advances with and deposits from key management personnel are contracted at the Bank's preferential rates as available to all staff members.

Notes to the financial statements

For year ended 30 June 2025

38. Related party transactions (Cont'd)

Transactions and balances with the subsidiary, fellow subsidiary and holding company are as follows:

	30 June 2025	30 June 2024	30 June 2023
	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)
	Rs	Rs	Rs
The Bank			
Subsidiary (MauBank Investment Ltd)			
<i>Balances:</i>			
Loans and advances	129,344,277	140,593,708	147,707,856
Deposits	(26,802,514)	(20,842,742)	(11,847,143)
Amount receivable (Note 17)	33,722,960	33,722,960	33,722,960
Rental deposits	6,000,000	6,000,000	6,000,000
<i>Transactions:</i>			
Interest income	(9,883,118)	(10,862,642)	(10,131,717)
Rental expense	36,000,000	36,000,000	36,000,000
The Group and the Bank			
Fellow subsidiary (EAMC Ltd)			
<i>Balances:</i>			
Deposits	(7,396,050)	(2,299,007)	(93,486,160)
Amount payable on net collection of loans and advances (see below)	(30,407,268)	(14,654,255)	(13,649,767)
Transitional (payable)/receivable	92,387,583	72,230,283	34,952,319
Due on extinction of guarantee	(15,202,429)	(103,598,429)	(122,496,861)
Amount receivable for expenses paid (Note 17)	256	222	222
<i>Transactions:</i>			
Management fee income	(33,035,253)	(38,572,433)	(44,171,993)
Recovery fee income	(37,712,163)	(48,377,185)	(53,240,195)
Other fee income	(9,105,806)	(7,738,676)	(8,489,433)
Fellow subsidiary (Manufacturing)			
<i>Balances:</i>			
Loans and advances	53,256,471	49,876,614	23,661,891
Deposits	(8,008)	(17,302)	(11,183)
Amount receivable for expenses paid (Note 17)	-	895	-
<i>Transactions:</i>			
Interest Income	(3,947,255)	(2,382,189)	(201,029)
Rental income	(1,002,814)	(965,775)	(679,950)
Holding company (MauBank Holdings Ltd)			
<i>Balances:</i>			
Loans and advances	3,590,690,530	3,225,634,212	3,220,959,452
Deposits	(9,791,959)	(347,287,895)	(476,650,461)
Amount Receivable for expenses paid (Note 17)	653,490	810,212	5,905,120
Interest receivable on cross currency swap sold	119,016,000	135,108,383	120,298,500
Interest payable on cross currency swap bought	(93,649,490)	(122,696,062)	(111,532,660)
<i>Transactions:</i>			
Interest income	(496,233,256)	(512,143,774)	(404,081,546)
Interest expense	254,478,608	280,586,742	210,999,463
Dividend paid	162,000,000	80,000,000	40,000,000

The subsidiary had no transactions with the major shareholders (entities holding at least 10% interest in the Group).

The loan and advances with key management personnel are contracted at the Bank's preferential rates as available to all staff members. The outstanding balances arose in the normal course of business. For the year ended 30 June 2025, the Group and the Bank have raised expected credit losses for doubtful debts relating to amounts owed by relating parties as per ECL model currently being applied on financial assets. Total allowance for expected credit loss charged to income statement on loan and advances amounted to Rs 132,719 (2024: Rs 154,064; 2023: Rs 161,666) . At 30 June 2025, none of the facilities to related parties was non-performing (2024:MUR Nil, 2023: MUR Nil). In addition, for the year ended 30 June 2025 the Bank has not written off any amount owed by related party (2024: MUR Nil, 2023: MUR Nil). The settlement of the related party transactions occurs in cash.

The bank collections for the loans and advances owned by EAMC Ltd on behalf of the latter. The amounts due to EAMC Ltd are interest free, unsecured and repayable within one year.

Notes to the financial statements

For year ended 30 June 2025

39. Events after the reporting period

On 09 August 2025, the Finance Act 2025 (FA 2025) was enacted, introducing several tax measures that will impact the banking sector, effective 01 July 2025. These include amendments to the Special Levy, and the introduction of the Fair Share Contribution (FSC) and Additional Fair Share Contribution (AFSC).

Special levy

The Special Levy will now be applied at a flat rate of 5.5% of leviable income, with the previous cap (1.5 times the levy paid for the year of assessment 2017/2018) removed.

Fair Share Contribution(FSC) and Additional Fair Share Contribution(AFSC)

FSC and AFSC for banks were introduced under the Value Added Tax Act, as legislated through section 61(n) of FA 2025. These measures will apply for a period of three years, from 01 July 2025 to 30 June 2028.

The FSC will be levied at 5% of chargeable income.

The AFSC will be levied at 2.5% of chargeable income arising from transactions with residents, excluding income derived from global business entities.

The combined impact of FSC, AFSC, Income Tax, Corporate Social Responsibility (CSR), Corporate Climate Responsibility Levy, and Special Levy will be capped at 35% of chargeable income from resident transactions (excluding global business entities).

In accordance with IAS 10 – Events After the Reporting Period, these legislative changes are considered non-adjusting events. As such, no adjustments have been made to the financial statements for the year ended 30 June 2025. Management is currently assessing the potential financial impact of these changes, which will be reflected in future reporting periods once reasonably estimable.

Notes to the financial statements

For year ended 30 June 2025

40. Other commitments

(a) Capital Commitments

Approved and contracted for:

Property, Plant and Equipment

Intangibles

The Group and the Bank		
30 June 2025	30 June 2024	30 June 2023
Rs	Rs	Rs
26,953,038	1,320,928	3,192,013
8,405,586	811,545	9,447,244
35,358,624	2,132,473	12,639,257

The capital commitments represents amount payable for completion of assets in progress that will subsequently be capitalised as property, plant and equipment or intangibles.

(b) Operating Lease Commitments

(i) The Group and the Bank as a lessee

	The Group			The Bank		
	30 June 2025	30 June 2024	30 June 2023	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs	Rs	Rs	Rs
Minimum lease payments under operating leases recognised in the consolidated statement of profit or loss and other comprehensive income for the year	71,285,134	38,547,343	24,815,016	71,285,134	38,547,343	24,815,016
At the reporting date, the Group and the Bank had outstanding commitment under cancellable operating leases, which fall due as follows:						
Within 1 year	22,694,102	31,480,185	30,666,688	22,694,102	31,480,185	30,666,688
After 1 period and before 5 years	9,958,797	27,847,894	44,326,363	9,958,797	27,847,894	44,326,363
	32,652,899	59,328,079	74,993,051	32,652,899	59,328,079	74,993,051

The above are in respect of leases not falling under the scope of IFRS 16 and are thus expensed to income statement on payments. The operating lease payments represent rentals payable for office, parking space and equipment.

(ii) The Group and the Bank as a lessor

Property rental income earned during the year was **Rs 22,196,668** (30 June 2024: Rs 22,616,026 and 30 June 2023: Rs 24,668,655). Properties held for rental have a committed tenant between 3 to 10 years.

At the reporting date, the Bank had contracted with tenants for the following future minimum lease payments.

Notes to the financial statements

For year ended 30 June 2025

40. Other commitments (Cont'd)

(b) Operating Lease Commitments (Cont'd)

(ii) The Group and the Bank as a lessor (Cont'd)

	30 June 2025	30 June 2024	30 June 2023
	Rs	Rs	Rs
Within one year	22,868,800	23,529,518	23,342,097
After 1 year and before 5 years	12,955,371	33,318,283	56,657,220
	35,824,171	56,847,801	79,999,317

41. Immediate holding company and ultimate shareholder

The Directors regard MauBank Holdings Ltd, a company incorporated and domiciled in Mauritius, as their immediate holding company and the Government of Mauritius as their ultimate shareholder.

Notes to the financial statements

For year ended 30 June 2025

42. Supplementary information as required by Bank Of Mauritius

(a) Statement of financial position

	The Group								
	30 June 2025			30 June 2024			30 June 2023		
	Total Rs	Resident Rs	Non- Resident Rs	Total Rs	Resident Rs	Non- Resident Rs	Total Rs	Resident Rs	Non- Resident Rs
ASSETS									
Cash and cash equivalents	10,151,841,620	8,178,490,949	1,973,350,671	10,410,128,675	9,663,861,282	746,267,393	4,566,250,861	3,465,520,290	1,100,730,571
Mandatory balances with the Central Bank	3,351,382,724	3,351,382,724	-	2,855,998,585	2,855,998,585	-	2,277,213,614	2,277,213,614	-
Derivative assets	11,415,678	9,879,424	1,536,254	78,759,542	69,764,156	8,995,386	10,883,632	2,174,812	8,708,820
Trading assets	1,293,362,942	1,249,164	1,292,113,778	529,476,283	529,476,283.00	-	479,676,718	479,676,718	-
Investment securities	10,773,382,864	9,171,558,830	1,601,824,034	8,597,507,619	7,272,036,253	1,325,471,366	5,059,706,303	3,647,617,905	1,412,088,399
Loans and advances to banks	790,286,809	6,539,728	783,747,081	905,925,292	-	905,925,292	938,342,148	225,426,878	712,915,270
Loans and advances to customers	29,262,518,141	26,735,050,305	2,527,467,836	23,413,207,401	21,920,824,162	1,492,383,239	20,297,328,617	19,576,585,935	720,742,682
Property, plant and equipment	1,063,666,754	1,063,666,754	-	1,052,888,749	1,052,888,749	-	1,071,980,600	1,071,980,600	-
Intangible assets	91,383,066	91,383,066	-	78,994,101	78,994,101	-	105,673,352	105,673,352	-
Right-of-use assets	118,535,850	118,535,850	-	48,935,082	48,935,082	-	46,932,965	46,932,965	-
Investment properties	390,500,000	390,500,000	-	390,500,000	390,500,000	-	390,500,000	390,500,000	-
Investment in subsidiary	-	-	-	-	-	-	-	-	-
Current tax assets	1,316,818	1,316,818	-	6,640,892	6,640,892	-	6,525,969	6,525,969	-
Deferred tax assets	53,408,656	53,408,656	-	28,500,174	28,500,174	-	31,752,759	31,752,759	-
Other assets	349,633,750	323,744,990	25,888,760	246,099,945	220,157,607	25,942,338	254,303,326	230,479,421	23,823,905
Total assets	57,702,635,672	49,496,707,258	8,205,928,414	48,643,562,340	44,138,577,326	4,504,985,014	35,537,070,864	31,558,061,218	3,979,009,647
LIABILITIES									
Deposits from customers	50,728,270,006	41,257,724,515	9,470,545,491	41,827,432,643	34,041,790,835	7,785,641,808	30,423,045,218	26,464,217,365	3,958,827,853
Derivative liabilities	649,014,993	630,176,555	18,838,438	1,075,921,722	1,075,885,477	36,245	868,250,541	866,619,950	1,630,591
Lease liabilities	97,037,679	97,037,679	-	20,614,415	20,614,415	-	17,740,050	17,740,050	-
Payable to fellow subsidiary	30,407,268	30,407,268	-	14,654,255	14,654,255	-	13,649,767	13,649,767	-
Tax liabilities	52,490,230	52,490,230	-	27,124,229	27,124,229	-	-	-	-
Other liabilities	624,906,784	624,906,784	-	631,641,048	631,641,048	-	539,877,625	539,877,625	-
Retirement benefit obligations	177,375,580	177,375,580	-	148,531,055	148,531,055	-	114,984,217	114,984,217	-
Total liabilities	52,359,502,540	42,870,118,611	9,489,383,929	43,745,919,367	35,960,241,314	7,785,678,053	31,977,547,418	28,017,088,974	3,960,458,444
SHAREHOLDERS' EQUITY									
Stated capital	3,216,601,090			3,216,601,090			2,716,420,490		
Statutory reserve	361,177,386			236,831,994			115,694,092		
General banking reserve	46,758,912			-			-		
Retained earnings	1,610,878,186			1,125,678,791			537,496,351		
Fair value reserve	(267,266,882)			(189,773,573)			(307,836,617)		
Other reserve	25,955,840			159,276,071			148,720,529		
Revaluation reserve	349,028,600			349,028,600			349,028,600		
Total equity	5,343,133,132			4,897,642,973			3,559,523,445		
Total liabilities and equity	57,702,635,672			48,643,562,340			35,537,070,863		

Notes to the financial statements

For year ended 30 June 2025

42. Supplementary Information As Required By Bank Of Mauritius (Cont'd)

(a) Statement of financial position (Cont'd)

	The Bank								
	30 June 2025			30 June 2024			30 June 2023		
	Total Rs	Resident Rs	Non- Resident Rs	Total Rs	Resident Rs	Non- Resident Rs	Total Rs	Resident Rs	Non- Resident Rs
ASSETS									
Cash and cash equivalents	10,151,841,620	8,178,490,949	1,973,350,671	10,410,128,675	9,663,861,282	746,267,393	4,566,250,861	3,465,520,290	1,100,730,571
Mandatory balances with the Central Bank	3,351,382,724	3,351,382,724	-	2,855,998,585	2,855,998,585	-	2,277,213,614	2,277,213,614	-
Derivative assets	11,415,678	9,879,424	1,536,254	78,759,542	69,764,156	8,995,386	10,883,632	2,174,812	8,708,820
Trading assets	1,293,362,942	1,249,164	1,292,113,778	529,476,283	529,476,283	-	479,676,718	479,676,718	-
Investment securities	10,773,382,864	9,171,558,830	1,601,824,034	8,597,507,619	7,272,036,253	1,325,471,366	5,059,706,303	3,647,617,905	1,412,088,399
Loans and advances to banks	790,286,809	6,539,728	783,747,081	905,925,292	-	905,925,292	938,342,148	225,426,878	712,915,270
Loans and advances to customers	29,391,862,418	26,864,394,582	2,527,467,836	23,553,801,109	22,061,417,870	1,492,383,239	20,445,036,472	19,724,293,790	720,742,682
Property, plant and equipment	789,645,583	789,645,583	-	772,167,579	772,167,579	-	784,559,430	784,559,430	-
Intangible assets	91,383,066	91,383,066	-	78,994,101	78,994,101	-	105,673,352	105,673,352	-
Right-of-use assets	85,723,351	85,723,351	-	13,778,833	13,778,833	-	43,140,219	43,140,219	-
Investment properties	390,500,000	390,500,000	-	390,500,000	390,500,000	-	390,500,000	390,500,000	-
Investment in subsidiary	100,000	100,000	-	100,000	100,000	-	100,000	100,000	-
Current tax assets	-	-	-	5,104,282	5,104,282	-	5,104,282	5,104,282	-
Deferred tax assets	64,967,192	64,967,192	-	39,994,557	39,994,557	-	43,163,019	43,163,019	-
Other assets	388,574,101	362,685,341	25,888,760	285,040,299	259,097,961	25,942,338	293,243,677	269,419,772	23,823,905.00
Total assets	57,574,428,348	49,368,499,934	8,205,928,414	48,517,276,756	44,012,291,742	4,504,985,014	35,442,593,727	31,463,584,081	3,979,009,647
LIABILITIES									
Deposits from customers	50,755,072,519	41,284,527,028	9,470,545,491	41,848,275,386	34,062,633,578	7,785,641,808	30,434,892,362	26,476,064,509	3,958,827,853
Derivative liabilities	649,014,993	630,176,555	18,838,438	1,075,921,722	1,075,885,477	36,245	868,250,541	866,619,950	1,630,591
Lease liabilities	90,465,488	90,465,488	-	13,748,432	13,748,432	-	46,120,151	46,120,151	-
Payable to fellow subsidiary	30,407,268	30,407,268	-	14,654,255	14,654,255	-	13,649,767	13,649,767	-
Tax liabilities	52,490,230	52,490,230	-	27,124,229	27,124,229	-	-	-	-
Other liabilities	624,211,443	624,211,443	-	630,948,309	630,948,309	-	539,192,491	539,192,491	-
Retirement benefit obligations	177,375,580	177,375,580	-	148,531,055	148,531,055	-	114,984,217	114,984,217	-
Total liabilities	52,379,037,521	42,889,653,592	9,489,383,929	43,759,203,388	35,973,525,335	7,785,678,053	32,017,089,529	28,056,631,085	3,960,458,444
SHAREHOLDERS' EQUITY									
Stated capital	3,216,601,090			3,216,601,090			2,716,420,490		
Statutory reserve	361,177,386			236,831,994			115,694,092		
General banking reserve	46,758,912			-			-		
Retained earnings	1,555,952,225			1,078,925,530			496,293,448		
Fair value reserve	(267,266,882)			(189,773,573)			(307,836,617)		
Other reserve	25,955,840			159,276,071			148,720,529		
Revaluation reserve	256,212,256			256,212,256			256,212,256		
Total equity	5,195,390,827			4,758,073,368			3,425,504,198		
Total liabilities and equity	57,574,428,348			48,517,276,756			35,442,593,727		

Notes to the financial statements

For year ended 30 June 2025

42. Supplementary Information As Required By Bank Of Mauritius (Cont'd)

(b) Operating Income

	The Group								
	Year ended 30 June 2025			Year ended 30 June 2024			Year ended 30 June 2023		
	Total	Resident	Non - Resident	Total	Resident	Non - Resident	Total	Resident	Non - Resident
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Interest income	2,998,640,236	2,669,569,798	329,070,438	2,235,712,630	1,959,912,994	275,799,636	1,616,605,696	1,494,659,867	121,945,829
Interest expense	(1,164,924,095)	(1,033,794,823)	(131,129,272)	(861,305,867)	(836,514,716)	(24,791,151)	(489,375,124)	(488,337,974)	(1,037,150)
Net interest income	1,833,716,141	1,635,774,975	197,941,166	1,374,406,763	1,123,398,278	251,008,485	1,127,230,572	1,006,321,893	120,908,679
Fee and commission income	357,350,804	313,232,213	44,118,591	319,572,553	271,000,097	48,572,456	292,122,893	275,045,735	17,077,158
Fee and commission expense	(86,114,665)	(85,609,100)	(505,565)	(68,365,291)	(68,334,333)	(30,958)	(51,608,608)	(51,600,890)	(7,718)
Net fee and commission income	271,236,139	227,623,113	43,613,026	251,207,262	202,665,764	48,541,498	240,514,285	223,444,845	17,069,440
Net trading income	633,861,560	446,611,879	187,249,681	482,060,082	273,037,484	209,022,598	168,550,278	153,550,278	15,000,000
Net (loss)/gain from derecognition of financial assets measured at FVTOCI	(137,408,880)	-	(137,408,880)	(32,255,635)	-	(32,255,635)	30,941	30,941	-
Other income	54,902,015	54,902,015	-	53,996,356	53,996,356	-	55,149,324	55,139,324	10,000
	551,354,695	501,513,894	49,840,801	503,800,803	327,033,840	176,766,963	223,730,543	208,720,543	15,010,000
Net operating income	2,656,306,975	2,364,911,982	291,394,993	2,129,414,828	1,653,097,882	476,316,946	1,591,475,400	1,438,487,281	152,988,119

	The Bank								
	Year ended 30 June 2025			Year ended 30 June 2024			Year ended 30 June 2023		
	Total	Resident	Non - Resident	Total	Resident	Non - Resident	Total	Resident	Non - Resident
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Interest income	3,008,523,353	2,679,452,915	329,070,438	2,246,575,273	1,970,775,637	275,799,636	1,626,737,412	1,504,791,583	121,945,829
Interest expense	(1,164,756,300)	(1,033,627,028)	(131,129,272)	(861,636,308)	(836,845,157)	(24,791,151)	(490,616,114)	(489,578,964)	(1,037,150)
Net interest income	1,843,767,053	1,645,825,887	197,941,166	1,384,938,965	1,133,930,480	251,008,485	1,136,121,298	1,015,212,619	120,908,679
Fee and commission income	357,350,805	313,232,214	44,118,591	319,572,553	271,000,097	48,572,456	292,122,893	275,045,735	17,077,158
Fee and commission expense	(86,114,665)	(85,609,100)	(505,565)	(68,365,291)	(68,334,333)	(30,958)	(51,608,608)	(51,600,890)	(7,718)
Net fee and commission income	271,236,140	227,623,114	43,613,026	251,207,262	202,665,764	48,541,498	240,514,285	223,444,845	17,069,440
Net trading income	633,861,560	446,611,879	187,249,681	482,060,082	273,037,484	209,022,598	168,550,278	153,550,278	15,000,000
Net gain/(loss) from derecognition of financial assets measured at FVTOCI	(137,408,880)	-	(137,408,880)	(32,255,635)	-	(32,255,635)	30,941	30,941	-
Other income	54,902,015	54,902,015	-	53,996,356	53,996,356	-	55,149,324	55,139,324	10,000
	551,354,695	501,513,894	49,840,801	503,800,803	327,033,840	176,766,963	223,730,543	208,720,543	15,010,000
Net operating income	2,666,357,888	2,374,962,895	291,394,993	2,139,947,030	1,663,630,084	476,316,946	1,600,366,126	1,447,378,007	152,988,119

Notes to the financial statements

For year ended 30 June 2025

42. Supplementary Information As Required By Bank Of Mauritius (Cont'd)

(c) Sectorwise Distribution of Loans and Advances

	The Group								
	30 June 2025			30 June 2024			30 June 2023		
	Total Rs	Resident Rs	Non-Resident Rs	Total Rs	Resident Rs	Non-Resident Rs	Total Rs	Resident Rs	Non-Resident Rs
Other Non-Financial Corporations									
A - Agriculture, forestry and fishing	184,647,567	184,647,567	-	184,970,644	184,970,644	-	221,332,602	221,332,602	-
B - Mining and quarrying	-	-	-	-	-	-	-	-	-
C - Manufacturing	1,424,810,321	1,424,810,321	-	918,182,156	918,182,156	-	682,825,409	682,825,409	-
D - Electricity, gas, steam and air conditioning supply	1,534,380	1,534,380	-	7,791,520	7,791,520	-	11,864,901	11,864,901	-
E - Water supply; sewerage, waste management and	1,395,527	1,395,527	-	2,306,977	2,306,977	-	1,054,906	1,054,906	-
F - Construction	2,853,622,240	2,853,622,240	-	2,055,942,009	2,055,942,009	-	1,656,398,995	1,656,398,995	-
G - Wholesale and retail trade; and repair of motor	2,703,530,527	2,703,530,527	-	1,954,367,639	1,954,367,639	-	1,522,593,384	1,522,593,384	-
H - Transportation and storage	266,353,550	266,353,550	-	176,714,725	176,714,725	-	166,095,005	166,095,005	-
I - Accommodation and food service activities	2,493,706,367	2,493,706,367	-	1,952,795,862	1,952,795,862	-	1,571,750,038	1,571,750,038	-
J - Information and communication	63,024,647	63,024,647	-	34,529,495	34,529,495	-	21,066,077	21,066,077	-
L - Real estate activities	703,603,050	703,603,050	-	316,070,182	316,070,182	-	249,506,795	249,506,795	-
M - Professional, scientific and technical activities	97,313,614	96,229,508	1,084,107	122,034,918	120,807,806	1,227,112	59,108,561	53,587,318	5,521,243
N - Administrative and support service activities	378,098,818	378,098,818	-	200,010,070	200,010,070	-	209,427,618	209,427,618	-
P - Education	174,828,732	174,828,732	-	63,222,076	63,222,076	-	58,306,679	58,306,679	-
Q - Human health and social work activities	211,316,939	211,316,939	-	214,767,562	214,767,562	-	530,604,347	530,604,347	-
R - Arts, entertainment and recreation	376,439,290	376,439,290	-	387,303,762	387,303,762	-	265,812,676	265,812,676	-
S - Other service activities	283,223,122	192,808,597	90,414,525	112,232,793	112,232,793	-	88,671,978	87,915,707	756,271
Households	9,276,699,215	9,071,683,127	205,016,088	7,746,983,119	7,523,437,243	223,545,876	7,119,660,267	6,942,575,096	177,085,171
Central Bank	-	-	-	-	-	-	-	-	-
Banks	790,286,810	6,539,729	783,747,081	905,925,292	-	905,925,292	938,342,148	225,426,878	712,915,270
State and Local Government	124,035,819	-	124,035,819	536,630,377	-	536,630,377	208,702,588	-	208,702,588
Public Non-Financial Corporations	1,450,510,585	1,270,919,968	179,590,617	1,648,434,928	1,648,434,928	-	1,616,476,365	1,616,476,365	-
Financial Corporations	4,817,490,260	4,266,497,153	550,993,106	4,673,128,493	4,046,936,711	626,191,782	3,900,129,973	3,707,392,017	192,737,956
Global Business Corporations (GBCs)	1,376,333,573	-	1,376,333,573	104,788,092	-	104,788,092	135,939,452	-	135,939,452
	30,052,804,950	26,741,590,034	3,311,214,917	24,319,132,693	21,920,824,161	2,398,308,531	21,235,670,764	19,802,012,812	1,433,657,952

Notes to the financial statements

For year ended 30 June 2025

42. Supplementary Information As Required By Bank Of Mauritius (Cont'd)

(c) Sectorwise Distribution of Loans and Advances (Cont'd)

	The Bank								
	30 June 2025			30 June 2024			30 June 2023		
	Total	Resident	Non- Resident	Total	Resident	Non- Resident	Total	Resident	Non- Resident
Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Other Non-Financial Corporations									
A - Agriculture, forestry and fishing	184,647,567	184,647,567	-	184,970,644	184,970,644	-	221,332,602	221,332,602	-
B - Mining and quarrying	-	-	-	-	-	-	-	-	-
C - Manufacturing	1,424,810,321	1,424,810,321	-	918,182,156	918,182,156	-	682,825,409	682,825,409	-
D - Electricity, gas, steam and air conditioning supply	1,534,380	1,534,380	-	7,791,520	7,791,520	-	11,864,901	11,864,901	-
E - Water supply; sewerage, waste management and remediation activities	1,395,527	1,395,527	-	2,306,977	2,306,977	-	1,054,906	1,054,906	-
F - Construction	2,853,622,240	2,853,622,240	-	2,055,942,009	2,055,942,009	-	1,656,398,995	1,656,398,995	-
G - Wholesale and retail trade; and repair of motor vehicles and motorcycles	2,703,530,527	2,703,530,527	-	1,954,367,639	1,954,367,639	-	1,522,593,384	1,522,593,384	-
H - Transportation and storage	266,353,550	266,353,550	-	176,714,725	176,714,725	-	166,095,005	166,095,005	-
I - Accommodation and food service activities	2,493,706,367	2,493,706,367	-	1,952,795,862	1,952,795,862	-	1,571,750,038	1,571,750,038	-
J - Information and communication	63,024,647	63,024,647	-	34,529,495	34,529,495	-	21,066,077	21,066,077	-
L - Real estate activities	832,947,327	832,947,327	-	456,663,890	456,663,890	-	397,214,651	397,214,651	-
M - Professional, scientific and technical activities	97,313,614	96,229,508	1,084,107	122,034,918	120,807,806	1,227,112	59,108,561	53,587,318	5,521,243
N - Administrative and support service activities	378,098,818	378,098,818	-	200,010,070	200,010,070	-	209,427,618	209,427,618	-
P - Education	174,828,732	174,828,732	-	63,222,076	63,222,076	-	58,306,679	58,306,679	-
Q - Human health and social work activities	211,316,939	211,316,939	-	214,767,562	214,767,562	-	530,604,347	530,604,347	-
R - Arts, entertainment and recreation	376,439,290	376,439,290	-	387,303,762	387,303,762	-	265,812,676	265,812,676	-
S - Other service activities	283,223,122	192,808,597	90,414,525	112,232,793	112,232,793	-	88,671,978	87,915,707	756,271
Households	9,276,699,215	9,071,683,127	205,016,088	7,746,983,119	7,523,437,243	223,545,876	7,119,660,267	6,942,575,096	177,085,171
Central Bank	-	-	-	-	-	-	-	-	-
Banks	790,286,810	6,539,729	783,747,081	905,925,292	-	905,925,292	938,342,148	225,426,878	712,915,270
State and Local Government	124,035,819	-	124,035,819	536,630,377	-	536,630,377	208,702,588	-	208,702,588
Public Non-Financial Corporations	1,450,510,585	1,270,919,968	179,590,617	1,648,434,928	1,648,434,928	-	1,616,476,365	1,616,476,365	-
Financial Corporations	4,817,490,260	4,266,497,153	550,993,106	4,673,128,493	4,046,936,711	626,191,782	3,900,129,973	3,707,392,017	192,737,956
Global Business Corporations (GBCs)	1,376,333,573	-	1,376,333,573	104,788,092	-	104,788,092	135,939,452	-	135,939,452
	30,182,149,227	26,870,934,311	3,311,214,917	24,459,726,401	22,061,417,869	2,398,308,531	21,383,378,620	19,949,720,668	1,433,657,952

Notes to the financial statements

For year ended 30 June 2025

42. Supplementary Information As Required By Bank Of Mauritius (Cont'd)

(d) Breakdown of Deposits from Customers

	The Group								
	30 June 2025			30 June 2024			30 June 2023		
	Total Rs	Resident Rs	Non- Resident Rs	Total Rs	Resident Rs	Non- Resident Rs	Total Rs	Resident Rs	Non- Resident Rs
Retail	19,761,822,825	18,314,886,071	1,446,936,754	16,782,833,798	15,271,220,155	1,511,613,643	14,820,247,548	13,699,592,182	1,120,655,366
- Demand	1,060,535,306	608,721,677	451,813,629	658,230,913	336,285,884	321,945,029	508,937,645	340,956,526	167,981,119
- Savings	14,265,416,247	13,632,730,474	632,685,773	11,989,344,579	11,196,674,346	792,670,233	10,316,815,833	9,645,692,449	671,123,384
- Time deposits	4,435,871,272	4,073,433,920	362,437,352	4,135,258,306	3,738,259,925	396,998,381	3,994,494,070	3,712,943,207	281,550,863
Corporate	27,235,602,601	19,211,993,864	8,023,608,737	21,955,047,931	15,681,019,766	6,274,028,165	13,463,191,174	10,625,018,687	2,838,172,487
- Demand	12,961,307,620	8,029,243,450	4,932,064,170	12,397,944,494	7,131,748,453	5,266,196,041	7,407,004,896	4,615,555,048	2,791,449,848
- Savings	3,341,882,363	3,252,558,039	89,324,324	3,072,583,838	3,051,279,468	21,304,370	3,010,377,115	2,991,647,228	18,729,887
- Time deposits	10,932,412,618	7,930,192,375	3,002,220,243	6,484,519,599	5,497,991,845	986,527,754	3,045,809,163	3,017,816,411	27,992,752
Government	3,730,844,580	3,730,844,580	-	3,089,550,914	3,089,550,914	-	2,139,606,496	2,139,606,496	-
- Demand	72,699,825	72,699,825	-	14,357,131	14,357,131	-	13,773,171	13,773,171	-
- Savings	323,372,248	323,372,248	-	538,086,898	538,086,898	-	455,978,379	455,978,379	-
- Time deposits	3,334,772,507	3,334,772,507	-	2,537,106,885	2,537,106,885	-	1,669,854,946	1,669,854,946	-
	50,728,270,006	41,257,724,515	9,470,545,491	41,827,432,643	34,041,790,835	7,785,641,808	30,423,045,218	26,464,217,365	3,958,827,853

	The Bank								
	30 June 2025			30 June 2024			30 June 2023		
	Total Rs	Resident Rs	Non- Resident Rs	Total Rs	Resident Rs	Non- Resident Rs	Total Rs	Resident Rs	Non- Resident Rs
Retail	19,761,822,825	18,314,886,071	1,446,936,754	16,782,833,798	15,271,220,155	1,511,613,643	14,820,247,548	13,699,592,182	1,120,655,366
- Demand	1,060,535,306	608,721,677	451,813,629	658,230,913	336,285,884	321,945,029	508,937,645	340,956,526	167,981,119
- Savings	14,265,416,247	13,632,730,474	632,685,773	11,989,344,579	11,196,674,346	792,670,233	10,316,815,833	9,645,692,449	671,123,384
- Time deposits	4,435,871,272	4,073,433,920	362,437,352	4,135,258,306	3,738,259,925	396,998,381	3,994,494,070	3,712,943,207	281,550,863
Corporate	27,262,405,114	19,238,796,377	8,023,608,737	21,975,890,674	15,701,862,509	6,274,028,165	13,475,038,318	10,636,865,831	2,838,172,487
- Demand	12,988,110,133	8,056,045,963	4,932,064,170	12,418,787,237	7,152,591,196	5,266,196,041	7,407,004,896	4,615,555,048	2,791,449,848
- Savings	3,341,882,363	3,252,558,039	89,324,324	3,072,583,838	3,051,279,468	21,304,370	3,022,224,259	3,003,494,372	18,729,887
- Time deposits	10,932,412,618	7,930,192,375	3,002,220,243	6,484,519,599	5,497,991,845	986,527,754	3,045,809,163	3,017,816,411	27,992,752
Government	3,730,844,580	3,730,844,580	-	3,089,550,914	3,089,550,914	-	2,139,606,496	2,139,606,496	-
- Demand	72,699,825	72,699,825	-	14,357,131	14,357,131	-	13,773,171	13,773,171	-
- Savings	323,372,248	323,372,248	-	538,086,898	538,086,898	-	455,978,379	455,978,379	-
- Time deposits	3,334,772,507	3,334,772,507	-	2,537,106,885	2,537,106,885	-	1,669,854,946	1,669,854,946	-
	50,755,072,519	41,284,527,028	9,470,545,491	41,848,275,386	34,062,633,578	7,785,641,808	30,434,892,362	26,476,064,509	3,958,827,853

Financing Built for Impact

As organisations move toward more sustainable business models, MauBank plays an active role in enabling access to financing that supports renewable energy, green buildings and circular-economy initiatives. Our focus is on structuring solutions that create long-term value.

“

Adapting Finance,
Empowering Progress.

”

Guiding our
clients towards
**Financial
Growth**



Financial statements for the year ended 30 June 2025

Management discussion and analysis

Financial review

Key Financial Indicators

Area of Performance	Year Ended 30 June 2025	Year Ended 30 June 2024	Year Ended 30 June 2023
	Rs'm	Rs'm	Rs'm
Net Interest Income	1,843.77	1,384.94	1,136.12
Net Non Interest Income	822.59	755.01	464.24
Operating Income	2,666.36	2,139.95	1,600.37
Operating Expense (including depreciation)	(1,311.98)	(1,067.19)	(1,039.80)
Profit before impairment loss and income tax	1,354.37	1,072.75	560.56
Impairment loss on financial assets	(446.56)	(228.38)	(176.18)
Profit after impairment loss but before income tax	907.82	844.37	384.38
Income tax expense	(78.85)	(36.79)	(3.58)
Profit after income tax	828.97	807.59	380.80
Total Assets	57,574.43	48,517.28	35,442.59
Total Gross Advances	31,129.95	25,111.66	21,935.61
Total Deposits	50,755.07	41,848.28	30,434.89
Shareholders Equity	5,195.39	4,758.07	3,425.50
Tier 1 Capital	4,793.75	4,382.68	3,014.94
Total Regulatory Capital	5,260.14	4,761.35	3,373.73
KEY RATIOS	30 June 2025	30 June 2024	30 June 2023
Cost to Income Ratio	49.21%	49.87%	64.97%
Return on Equity	15.96%	16.97%	11.12%
Return on Total Assets	1.44%	1.66%	1.07%
Impaired Loans/Total Loans	4.73%	5.08%	4.61%

The table above illustrates the financials for the year ending 30 June 2025 against the previous reporting periods namely for the year ended 30 June 2024 and the year ended 30 June 2023.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Financial review (Cont'd)

Bank's Performance

The financial statements represent both figures for the Bank and its subsidiary, that is, inclusive of the financial position and performance of MauBank Investment Ltd. However, for the purpose of the current Management Discussion and Analysis, only the Bank's financials have been taken into consideration.

MauBank Ltd registered a profit after tax and impairment of **Rs 828.97 Mn** for the year ended 30 June 2025 against Rs 807.59 Mn in June 2024 and Rs 380.80 Mn in June 2023. The bank's commendable performance for the year under review demonstrates its firm commitment to meet its set objectives in a timely and effective manner, with the support of its management team, employees and stakeholders.

Operating income for the year ended 30 June 2025 stood at **Rs 2,666.36 Mn** compared to Rs 2,139.95 Mn for the year 2024 and Rs 1,600.37 Mn for the year 2023.

- Performance against objectives

Key Areas	Objectives for year ended 30 June 2025	Performance achieved for year ended 30 June 2025	Objective for the year ending 30 June 2026
Revenue growth	Objectives for the year ending 30 June 2025 would be to achieve a revenue of Rs 3.73 Bn, which is 44% more than the year ended 30 June 2024.	The Bank registered a revenue growth of Rs 0.85 Bn or 28% increase as compared to last year	Objectives for the year ending 30 June 2026 would be to achieve a revenue of Rs 4.51 Bn, which is 15% more than the year ended 30 June 2025.
Expense growth	The operating expense for FY 24/25 is expected to be around Rs 1.45 Bn, in line with our human capacity building initiatives and the continued investments in digital technology which in line with our efficiency journey.	The Bank closed the year with an operating expense of Rs 1,311.98 Mn or 46.99% of its operating income.	The operating expense for FY 25/26 is expected to be around Rs 1.67 Bn, in line with the bank routine operations and long term strategic goals.
Productivity	The productivity ratio is expected to be 57.38% for the FY 2024/2025.	The Bank productivity ratio was 49.21% compared to 49.87% last year.	The productivity ratio is expected to be 57.13% for the FY 2025/2026.
Return on Equity	The Bank expects a return on equity of 16.0% for the FY 2024/2025.	The Bank's return on equity was 15.96 % in the current year against 16.97% last year.	The Bank expects a return on equity of 15.09% for the FY 2025/2026.
Loan and advances	The Bank is targeting a loan portfolio of Rs 28.11 Bn for the year ended June 2025.	The portfolio of loan of advances stood at Rs 31.13 Bn for the period under review.	The Bank is targeting a loan portfolio of Rs 35.55 Bn for the year ended June 2026.
Customer deposits	Customer deposit base is expected to be Rs 40.56 Bn as at 30 June 2025.	The customer deposits stood at Rs 50.76 Bn as at 30 June 2025.	Customer deposit base is expected to be around Rs 48.71 Bn as at 30 June 2026.
Return on assets	The expected return on total assets is 2.0% for the year ended June 2025.	The Bank's return on assets was 1.44% in the current year compared to 1.66% last year.	The expected return on total assets is 1.61% for the year ended June 2026.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Financial review (Cont'd)

- Revenue Growth

Net interest income

The Bank's net interest income grew by 32.57% to reach **Rs 1,843.76 Mn** for the year 2025 against Rs 1,384.94 Mn for the year 2024 and Rs 1,136.12 for the year 2023. The ratio of net interest income to total average assets was **3.48%** for 2025, 3.30% for 2024 and 3.31% for 2023 whereas the ratio of net interest income to total average interest earning assets was **4.11%** for 2025, 3.91% for 2024 and 4.15% for 2023. The below table provides a breakdown of interest income, interest expense, related assets and related liabilities.

	Year Ended 30 June 2025	Year Ended 30 June 2024	Year Ended 30 June 2023
	Rs Mn	Rs Mn	Rs Mn
Interest income			
Loans and advances	2,181.85	1,759.80	1,376.28
Placements	248.48	176.71	82.76
Investment securities	578.19	310.07	167.69
Total interest income	3,008.52	2,246.58	1,626.74
Interest expense			
Deposits from customers	1,157.00	859.80	477.12
Finance charge on leases	6.52	1.46	2.02
Other borrowed funds	1.24	0.38	11.47
Total interest expense	1,164.76	861.64	490.62
Net interest income	1,843.76	1,384.94	1,136.12
Net interest income to total average assets	3.48%	3.30%	3.31%
Net interest income to total average interest earning assets	4.11%	3.91%	4.15%
Total assets	57,574.43	48,517.28	35,442.59
Total average assets	53,045.85	41,979.94	34,338.54
Total average interest earning assets	44,902.23	35,451.10	27,392.89
Related assets			
- Investment in debt securities - FVTOCI	10,080.28	8,151.53	4,695.88
- Loans and advances	31,129.95	25,111.66	21,935.61
- Placements	6,601.23	8,729.81	2,277.71
	47,811.46	41,993.01	28,909.20
Related liabilities			
- Deposits from customers	50,755.07	41,848.28	30,434.89
- Other borrowed funds	-	-	-
- Lease liabilities	90.47	13.75	46.12
	50,845.54	41,862.02	30,481.01

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Financial review (Cont'd)

Bank's Performance (Cont'd)

Interest income

The Bank's interest income stood at **Rs 3,008.53 Mn** for the year 2025 against Rs 2,246.58 Mn for the year 2024 and Rs 1,626.74 Mn for the year 2023. This growth was generated throughout all interest-bearing asset classes, namely loans and advances to banks and other customers, optimum placements with banks with higher yields and investments in securities products.

Interest expense

The Bank's interest expense amounted to **Rs 1,164.76 Mn** for the year ended 30 June 2025 compared to Rs 861.64 Mn for the year ended 30 June 2024 and Rs 490.62 Mn for the year ended 30 June 2023. The hike in interest expense is mainly due to the increase in the Bank's deposit base, generated from a growing solid client base.

The Bank continues to adopt a prudent approach towards liquidity management. Other than actively monitoring its assets and liabilities maturity mismatch, the Bank also ensures that it has a relatively large stable deposit base, while keeping sufficient liquid assets to meet unforeseen liquidity requirements.

Non-interest income

Non-interest income increased by **Rs 85.34 Mn** as compared to the previous year as a result of improvements in income derived from fee and commission, and foreign exchange. The breakdown of non-interest income is as follows:

	Year Ended 30 June 2025	Year Ended 30 June 2024	Year Ended 30 June 2023
	Rs Mn	Rs Mn	Rs Mn
Non-Interest income			
Fee and commission income	357.35	319.57	292.12
Net trading income	633.87	482.06	168.55
Other (loss)/income*	(82.51)	21.74	55.18
	908.71	823.37	515.85

* Includes Net (loss)/gain from derecognition of financial assets measured at FVTOCI

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Financial review (Cont'd)

Bank's Performance (Cont'd)

Non-Interest expenses

Non-Interest expenses for the year ended 30 June 2025 amounted **Rs 1,311.99 Mn** against Rs 1,067.19 Mn in 2024 and Rs 1,039.80 Mn in 2023.

The main components of non-interest expenses are as follows:

	Year Ended 30 June 25	Year Ended 30 June 24	Year Ended 30 June 23
	Rs Mn	Rs Mn	Rs Mn
Non-Interest expense			
Personnel expenses	(690.81)	(536.74)	(517.24)
Operating lease expenses	(71.29)	(38.55)	(24.82)
Depreciation and amortisation	(93.23)	(122.71)	(133.66)
Other expenses	(456.66)	(369.20)	(364.09)
	(1,311.99)	(1,067.19)	(1,039.80)

The major components of the non-interest expenses comprising principally of staff expenses and administrative expenses. Our approach to innovation and digitalization with the goal of further modernizing the Bank and maximizing its efficiency continues to be a crucial component of our future strategy.

The cost to income ratio or productivity ratio stood at **49.21%** at 30 June 2025 as compared to 49.87% at 30 June 2024 and 64.97% in 2023.

Net impairment loss on financial assets

Net impairment charge on financial assets amounted to **Rs 446.56 Mn** for the year ended 30 June 2025 against Rs 228.38 Mn for the year ended 30 June 2024 and Rs 176.18 Mn for the year ended 30 June 2023. The non-performing loan ratio stood at **4.73%** at 30 June 2025 against 5.08% at 30 June 2024 and 4.61% at 30 June 2023. In order to continuously manage the non-performing advances, the forum on non-performing advances, continues to meet regularly to monitor the asset quality of the Bank and to ensure that the ratio is maintained to an acceptable level. Relentless efforts are being deployed to optimize recovery actions to realise collaterals and /or personal guarantees of shareholders/directors to maximize realizable value of assets of impaired accounts.

Taxation

The Bank reported a tax charge of **Rs 78.85 Mn** for the year ended 30 June 2025, consisting of Rs 23.11 Mn for deferred tax credit and Rs 101.96 Mn for Corporate tax charge, inclusive of contribution to Corporate Climate Responsibility and Corporate Social Responsibility.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Financial review (Cont'd)

Bank's Performance (Cont'd)

Total assets

The asset base of the Bank stood at **Rs 57,574.43 Mn** as at 30 June 25 against Rs 48,517.28 Mn at 30 June 2024 and Rs 35,442.59 Mn at 30 June 2023. The increase in total assets is mainly attributable to an increase in net bank placements, Investment Securities and net loans and advances.

Loans and advances growth

Gross loans portfolio registered a year-on-year growth of 23.39% to reach **Rs 31,129.95 Mn** as at June 25 as compared to Rs 25,111.66 Mn at June 2024 and Rs 21,935.61 Mn for period ended 30 June 2023.

Credit risk exposure

Credit risk occurs mainly in the Bank's credit portfolios comprising retail lending, corporate lending, treasury and financial institutions wholesale lending. Credit risk is explained as the risk of loss arising from failure of borrower or counterparty to meet his financial obligations. Credit risk is among the most common cause of Bank failures, causing virtually all regulatory environment to prescribe minimum standards.

The Bank has a comprehensive Risk Governance Structure which promotes sound risk management for optimal risk-reward trade off. The Board Credit Committee at MauBank Ltd guarantees that the Bank's credit policy limit is respected at all times.

Total gross risk exposures, industry distribution of exposure, residual contractual maturity of the loans and advances portfolio and reconciliation of changes in allowances for impairment is shown at note 12 and 13.

Credit Risk: Standardised Approach

The Standardised Approach to Credit Risk requires banks to use credit assessments provided by external credit assessment institutions ("ECAIs") that are recognised by national supervisors as eligible for regulatory capital purposes, to determine the risk weights on their credit exposures.

The following ECAIs are used by the Bank:

- Standard & Poor's Ratings Services
- Moody's Investors Service
- Fitch Ratings
- CARE Ratings
(Africa)

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Financial review (Cont'd)

Bank's Performance (Cont'd)

Concentration of risk policies

The Bank maintains a credit risk portfolio that is adequately diversified. Maximum exposure limits are set for individual counterparties, countries and sectors to maximise any potential diversification benefits while complying with Bank of Mauritius Guideline on Credit Concentration Risk.

The six most significant individual concentration cases in respect of one customer or group as at 30 June 2025 (**Total Exposure After Set Off**) were as follows:

S/N	Entity	Amount (Rs Mn)	% Exposure to capital base
1	Group 1	1,188.63	22.60%
2	Group 2	1,369.97	26.04%
3	Group 3	933.10	17.74%
4	Group 4	810.74	15.41%
5	Group 5	776.50	14.76%
6	Group 6	745.58	14.17%

Credit quality and provision for credit loss

Provision for credit losses on loans and advances stood at **Rs 947.80 Mn** at 30 June 2025 against Rs 651.94 Mn at 30 June 2024 and Rs 552.23 Mn at 30 June 2023.

The % of non-performing loans to total loans, allowances for credit impairment to non-performing loans and as a proportion of total loans by industry sector as at 30 June 2025 are as follows:

	% of Non-performing loans to total loans	% of Allowance for credit impairment to Non-Performing loans	% of Allowance for credit impairment to total loans
Agriculture and Fishing	0.29%	5.30%	0.26%
Manufacturing	1.29%	14.23%	0.69%
Tourism	1.27%	4.81%	0.27%
Transport	0.02%	0.24%	0.03%
Construction	0.42%	4.18%	0.95%
Financial and Business Services	0.06%	0.07%	0.09%
Traders	0.95%	7.24%	0.43%
Information Technology	0.00%	0.00%	0.00%
Personal	0.21%	3.00%	0.18%
Education	0.00%	0.00%	0.01%
Professional	0.01%	0.17%	0.01%
Foreign Governments	0.00%	0.00%	0.00%
Global Business Licence Holders	0.00%	0.00%	0.01%
Banks	0.00%	0.00%	0.01%
Others	0.21%	1.22%	0.10%
	4.73%	40.44%	3.04%

All non performing loans pertains to the domestic market.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Financial review (Cont'd)

Bank's Performance (Cont'd)

Investments

The Bank's investment portfolio stood at **Rs 12,066.75 Mn** at 30 June 2025 against Rs 9,216.98 Mn as at 30 June 2024 and Rs 5,539.38 Mn as at 30 June 2023. The Bank manages its securities investment portfolio with the aim of optimizing the yield of its assets base.

Deposits

The Bank's deposit base increased by 21.28% during the year, from Rs 41.85 billion to Rs 50.76 billion, with term deposits accounting for Rs 5.55 billion and, current and savings deposits for Rs 3.36 billion of that growth. The bank's deposit base has been steadily increasing, which attests to its reliable source of liquidity, a steadily expanding and reliable clientele that upholds the bank's operational relationships.

Capital adequacy

The Capital Adequacy Ratio (CAR) was **16.50%** at 30 June 2025, well above the regulatory minimum of 12.50%, against 19.68% at 30 June 2024 and 15.35% at 30 June 2023.

MauBank Ltd's Capital Structure for the last three years is as shown on page 158.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management

Risk Management

Risk pertains to potential threats facing the bank and their possible impact on its operations. Effective risk management involves identifying, assessing, and responding to these risks, with timely communication of outcomes to relevant stakeholders.

As risk management addresses uncertainties about future events, it is imperative that all business activities incorporate risk mitigation. MauBank Ltd has established a Risk Management Policy, detailing the methodologies and techniques for risk oversight, which is approved by the Board of Directors on the recommendation of the Board Risk Management Committee.

Risk Mission

MauBank risk management mission is to proactively identify, evaluate, and mitigate risks to safeguard the bank's assets, reputation, and stakeholder interests. We are dedicated to maintaining a comprehensive risk management framework that fosters a culture of compliance, transparency, and resilience. Through the integration of industry best practices and innovative solutions, we strive to optimize risk-adjusted returns and support sustainable growth, while strictly adhering to regulatory requirements and industry standards. Our objective is to deliver sustained value and reinforce stakeholder confidence across our operations and the communities we serve.

Risk Philosophy

MauBank Ltd values a rigorous risk management as an integral part of its day-to-day business operations and also as part of its business growth strategy. With a dynamic approach to risk management, MauBank Ltd remains committed towards ensuring effective and efficient risk processes and optimal returns within its set risk appetite. The overall risk management processes facilitate the alignment of our strategy and annual operating plan with the management of key risks.

Risk Governance

The risk governance structure outlines the key responsibilities for decisions on risk taking and risk oversight by defining clear and comprehensive risk management roles and responsibilities using the three lines of defence model. The Bank's risk framework establishes governance, escalation, and reporting processes around risk exposures, risk decisions, and risk events which provides assurance to stakeholders (Board Risk Management Committee and the Board) who delegate risk-taking authority to the business lines. From first-line businesses and support functions, risk information flows to the second line of defence function represented by the Risk Management Division, and then to the Board Risk Management Committee.

The key responsibilities of the Board and the Board Risk Management Committee are spelt out in their respective Terms of Reference, which in turn follow the requirements of the Bank of Mauritius Guidelines.

MauBank Ltd is guided by its various risk policies that have been developed internally and approved by the relevant approving authority as mandated by the Board of Directors. The responsibility for implementing the risk policies lies with the Bank's Management through the relevant business drivers. The risk function regularly reports to the Operational Risk Committee (ORC), Credit Risk Monitoring Committee (CRMC), Information Security Committee (ISC), Business Continuity Steering Committee (BCSCOM), Asset and Liability Committee (ALCO), Board Cyber Security Committee (BCSC), Crisis Management Committee and the Board Risk Management Committee (BRMC). The risk function also contributes to the Non Performance Assets Forum, the Customer Experience Advisory Committee, the Management Procurement Committee and the Management Investment and Credit Committee.

The BRMC and BCSC are sub-committees of the Board having mandate in line with the Bank of Mauritius Guidelines. These committees are chaired by a member of the Board and has the Chief Executive as one of its members. The Chief Risk Officer is a regular attendee of these two committees.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Financial review (Cont'd)

Risk Management Framework

The Risk Management Policy of the Bank contains the Risk Management Framework. This framework provides a solid foundation for ensuring that the outcomes of risk taking are consistent with the bank's business activities, strategies and risk appetite. The framework is based on transparency, management accountability and independent oversight, which is comprehensive enough to capture all risks that the Bank is exposed to and has flexibility to accommodate any changes in business activities.

Risk Appetite Framework

Within the Risk Management Framework, the Risk Appetite is embedded through policies, procedures, limits setting, operational guidelines as well as methodologies and tools for risk measuring, monitoring and reporting. The Risk Management Framework allows the bank to determine its Risk Appetite, Risk Threshold and Risk Capacity. Through its Risk Appetite, MauBank Ltd is able to measure the amount of risk the organization is willing to tolerate.

Risk Defence Model

The risk framework operates on the concept of 'the three lines of defence model'. The three lines of defence model creates a set of layered defence that align responsibility for risk-taking with accountability for risk control and provide effective, independent risk oversight and escalation. In the three lines of defence model, the assignment of risk management roles is clear and comprehensive in order to prevent gaps, ambiguities, or overlaps in responsibility. More specifically, the Business and Functional Units represent the First Line of Defence (FLOD), the Risk Management Division and Compliance Department together comprise the Second Line of Defence (SLOD), while Internal Audit is the Third Line of Defence (TLOD).

The FLOD comprises the various operations that will execute and support the execution of the Bank's mission. These first line units are responsible for both the operational activities that result in risk as well as control of the resulting risks. The first line "owns" and "manages" its risk in the sense that it is accountable for both positive and negative outcomes and is empowered to manage the distribution of outcomes.

The SLOD comprises the Risk Management and Compliance functions which provide independent risk and compliance assessments on the FLOD activities. While the FLOD has the deepest understanding of its environment, operations and objective, the second line offers an independent perspective based on focused attention to risk management and compliance matters. The SLOD's responsibility is to establish a common framework for risk management and compliance destined to enhance the FLOD's efficiency and effectiveness.

The TLOD is the Internal Audit which provides assurance both to the Senior Management and the Board of Directors of the Bank as regards the state of the overall risk management, compliance and control activities undertaken at the first and second lines of defence.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Risk Management Process

The risk management policy and framework of MauBank Ltd formulates the process of risk management as the systematic and continuous identification and evaluation of risks as they pertain to the Bank, followed by risk strategies' actions such as: terminate, transfer, accept or mitigate each risk.

The risk management process is as follows: -

- (a) Risk identification
- (b) Risk assessment and measurement
- (c) Risk mitigation and control
- (d) Risk reporting

Based on this approach, and with a view to maintaining sound operations and generate sustainable earnings, the Board sets its risk appetite within the prudential guidelines through the application of quantifiable limits in the risk policies for the amount of Credit Risk, Market Risk, Liquidity Risk, Operational Risk, and Country Risk. Other non-quantifiable risks like Technology Risk including Cyber Security Risk, Compliance Risk, Strategic Risk, Climate & environmental Risk and Reputational Risk are assessed and monitored on a qualitative basis. The Board, through the Board Risk Management Committee (BRMC) and other Board sub-committees, is apprised of the various key risk exposures for decision-making purposes. These key risk information are relayed by the various Management Committees to the Board and its sub-committees. The Management Committees meet regularly as per their respective Terms of Reference to comprehensively measure, evaluate and monitor the occurrence and management of each type of risk.

Risk management is focused on the following major areas:

Credit risk

Credit risk is the risk of credit loss that results from the failure of a borrower to honour the borrower's credit obligation to the financial institution.

The Bank has in place a Credit Risk Policy Guide (CRPG) which sets out its credit risk appetite, risk exposure limits and parameters for risk taking. The policy is approved by the Board and subject to regular reviews. The Board delegates its credit sanctioning authority to three separate and distinct Credit Sanctioning Committees, namely:

- 1) Board Investment & Credit Committee (BICC)
- 2) Management Investment & Credit Committee (MICC)
- 3) Credit Committee (CC)

Domestic-related credit facilities are entertained at three different credit sanctioning authorities, within their respective threshold levels as determined by the Bank's approved Credit Risk Policy . - With a view to ensuring transparency and arm's length nature of transactions, all Related Parties' credits are considered and approved by either the Board Investment & Credit Committee (BICC) and/or the Board.

The overall credit process includes comprehensive credit policies on judgmental credit underwriting, automatic credit adjudication based on credit scores, risk measurement, credit training and continuous credit reviews and audit process.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Credit Risk Measurement

(a) Loans and advances

The Bank has a retail credit scoring and a corporate rating tool for assessing and measuring credit quality of its borrowers which is benchmarked on international rating norms as per the requirement standards of CRISIL Ltd (India). The bank has also onboarded a credit rating model from CRISIL for its Cross border investments, particularly in bonds. These credit rating and scoring tools are reviewed and updated as and when deemed necessary.

Credit proposals are assessed independently by a Credit Underwriting Team (CUT) using criteria established in the relevant Bank of Mauritius Guidelines and the Credit Risk Policy (CRP). The CRP is reviewed on an annual basis.

The Bank has a dedicated Credit Collection Unit and Monitoring and Control teams which regularly control and monitor credit performance of borrowers. A monthly update from both the Credit Collection & Monitoring and Control Units is tabled to the Accounts Monitoring Forum for review.

(b) Credit related commitments

Credit related commitments include bank guarantees, documentary letters of credit, standby letters of credit and undrawn commitments on legally bound facilities. Their credit risk is similar to loans except for documentary letters of credit which are usually short-term and self-liquidating and carry a low level of credit risk and capital charge, as defined under the Bank of Mauritius guidelines.

	As at 30 June 2025	As at 30 June 2024	As at 30 June 2023
	(Rs)	(Rs)	(Rs)
Credit related commitments	7,626,099,990	5,423,429,261	3,419,615,642

Refer to note 13(c) for disclosures on credit exposures by industry sector.

(c) Bank placements and lending to banks

For the Bank's placements or lending to banks, external credit ratings from international credit rating agencies such as Standard & Poor's, Moody's and Fitch are used on top of internal credit assessments to assist in the credit risk acceptance decisions. The instruments help to diversify risk exposures and income streams, and to maintain a readily available source of liquidity for the Bank.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Credit Risk Measurement (Cont'd)

(e) Risk limit monitoring and control

MauBank Ltd has an established framework to manage, control and limit concentration of credit risk towards individual counterparties, groups, industry sectors and countries.

Credit exposure to any single borrower and to a group of closely-related customers is governed by the Bank of Mauritius Guideline on Credit Concentration Risk. Concentration of risk from large exposures to individual customers or related groups are managed by internal early warning limits which are set below the regulatory limits of the Bank of Mauritius guidelines. The bank also sets internal portfolio limits and exposures to industry sectors and countries under its Credit Risk Policy (CRP). Country Risk Management Policy and Cross Border Investment and Lending Risk Management Policy are well established with a view to achieving a balanced and well-diversified portfolio. These limits are monitored on an ongoing basis and escalated to the Credit Risk Monitoring Committee (CRMC) and the Board Risk Management Committee (BRMC).

Related party transactions

Notwithstanding the regulatory compliance requirement on related party transactions, the Bank also has its internal policy governing transactions with its related parties.

Both internal and regulatory limits are monitored on quarterly basis at the Credit Risk Monitoring Committee (CRMC) and escalated to the Board Risk Management Committee (BRMC).

The Bank has only exempted related party exposures. Its top six related parties as at 30 June 2025 were Rs 3,824.75 Mn, Rs 696.05 Mn, Rs 342.43 Mn, Rs 214.33 Mn, Rs 129.34 Mn, and Rs 128.41 Mn. These balances represented respectively 79.79%, 14.52%, 7.14%, 4.47%, 2.70% and 2.68% of the bank's Tier1 capital. The total top six related parties represented Rs 5,335.31 Mn or 133.38% of Tier 1 capital.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Enterprise Wide Risk Management

MauBank Ltd is committed to establishing a structured and comprehensive approach to understanding, assessing, and mitigating risks across all aspects of its operations. This strategy aims to enhance organizational resilience, safeguard stakeholder interests, and promote sustainable growth and profitability.

Guided by the bank's Risk Management Policy, the Enterprise-Wide Risk Management (ERM) framework encompasses robust processes designed to identify, evaluate, monitor, and manage various risks the bank may encounter. Key components include:

Risk Identification: Systematically recognizing and cataloging potential risks that could affect the bank's objectives and operations, including credit, market, operational, compliance, and strategic risks.

Risk Assessment: Analyzing the likelihood and potential impact of each identified risk on financial stability, reputation, and regulatory compliance. This involves quantifying risks where feasible and prioritizing them based on their significance.

Risk Monitoring: Continuously tracking and updating the status of risks as they evolve, utilizing key risk indicators (KRIs) and other metrics to provide early warning signals of emerging threats.

Risk Management Strategies: Developing and executing targeted strategies to mitigate, transfer, avoid, or accept risks, aligned with predefined risk tolerance levels. This includes establishing controls and procedures to manage risks effectively.

Integration with Strategic Planning: Embedding risk management practices into the bank's strategic decision-making processes to ensure risks are considered in both daily operations and long-term planning.

Compliance and Reporting: Ensuring adherence to relevant regulatory requirements and industry standards, with transparent reporting to regulators, stakeholders, and internal governance bodies regarding risk status and management effectiveness.

Operational Risk

MauBank Ltd has adopted the definition of operational risk of Basel II as 'the risk of loss resulting from inadequate or failed internal processes, people and system or from external events'. It includes legal risk but exclude strategic and reputational risk. These are covered under Pillar 2 of the Basel II accord.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Enterprise and Operational Risk Governance

The Bank is guided by its Operational Risk Policy & Framework and its Enterprise Risk Management Framework which is approved by its Executive Committee (EXCO), the Board Risk Management Committee and the Board of Directors.

The Enterprise and Operational Risk Team is headed by a Head of Department, reporting to the Chief Risk Officer (CRO) and the Operational Risk Committee (ORC).

The Operational Risk Committee is held regularly and stands guided by its Terms of Reference which is approved by EXCO and the BRMC. Matters related to Medium, High and Critical risks - as reported and assessed by Business Units in the Loss Data Capture (LDC) system and thereafter independently reviewed by the Operational Risk Team are addressed in this committee and recommendations are made to address any weaknesses captured by business units from their day-to-day operations and any key risks as identified from their Risk Control Self-Assessments (RCSA). The minutes of the ORC and Executive Summary reports on various key risk areas are escalated to the Board Risk Management Committee.

Loss Data Capture and Reporting System

The bank collects data for all operational risk losses pertaining to operational errors and internal control failures including 'near-misses' in its Loss Data Capture (LDC) system. The collection and analysis of the bank's own loss data provides vital information to management and provides basis for operational risk management and mitigation. The LDC is an on-line system which is made available to all business users across the bank and acts as a radar for capturing operational risk incidents. It is an important pillar in the operational risk framework.

Implementation of an Operational risk management system

The bank has embarked on a project to rehaul its current operational risk management system to adapt to best practices and strengthen its resilience in terms of enterprise wide operational risk assessment.

Operational Risk Capital Charge under Basel II and III

MauBank Ltd has adopted the Basic Indicator Approach (BIA) for the computation of its capital charge for operational risk. The BIA uses the bank's total gross income as its risk indicator. The total operational risk regulatory capital under the Basic Indicator Approach is the average of 15% of the gross income over the last three years.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Business Continuity Planning and Disaster Recovery

The Business Continuity Steering Committee ("BCSCOM") derives its mandate from EXCO to act as a platform for providing a clearly defined governance structure which oversees and ensures business continuity of the bank's operations in case of significant business disruption. It ensures that critical business units of the bank conduct a Business Impact Analysis (BIA) and incorporate therein estimated timeframes for recovery, resource requirements, interdependencies and risk assessments. It also ensures that remedial actions for the identified business functions that consolidate and optimize available resources are consistent with all the policies of the bank and are achievable.

Crisis Management Team (CMT)

As provided for, in its BCP, the bank may convene its Crisis Management Team (CMT) for managing any crisis situation. The CMT ensures that, as far as possible, the bank maintains continuity of its activities to serve its customers and the public in general while at the same time mitigating the risk to its stakeholders. The CMT is constituted of senior executives of the bank and is chaired either by the Chief Executive or the Deputy Chief Executive.

The CMT have to, inter-alia, decide on the strategic direction of the bank, ensure there is communication with regulatory bodies and the public, reallocate resources as may be deemed necessary to contain the crisis, review and approve expenses related to the crisis situation, as also set or review policies, or allow temporary derogation/exception to policies, if deemed necessary.

Business Continuity Plan Testing (BCP)

Every Year, the bank conducts a BCP testing on its critical systems to test the effectiveness and robustness of its infrastructure so as to ensure operational resilience.

The BCP testing exercise assesses the level of readiness of the bank to face a Significant Business Disruption (SBD) situation, both from human resource and system resilience perspectives.

Following the BCP testing exercise, a report on the findings is issued independently by the Control Functions - i.e. Risk Management Division, Compliance Department and Internal Audit Department and same is presented to the Board, together with a critical evaluation of the BCP's overall effectiveness including recommendations for improvement of the bank's resilience in the event of a disaster.

Control Functions will, inter-alia, assess Business Units on the following:

- Level of readiness of each Business Unit to face a contingency situation;
- Level of understanding of staff regarding the purpose of the DR exercise;
- How well staff members are able to handle operations and ensure business continuity.

The last BCP exercise was successfully conducted on 10 October 2024.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Market Risk Management

Market Risk is defined as the risk that the value of on and off-balance sheet positions of the bank will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices and commodity prices resulting in a loss to earnings and capital. In simpler terms, it is defined as the possibility of loss to a bank caused by changes in the market variables.

MauBank Ltd is presently exposed to the following sources of market risk:

- Trading market risk arising through overnight position taken on foreign exchange customer flows, equity & equity like investments and securities.
- Non-trading market risk arising from market movements in exchange rate, equity price and interest rate in banking book with the occurrence of mismatch in Assets and Liabilities repricing and from off balance sheet items.

The Bank's Market Risk Management Policy and Framework ensures the management, identification, assessment, monitoring and reporting of these risks by the different lines of defence. The Treasury Front Office manages the market risk within the risk limits and policies approved by the Board and monitored through Asset and Liability Committee (ALCO). Treasury Middle Office (TMO) monitors adherence to risk limits, regulations and internal policies and Treasury Back Office looks after treasury operations which ensures regulatory compliance. Moreover, the Risk Management Department ensures that there are adequate controls in place while the Compliance function ensures that the policy is in accordance with the regulatory requirements and that the bank is complying with the approved policy, guideline and procedures. The Internal Audit, as third line of defence, independently reviews, validates, verifies and assesses the effectiveness of the framework. The Market Risk Management Policy and Framework is approved by the Board of Directors, as recommended by the Board Risk Management Committee.

Early warning signals and alerts are raised on different levels of exposures of the banking book activities to foreign exchange risk, equity risk, interest rate risk and liquidity risk.

Foreign exchange risk

Foreign exchange risk is the risk arising from movements in foreign exchange rates that adversely affect the bank's earnings and economic value. ALCO is the Management Committee in which foreign exchange and treasury matters are discussed and analyzed. The bank's Treasury Unit manages the overall Foreign Currency Exposure within the regulatory limit of 15% of Tier 1 Capital as well as operates within the internal overall limits for USD, other major currencies and exotic currencies as set by ALCO and approved by the Board Risk Management Committee. The Stop Loss limit and Dealers' limit are also set and reviewed by ALCO.

Stress Testing on Foreign Exchange Position is carried out under low, medium and severe stress scenarios to determine the change in capital requirements and potential impact on earnings.

Equity Risk

Equity risk is the risk that movements in equity prices will negatively affect the value of equity positions. Equity includes instruments like common stocks whether voting and non-voting; equity-like convertible securities; commitments to buy or sell equity securities; depository receipts; equity derivatives; stock indices; index arbitrage; and any other on-balance sheet or off-balance sheet positions which are affected by changes in equity prices. The bank's equity and equity like investment portfolio comprises of mainly mutual fund and trade fund.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

The Bank carries out stress testing for adverse movement on the equity portfolio under low, moderate and severe stress scenarios which are reported on a monthly basis to ALCO.

Interest Rate Risk

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The bank's lending, funding and investment activities give rise to interest rate risk. The immediate impact of variation in interest rate is on the bank's net interest income, while a long-term impact is on the bank's net worth since the economic value of the bank's assets, liabilities and off-balance sheet exposures are affected.

The bank uses the repricing gap schedules to measure the interest rate risk. A gap report is a static model wherein Interest Sensitive Assets (ISA) and Interest Sensitive Liabilities (ISL) and Interest Sensitive Off-Balance Sheet items are stratified into various time bands according to their maturity (if fixed) or time remaining to their next repricing (if floating rate). The size of the gap for a given time band i.e. Assets minus Liabilities + Off-Balance Sheet exposures that reprice or mature within that time band gives an indication of the bank's re-pricing risk exposure. If ISA of the bank exceed ISL in a certain time, the Bank has a positive gap in that particular period and vice versa.

The bank adopts the two common approaches for the assessment of interest rate risk, namely the Earnings Perspective and the Economic Value Perspective.

Under the earnings perspective, the focus of analysis is the impact of changes in interest rates on reported earnings. A change in interest rate either upward or downward may reduce earnings.

The economic value perspective considers the potential impact of interest rate changes on the present value of all future cash flows and therefore represents a comprehensive view of the potential long-term effects of changes in interest rates. The economic value of an instrument represents an assessment of the present value of its expected net cash flows, discounted to reflect market rates. By extension, the economic value of a bank can be viewed as the present value of the bank's expected net cash flows defined as the expected cash flows on assets minus the expected cash flows on liabilities plus the expected net cash flows on off-balance sheet positions. In this sense, the economic value perspective reflects one view of the sensitivity of the net worth of the bank to fluctuations in interest rates.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Stress testing on Interest Rate

The bank conducts stress tests under a wide range of severities to test its earnings stability and capital adequacy. It also involves an across the board interest rate shock of 200 basis points. The impact reflecting the worst case scenario is considered in determining whether the capital is commensurate with the level of interest rate risk in the banking book (IRRBB).

Liquidity risk management

Liquidity risk is the risk arising from the bank's inability to meet its payment obligations when they fall due or only being able to meet these obligations at excessive costs.

The bank manages its Liquidity risk through an established Liquidity Risk Management Policy and Framework, which conforms to the Central Bank's directives and Basel III liquidity risk norms. The Liquidity Risk Management Policy and Framework is approved by the Board of Directors as recommended by the Board Risk Management Committee.

The policy, through the establishment of key control ratios, ensures that the bank maintains sufficient liquidity, including a cushion of unencumbered, high quality liquid assets, to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. The policy also ensures that the bank can meet on-going liquidity obligations and liquidity stress situations. Besides, the policy also covers the contingency funding plans of the bank to meet any funding mismatches.

The Asset and Liability Committee (ALCO), chaired by the Chief Executive, is empowered to provide strategic directions and take important decisions pertaining to management of liquidity and market risk. Matters discussed at ALCO are reported to the Board Risk Management Committee, the latter being a sub-committee of the Board.

The Money Market Unit of the Treasury Front Office manages liquidity risk on a daily basis through cash flow projections and intra-day update of the cash flow whilst the Treasury Middle Office monitors the liquidity risk limits post end of day. Liquidity risk limits and tolerance levels are contained in the Liquidity Risk Management Policy and Framework as approved by the Board of Directors.

Risk and Compliance functions ensure that there are adequate internal controls in place for liquidity risk oversight and that the bank is complying with the regulatory norms from a liquidity risk perspective.

Internal Audit carries out independently a review and validation of the effectiveness of the Liquidity risk management framework.

The bank through its set of procedures and policies has embedded control mechanism in-built in its processes as a means to mitigate liquidity risk. The management of intra-day liquidity risks includes as methodology, the continuous Cash Flow update, comprising of the actual and expected flows taking place throughout the day.

The Money Market Unit is thereby able to make sure that there is sufficient balance to meet payment and settlement obligations at all times.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Liquidity Risk Management

Liquidity Risk Appetite and Tolerance Management

In line with Principle 2 of Basel III on liquidity risk, the bank articulates its liquidity risk tolerance that is appropriate for its business strategy and its role. The bank is guided by its approved risk appetite and tolerance levels.

The risk tolerance is reviewed once a year by TMO and approval is sought from Board through ALCO and BRMC. Stress test is performed on a monthly basis by the TMO and the impact is compared against the risk tolerance of the bank. TMO also makes available the results of the stress testing analysis to ALCO and to Board Risk Management Committee. Internal limit setting and controls are put in place in accordance with the bank's articulated risk tolerance limit.

Liquidity concentration risk associated with large individual depositors, is monitored by TMO on a daily basis and is reported to ALCO on a monthly basis. A regular assessment is made of top 25 single depositors and 10 group depositors for the purpose of deposit concentration risk.

The bank mainly monitors and manages its liquidity risk through the Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR) and Maturity Mismatch Profile of Assets and Liabilities/Gap Analysis Report.

Liquidity Coverage Ratio (LCR) represents a standard that is designed to ensure that the bank has an adequate inventory of unencumbered high quality assets (HQLA) that consist of cash, or assets convertible into cash at little or no loss of value in market, to meet its liquidity requirements for a 30 days' liquidity stress period.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Liquidity risk management (Cont'd)

Disclosure of Liquidity Coverage Ratio

LCR common disclosure template quarter ended 30 June 2025- Consolidated basis in MUR			
<i>(Consolidated either in MUR or USD)</i>		TOTAL UNWEIGHTED VALUE (quarterly average of bi-monthly observations)	TOTAL WEIGHTED VALUE (quarterly average of bi-monthly observations)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)	17,757,241,508	17,757,241,508
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:		
3	<i>Stable deposits</i>	12,634,700,951	379,041,029
4	<i>Less stable deposits</i>	8,314,634,046	434,621,993
5	Unsecured wholesale funding, of which:		
6	<i>Operational deposits (all counterparties)</i>	17,473,853,696	4,368,463,424
7	<i>Non-operational deposits (all counterparties)</i>	4,760,573,030	2,264,680,634
8	<i>Unsecured debt</i>		
9	Secured wholesale funding	-	-
10	Additional requirements, of which:		
11	<i>Outflows related to derivative exposures and other collateral requirements</i>	2,508,372,071	2,508,372,071
12	<i>Outflows related to loss of funding on debt products</i>		
13	<i>Credit and liquidity facilities</i>	3,174,799,857	754,190,136
14	Other contractual funding obligations		
15	Other contingent funding obligations	-	-
16	TOTAL CASH OUTFLOWS	48,866,933,651	10,709,369,287
CASH INFLOWS			
17	Secured funding (e.g. reverse repos)		
18	Inflows from fully performing exposures	4,994,307,481	4,544,216,963
19	Other cash inflows	2,509,097,138	2,509,097,138
20	TOTAL CASH INFLOWS	7,503,404,619	7,053,314,101
TOTAL ADJUSTED VALUE			
21	TOTAL HQLA	17,757,241,508	17,757,241,508
22	TOTAL NET CASH OUTFLOWS		3,656,055,186
23	LIQUIDITY COVERAGE RATIO (%)		485.69%
24	QUARTERLY AVERAGE OF DAILY HQLA		17,997,148,636

The reported figures for "quarterly average of bi-monthly observations " are based on bi-monthly figures for April, May and June 2025. The reported figures for "quarterly average of daily HQLA " are based on business working days figures over the period from 1 April 2025 to 30 June 2025.

MauBank average LCR for the quarter ended 30 June 2025 stood at 485.69% with Average Total High Quality Assets (HQLA) of MUR 17.757 Billion against Average Total Net Cash Outflows (NCO) of MUR 3.656 Billion as compared to MUR 20.598 Billion and 5.987 Billion respectively as at 31 March 2025. The decrease in MauBank's Average HQLA for the last reporting quarter, consisting of decrease in sovereign Securities net of increase in cash balance with Central Bank. The decrease in Average Net Cash Outflows from Quarter March 2025 to June 2025 is mainly attributed to to an increased cash inflows by Rs 2.6 Billion.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Liquidity risk management (Cont'd)

Net Stable Funding Ratio

The Bank of Mauritius issued a Guideline on Net Stable Funding Ratio (NSFR) effective 30 June 2024 for banks to actively monitor and control liquidity risk exposures and funding needs by expecting them to meet the NSFR requirement on an ongoing basis.

The NSFR aims at decreasing funding risk and promoting resilience over a one-year time horizon by creating incentives for a bank to fund its activities with more stable sources of funding on an ongoing basis thereby reducing its probability of distress and by the same token potential broader systemic stress. It limits a bank's ability to expand its balance sheet through over-reliance on short-term wholesale funding and encourages better assessment of funding risk across all on- and off-balance sheet items.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Liquidity risk management (Cont'd)

Reporting bank name: MauBank Ltd Reporting Period: 30-June-2025		Unweighted value by residual maturity				Weighted value
<i>(Reporting currency: In millions of MUR)</i>		No maturity	< 6 months	≥ 6 months to < 1 year	≥ 1yr	
SN	ASF Item					
1	Capital: (SN 2+SN 3)				5,409	5,409
2	Regulatory capital				5,409	5,409
3	Other capital instruments					
4	Retail deposits and deposits from small business customers: (SN 5+ SN 6)		17,733	642		17,227
5	Stable deposits		13,227	560		13,097
6	Less stable deposits		4,506	83		4,129
7	Wholesale funding (SN 8+ SN 9)		19,553	2,234		10,893
8	Operational deposits		15,063			7,531
9	Other wholesale funding		4,490	2,234		3,362
10	Other liabilities: (SN 11+ SN 12)		3,845	660	11,372	11,182
11	NSFR derivative liabilities				520	
12	All other liabilities and equity not included in the above categories		3,845	660	10,852	11,182
13	Total ASF (SN 1+SN 4+ SN 7+SN 10)					44,712
	RSF Item					
14	Total NSFR High Quality Liquid Assets (HQLA)					345
15	Deposits held at financial institutions for operational purposes		2,908			1,454
16	Performing loans and securities: (SN 17+ SN 18+ SN 19+ SN 21+ SN 23)		9,939	1,753	9,475	12,481
17	Performing loans to financial institutions secured by HQLA 1					
18	Performing loans to financial institutions secured by non HQLA 1 and unsecured performing loans to financial institutions		3,909	285		729
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:		5,762	1,468	798	4,290
20	With a risk weight of less than or equal to 35% under the Guideline on Standardised Approach to Credit Risk				17	11
21	Performing residential mortgages, of which:				6,659	5,613
22	With a risk weight of 35% under the the Guideline on Standardised Approach to Credit Risk				6,659	5,613
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities		268		2,018	1,849
24	Other assets: (SN 25+SN 26+ SN 27+ SN 28+ SN 29)		2,137	87	20,728	22,930
25	Physical traded commodities, including gold					
26	Assets posted as initial margin for derivative contracts and contributions to default funds of a Central Counterparty (CCP)				144	122
27	NSFR derivative assets					
28	NSFR derivative liabilities before deduction of variation margin posted				104	104
29	All other assets not included in the above categories		2,137	87	20,480	22,704
30	Off-balance sheet items					194
31	Total RSF (SN 14+ SN 15+ SN 16+ SN 24+SN 30)					37,404
32	Net Stable Funding Ratio (%) (SN 13/ SN 31)					120%

Note: Items to be reported in the "no maturity" time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities and physical traded commodities.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Liquidity risk management (Cont'd)

Disclosure of Net Stable Funding Ratio

As per above disclosure statement on NSFR, the Bank maintained a ratio of 120% as at 30 June 2025 with a total Available Stable Funding of MUR 44.7 billion against total Required Stable Funding of MUR 37.4 billion which is well above regulatory norms of 100%.

Maturity Mismatch Profile of Assets and Liabilities/Gap Analysis

The Bank uses gap analysis method to determine fund excess or shortage under different time buckets. Cash flows from assets and liabilities are considered under two different approaches namely contractual maturity and behavioural. They are determined on the basis of the terms and conditions of funding or loan instruments as well as on the basis of behaviour of customers, assessed from their past history and current relationship with the Bank.

Stress Testing on Liquidity

MauBank Ltd conducts stress tests on a regular basis for a variety of short-term and protracted institution specific and market-wide stress scenarios (individually and in combination) to identify sources of potential liquidity strain and to ensure that current exposures remain in accordance with the bank's established liquidity risk tolerance. The bank also carries out various stress tests to assess the impact on its liquidity gap within a period of one month after the reporting date. These tests help to assess the ability of the bank to meet its obligations during period of stress under various scenarios so as to raise any alert on the potential impact of adverse shocks. Several sensitive analyses are also being done based on different single stress test factor as well as multi-factor stress tests. The Bank uses the stress test outcomes to adjust its liquidity risk management strategies, policies and positions and to develop effective contingency plans.

Country Risk

Country risk refers to the probability that changes in the business environment in another country where the bank is doing business may adversely impact its operations or payment for imports resulting in a financial loss. Country risk also includes sovereign risk, which is a subset of risk specifically related to the Government or one of its agencies refusing to comply with the terms of a loan agreement. Causes of country risk include political, macroeconomic mismanagement, war or labour unrest resulting in work stoppages.

Country Exposure Limits

In keeping with the Bank of Mauritius' Guidelines on Country Risk Country Management and the Guideline on Cross-Border Exposure, exposure limits are reviewed and approved by the Board. The bank sets exposure limits for individual countries to manage and monitor country risk. Country exposure limits apply to all on - and off - balance sheet exposures to foreign obligors.

Country risk measurement and monitoring

On and off-balance sheet exposures are measured in line with the Bank of Mauritius guideline on 'Standardized Approach to Credit Risk'.

The Bank gathers in a timely manner, information about developments in exposed countries that may have a bearing on the country risk assessment through various sources, for example MauBank Ltd relies on ratings by External Credit Rating Agencies for country risk limits setting.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Reputational risk

Reputational risk is the risk that the bank could lose potential business because its character or quality has been called into question. Reputational risk is underlying in all business activities/operations and any adverse event taking place anywhere within the bank can potentially impact on its reputation. The process begins at the various Management Forums/Committees by proactively identifying the reputational risks that could impact the bank following which appropriate strategies and tactics are developed to mitigate each risk and associated implications.

Business and strategic risk

Strategic business risk is a possible cause of loss that might arise from the following sources:

- a. The original strategic plan may be successfully implemented and may be sufficiently flexible and robust to withstand the impacting risks encountered during implementation. However, having arrived at the new desired position, the organisation might discover that the position is no longer optimal. This could occur because market conditions have changed during the timescale required for implementation.
- b. Strategic drift is a risk that all organisations face when they cannot deliver their intended strategic objectives because they have no means of monitoring their progress.
- c. As the timescale considered increases, the degree of uncertainty also increases. As uncertainty increases, the number of long-term issues that can impact on the strategy implementation process also increases. These long-term issues represent strategic risks.
- d. Unforeseeable strategic risk is a fundamental characteristic of strategic risk management in that the comprehensive management of these unforeseeable issues is generally beyond the control of a single organisation and its management. Responding to such risks therefore involves the application of constant monitoring to determine their effect on the business.

MauBank Ltd uses the following methods of strategic risk management:

- Business planning
- Monitoring of Performance against Objectives as per 3 year plan
- Assessment of external (industry and macroeconomic) environment
- Readjustment of plans

Compliance risk

Compliance risk is the risk of legal or regulatory sanctions, material financial loss, loss to reputation, impairment to integrity or any other financial or non-financial impact that a bank may suffer as a result of its failure to comply with laws, regulations, rules, related self-regulatory organisation standards, and codes of conduct applicable to its Banking activities.

MauBank Ltd has adapted its compliance function with the general principles of the Basel Committee on Banking Supervision on "Compliance and the Compliance Function in banks", the Bank of Mauritius Guideline on "Compliance Risk Management and Governance Framework", and stands guided by its Compliance Policy. The Compliance Policy approved by the Board of Directors sets out the principles and standards for compliance and management of compliance risks in MauBank Ltd with the objective to guide business to manage the compliance risks effectively and obligations inherent in their respective activities.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Compliance risk (Cont'd)

Compliance is one of the key functions in the bank's corporate governance structure. The identification of compliance risk, its assessment, testing and appropriate risk response are vital for the bank to conduct its activities in accordance with the applicable laws and guidelines.

The general approach to mitigate compliance risk at MauBank Ltd is as follows:

1. Promoting a Compliance Culture across the bank by educating staff on compliance matters.
2. Ensuring compliance with legal/regulatory requirements by implementing a risk-based approach plan.
3. Ensuring that compliance is a shared responsibility integrated in all business lines and not limited to compliance function where each staff plays a role in identifying and managing compliance risks.
4. Ensuring that the Anti Money Laundering and Combatting the Financing of Terrorism (AML/CFT) requirements are complied with.
5. Keeping abreast of regulatory changes and ensure implementation and adoption by relevant business units.
6. In line with Section V of BOM Guideline on Corporate Governance, the Compliance function maintains its independence. Concurrently, the Compliance function also provides its advisory support and guidance to the Business units.

Technology risk and Cyber Risk

As the financial services industry continues to embrace digitalisation, MauBank Ltd recognises that effective technology and cyber risk management is central to preserving operational resilience, data integrity, and customer trust.

Technology risk refers to the potential disruption arising from failures in IT infrastructure, software, or systems-whether due to technical malfunctions, obsolescence, or dependency on external service providers. **Cyber risk**, a critical subset, encompasses intentional threats such as ransomware, phishing, business email compromise, and the growing use of artificial intelligence by threat actors to bypass traditional defences.

In this dynamic landscape, MauBank adopts a proactive and adaptive risk management approach, anchored in the following key strategies:

Proactive Risk Identification: The Bank conducts regular risk assessments and threat modelling exercises to uncover vulnerabilities across its on-premises and cloud environments, including those stemming from emerging technologies and digital interfaces.

Resilient Infrastructure and Controls: Core systems are protected by advanced cybersecurity technologies including endpoint detection and response (EDR), next-generation firewalls, secure identity management, and multi-factor authentication, ensuring layered defence against evolving threats..

Incident Preparedness and Simulation: Incident response capabilities are regularly tested and enhanced through structured simulations and red-team exercises, enabling swift containment and recovery in the event of a cyber or technology incident.

Data Governance and Digital Trust: The Bank places strong emphasis on protecting customer data through encryption, access control, and secure data lifecycle management, aligning with international best practices to maintain digital trust and uphold privacy obligations.

Cloud and Third-Party Risk Oversight: Recognising the growing reliance on outsourced technology services, MauBank has implemented stringent third-party risk management protocols, including risk-based vendor assessments, service-level agreements, and ongoing compliance monitoring.

Human-Centric Cyber Awareness: Regular training, phishing simulations, and targeted awareness campaigns are delivered to staff to reinforce a security-first culture and reduce human-related risk vectors, particularly in relation to social engineering attacks.

Real-Time Monitoring and Threat Intelligence: The Bank leverages its Security Operations Centre (SOC) to maintain continuous monitoring of its systems and networks, complemented by real-time threat intelligence feeds that enable early detection and response to cyber threats.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Governance and Oversight

Technology and cyber risks are managed under a robust governance framework. The Information Security Committee, operating under defined Terms of Reference, is responsible for reviewing technology risk reports, monitoring control effectiveness, and ensuring alignment with strategic and regulatory expectations. The committee reports regularly to senior management and relevant Board sub-committees to ensure oversight and accountability. By investing in secure technologies, strengthening internal capabilities, and maintaining a proactive stance, MauBank Ltd continues to mitigate cyber and

Climate and Environmental Risk

In the banking sector, climate and environmental risks are increasingly recognized as critical factors that can impact financial stability, operational resilience and reputation. These risks stem from the broader environmental challenges such as climate change, pollution, resource depletion and biodiversity loss.

Climate change presents significant risks to banks through various channels (illustrated below) and each has a different magnitude of financial impact on MauBank Ltd:

Physical Risks: Banks face exposure to physical risks such as extreme weather events (storms, floods, wildfires) that can damage properties, disrupt operations and affect loan portfolios. Properties in vulnerable coastal areas are particularly at risk due to sea-level rise and increased storm intensity.

Transition Risks: As governments and businesses transition towards a low-carbon economy, banks may face transition risks associated with policy changes, regulatory frameworks and shifts in consumer preferences. This includes potential devaluation of assets in carbon-intensive industries and sectors.

Reputational Risks: Banks can face reputational risks from their association with environmentally damaging activities or failure to adopt sustainable practices. Stakeholders, including customers, investors and regulators, increasingly expect financial institutions to demonstrate environmental responsibility.

Regulatory Risks: Regulatory developments aimed at addressing climate change and environmental degradation can introduce compliance risks for banks. Requirements related to disclosure of climate-related financial risks and integration of environmental considerations into lending practices are becoming more prevalent.

Operational Risks: Climate-related disruptions, such as power outages or infrastructure damage can impact the operational continuity of banks and their ability to deliver services to customers.

To manage climate and environmental risks effectively, MauBank Ltd has adopted strategies such as:

Governance and Oversight: Setting up by the Executive Committee of a Working Group to develop MauBank's internal framework for the climate-related and environmental financial risks which is mandated by the Bank of Mauritius.

Risk Assessment and Scenario Analysis: Conducting comprehensive assessments to understand exposure to physical and transition risks, using scenario analysis to assess potential impacts on loan portfolios and investments in the short, medium, and long-term.

Integration of ESG Criteria: Incorporating Environmental, Social, and Governance (ESG) criteria into risk management frameworks, investment decisions, and lending practices to promote sustainable finance.

Engagement and Collaboration: Engaging with stakeholders, including clients, regulators, and industry peers, to foster dialogue on climate risks, share best practices, and develop industry standards.

Green Finance Initiatives: Developing products and services that support investments in renewable energy, energy efficiency, and sustainable infrastructure projects. To that effect the bank has secured a Green Line of Credit from Agence Francaise de Developpement for a structured Mitigation and Adaptation projects financing.

Disclosure and Transparency: Enhancing transparency by disclosing climate-related financial risks and commitments to sustainable practices in annual reports and communications.

Addressing climate and environmental risks is not only a matter of compliance for MauBank Ltd but also an opportunity for the bank to strengthen resilience, enhance reputation, and contribute to a sustainable future. By integrating climate considerations into its risk management strategies and operations, the bank aims to play a pivotal role in financing the transition to a low-carbon, climate-resilient economy.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Risk Management (Cont'd)

Capital Management

The Capital Adequacy framework is supported by a Board approved Internal Capital Adequacy Assessment Process (ICAAP) which encompasses capital planning for current and future periods, taking into consideration strategic focus and business plan and assessment of all material risks under stress conditions.

The Bank's Capital Management Objectives, amongst others, is to provide sufficient capital for the Banking business to achieve its strategic objectives, taking into account the regulatory, economic and commercial environment in which it operates.

The other objectives when managing capital are:

- To comply with the capital requirements as set by the regulator;
- To safeguard the Bank's ability to continue its business as a going concern;
- To maximize returns to shareholders and optimize the benefits to stakeholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of eligible capital are monitored regularly by Management, employing techniques based on the guidelines developed by the Basel Committee, as implemented by Bank of Mauritius for supervisory purposes. The required information is submitted to the Bank of Mauritius on a quarterly basis.

As at 30 June 2025, the total capital base stood at **Rs 5,260,138,000** compared to Rs 4,761,350,000 for the year ended 30 June 2024 and Rs 3,373,733,000 for the year ended 30 June 2023 and the total risk weighted assets stood at **Rs 31,873,324,000** compared to Rs 24,189,648,000 at 30 June 2024 and Rs 21,981,003,000 for the year ended 30 June 2023.

CAR was at **16.50%** as at 30 June 2025 compared to 19.68% at 30 June 2024 and 15.35% at 30 June 2023.

BASEL II Approaches

MauBank Ltd has adopted the following approach for determining the regulatory capital requirements under the Bank of Mauritius Basel II guidelines for Pillar 1.

- a) Credit risk : Standardised approach
- b) Market risk: Standardised approach
- c) Operational risk: Basic Indicator approach

As part of its ICAAP, MauBank Ltd has conducted stress testing under various historical and stress test scenarios to assess the impact of stress on its capital position. The methodology for the stress testing is approved by the Board of Directors. The results of stress testing are reported to the Board of Directors and the Bank of Mauritius.

In June 2022, Bank of Mauritius has issued its Guideline on Stress Testing which draws on the stress testing principles of the Basel Committee on Banking Supervision (BCBS) contained in its publication 'Stress testing principles', October 2018. As underscored by the BCBS, stress testing is integral to banks' risk management in that it alerts bank management and bank supervisors to the potential impact of unexpected but plausible adverse shocks and provides them an indication of the financial resources needed to absorb such losses. Stress testing can also be used as a key input for risk identification, monitoring and assessment.

MauBank Ltd has in place a Stress Testing Framework as approved by its Board of Directors in November 2022.

BASEL III

The Basel III regulation requires higher and better quality capital, better risk coverage, the introduction of a leverage ratio as a backstop to the risk based requirement, measures to promote the build-up of capital that can be drawn in periods of stress, and the introduction of two global liquidity standards.

MauBank Ltd's Capital Structure for the last three years is as shown on page 158.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Management Committees

The daily affairs and running of the Bank have been delegated to the Bank's Management Team. Issues are discussed, risks and reward tradeoffs are analysed, and decisions are taken at the different Management Forums/Committees in line with their mandates as per their respective approved Terms of Reference. These Forums/Committees meet regularly and comprise of Senior Management and Management Cadres drawn from different units.

All matters discussed and decisions taken at the said Management Forums/Committees are escalated to their respective Board Committee/Board Sub-Committee. The key decision-making Management Forums/Committees are more fully detailed below:

1. Executive Committee ("EXCO")

The EXCO acts on behalf of the Board and exercises all powers and performs such duties for the Bank in relation to the day to day management, operation and control and governance of the business in conformity with manuals, policies, procedures and authorities. The committee meets on a monthly basis to review the progress towards the strategic plan, mission and vision of the Bank. The committee is chaired by the CE and all departmental executives are permanent members of the committee.

2. Asset and Liability Management Committee ("ALCO")

ALCO meets on a monthly basis to oversee the Bank's liquidity risk, interest rate risk, foreign exchange risk management and treasury matters. The role of ALCO is to set and oversee the various policies for managing the Bank's statement of financial position based on a detailed analysis of risk return trade off; develop guidelines and limits for operating units and treasury; monitor that those limits are adhered. ALCO also ensures that the strategy of the Bank is in line with the Bank's budget and risk management objectives. ALCO monitors the interest margin between assets and liabilities, the cash flow position and liquidity ratio, deposit concentration and also manages the earnings at risk by conducting stress test scenarios under various market conditions.

3. Operations Risk Committee ("ORC")

The ORC meets on a quarterly basis to review the operational risk exposures of the Bank. Operational risk is managed within the Bank's operational risk framework, using the Risk Control and Self-Assessment (RCSA) and its loss data capture (LDC) system as the two main pillars to capture operational risk. The Committee is chaired either by the Chief Executive (CE) or the Deputy Chief Executive (DCE) and consists of members coming from various Business units. Its mandate is derived from the Bank of Mauritius guideline on Operational Risk and Capital Adequacy Determination and the Banks' Operational Risk Management Policy & Framework. This Committee also assists the Board Risk Management Committee (BRMC) in fulfilling its oversight responsibilities relating to operational risk

4. Credit Risk Monitoring Committee ("CRMC")

The CRMC aims at monitoring the Bank's exposure to credit risk, ensuring that such risk stays within the Bank's credit policy and credit risk appetite. This committee assists the BRMC in fulfilling its oversight responsibilities in credit related matters. The CRMC's mandate is derived from the Bank of Mauritius Guideline on Credit Risk Management, Basel document on principles of credit risk management and industry's best practices.

The CRMC, on a quarterly basis, reviews and monitors the credit risk exposures to safeguard the Bank against potential losses by identifying trends in the portfolio at an early stage, with a view to initiating timely corrective action on the credit portfolio at risk to prevent further deterioration.

5. Credit Sanctioning Committees ("CSC")

The Bank has two distinct management committees and one at board level whose roles are to consider requests for credit facilities in line with the Bank's defined overall credit risk strategy and have the authority to make a final decision on approval or rejection of proposed credit transactions within the power entrusted to them by the Bank's Credit Risk Policy Guide.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Management Committees (Cont'd)

6. NPA Forum ("NPA")

The NPA Forum reviews the non-performing accounts, type and course of actions for recovery. This forum ensures that all non-performing accounts are captured and that there are clear cut strategies on its recoveries. In this context, the forum makes suitable recommendations on appropriate recovery actions and on the prevention of non-performing accounts based on trend analysis. This Forum meets on a quarterly basis.

7. Account Monitoring Forum ("AMF")

The AMF acts a sub-forum to the NPA Forum where all accounts under the watchlist and the potential non-performing list are reviewed. This forum monitors and agrees action plans, as may be deemed appropriate, to safeguard the Bank against potential losses. This Forum meets on a monthly basis.

8. Procurement Committees

The Bank has two Procurement Committees: one at Management level and the second at Board level, with distinct sanctioning limits to consider, and if deemed fit, approve any request for the procurement of goods or hiring of services in accordance with the Bank's Procurement Policy. This policy requires, inter-alia, that a due diligence is conducted by the Bank's Procurement Unit and an independent evaluation of bids is conducted separately by a Bid Evaluation Committee (BEC), before consideration by the relevant Procurement Committee.

9. Health and Safety Forum

Safety and Health matters are fundamental values in MauBank Ltd and they are therefore fully integrated into the way the Bank conducts its business and in the individual actions of its staff members. The Bank undertakes to ensure the safety of its customers, employees, service providers, and visitors by integrating safety and health protocols in its processes and ensuring compliance with relevant aspects of the Occupational Safety and Health Act. Providing a safe and healthy working environment can only be accomplished through efforts by management and all employees, which devolve on everyone, from top management to the individual worker. This is the essence of the Bank's internal responsibility system and its ultimate goal is to ensure a safe workplace with zero incident.

10. Business Continuity Steering Committee ("BCSCOM") derives its mandate from EXCO to act as a platform for:

- providing a clearly defined governance structure which oversees and ensures business continuity of the bank's operations in case of significant business disruption.
- ensuring that critical business units of the bank conduct a Business Impact Analysis (BIA) and incorporate therein estimated timeframes for recovery, resource requirements, interdependencies and risk assessments.
- ensuring that remedial actions for the identified business functions that consolidate and optimise available resources, are consistent with all the bank's policies, and are achievable.
- ensuring that identified business functions have a documented plan for activation in the event of significant business disruption.
- ensuring Business Continuity Management (BCM) awareness amongst bank staff by developing competencies through induction, communication, training and simulation exercises.
- Validating the effectiveness of the BCM program through regular testing and review.

Financial statements for the year ended 30 June 2025

Management discussion and analysis (Cont'd)

Management Committees (Cont'd)

11. Information Security Committee

- The Committee is mandated by the EXCO to assist the Bank in fulfilling its Information Security/Cybersecurity and control responsibilities and to promote strong culture of awareness in doing so, the Committee will ensure Information Security/Cybersecurity is managed in a manner consistent with internal business needs, regulatory requirement of BOM and approved risk appetite for Operational risk and comply with the bank's policies, processes and procedures.

The Way Forward

With the above background, the team at MauBank Ltd will continue to strive towards excellence in an endeavour to deliver better service quality every year to its present and prospective customers.

Disclaimer

Several forward-looking statements relating to the Bank's business strategy, plans and objectives have been embedded in the Management Discussion and Analysis document. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. Readers of the document are therefore advised not to place undue reliance on the forward-looking statements as a number of factors may cause actual results to differ from targets, expectations and estimates made initially. MauBank Ltd does not undertake to update any forward-looking statement that may be made from time to time by the organisation or on its behalf.

Administrative Information

Board of Directors

The composition of the Board, as at 30 June 2024, is as follows:



Mr. SOKAPPADU Ramanaidoo

Independent Director – Acting Chairperson of the Board
as from 28 November 2024

Mr. Ramanaidoo Sokappadu was, prior to his retirement, Director, Economy and Finance at the Ministry of Finance, Economic Planning and Development. He has been working in the civil service for nearly 40 years. He holds a Bachelor of Arts in Economics, Mathematics and Statistics.

Mr. Sokappadu has in the past worked as short term consultant for the Common wealth Secretariat and the World Bank. He has been a Board director on several parastatal bodies and companies. In addition, he has represented Mauritius in several international conferences and meetings, both locally and abroad.



Mr. VYDELINGUM Vishuene

Chief Executive Officer and Executive Director
(Appointed effective 22 November 2023)

Vishuene Vydelingum is a seasoned banker of more than 25 years of experience in the financial sector, with core technical expertise lying predominantly in Corporate and Investment Banking, as well as Treasury Management.

He was appointed Chief Executive Officer of MauBank Ltd in November 2023 after having held the position of Deputy Chief Executive Officer. He joined MauBank in March 2019 as Executive Head - Corporate Banking & Treasury. Before that, he was the Managing Director of CIM Finance Ltd and Commercial Director in Barclays, Mauritius for almost ten years whereby he endorsed marked achievements in domestic, regional and global business development.

Starting his career as a Forex Dealer in BNP Intercontinentale in 1996, Vishuene climbed the ladder to becoming a Management Committee Member of Barclays Bank, Mauritius by 2004. He successively occupied the posts of Chief Dealer – Assets & Liquidity Management, Head of Liquidity Management, Treasurer and Regional Treasurer.

Vishuene is a licensed Stockbroker of the Mauritius Stock Exchange. He holds from Université Paris Sorbonne Nord an Ingénieur Maître en Banque et Finance avec spécialisation en Marchés Dérivés (IUP), Licence (IUP) en Ingénierie de la Banque, Finance et Industrie, and a Diplôme d'Etudes Universitaire Professionnalisés (DEUP) en Banque, Finance et Industrie.

Administrative Information

Board of Directors



Mr. SEMJEVEE Sivananda

Independent Director (Appointed effective 15 July 2021)

Mr. Sivananda Semjeevee is currently the Managing Director of Logfret Services Ltd, a clearing and Freight Forwarding Company. Prior to that, he was the Executive Director of World Speed Consolidators Ltd. For three years he was based in Madagascar where he was Executive Director of World Speed Madagascar.

With his solid experience in Freight Forwarding Services both at national and regional level, Mr. Semjeevee has set up his own company in the field of Import Agent Services since 2004. His business achievements make him a successful entrepreneur and employer of his category.

Mr. Semjeevee is also a director in Logfret Services Ltd.



Mr. KOKIL Anil Kumar

Non-Executive Director (Appointed effective 15 July 2021)

Mr. Anil Kumar Kokil is currently the Chief Executive Officer of the Cote D'Or International Racecourse and Entertainment Complex Ltd, a company incorporated in April 2022 to spearhead the development of a new racecourse and entertainment complex at Cote D'Or.

Mr. Kokil was also a Director (Economic and Finance) at the Ministry of Finance, Economic Planning and Development. During his professional career, he has contributed to and spearheaded the national budget preparations and policy making of successive Governments.

The contributions of Mr. Kokil are also recognised at regional and international level. He was the chairperson of the SADC Macro Economic Meetings held in South Africa and in Botswana as well as the chairperson of the Committee set up by the SADC Ministers to look at the Self-Financing Mechanism for SADC. He was the Founder Member of the Collaborative Africa Budget Reform Initiative.

He has been a Consultant for both local and International Organisations and has contributed on Migration for the World Bank, the European Union and the International Organisation for Migration, and has also contributed to several papers in International Publications. He actively participated in UN Annual Meetings of the Global Forum on Migration and Development, as Panelist and Moderator.

He has previously been the chairperson of the Skills and Information Technology Development Fund, and chairperson and Assessor of several Disciplinary Committees and Commission of Inquiries appointed by the Public Service Commission and the Disciplinary Forces Service Commission and the Government. He has also acted as the Chief Executive of the Gambling Regulatory Authority." Mr. Kokil holds an MSc in Public Sector Management, a B.A (Hons) in Statistics with Economics from the University of Delhi and a Professional Certificate in Statistics from the Institute of Statisticians, UK. He has received professional training at the Institute of Development Studies UK; the IMF and World Bank in Financial Programming and Policies, and on Government Finance in Washington amongst others.

Administrative Information

Board of Directors



Mrs. VASSEUR-SONEEA Alexandra

Independent Director

(Appointed effective 15 July 2021)

Alexandra Vasseur-Soneea is a recruitment and talent development expert with a strong background in Private Banking, Wealth Management, Trust, Fiduciary, Private Equity, as well as Commercial and Investment Banking.

*She began her career at Morgan Philips Group, one of the world's leading recruitment firms, where she acquired solid experience in the European financial markets.

She is the Founder and CEO of Kanopé Consulting Ltd, a firm specialized in tailor-made recruitment services and human capital advisory. Kanopé Consulting offer onboarding coaching and personal development programs to support new hires in their integration and long-term performance. These services, led by a dedicated team of experts, reflect Alexandra's belief in a holistic and strategic approach to talent management from sourcing to retention and growth.

She holds a Master 1 in Management and a Bachelor's degree in Management from the University of Poitiers in France.

Administrative Information

Executive Team



Mr. VYDELINGUM Vishuene

Chief Executive Officer and Executive Director
(Appointed effective 22 November 2023)

Vishuene Vydelingum is a seasoned banker of more than 25 years of experience in the financial sector, with core technical expertise lying predominantly in Corporate and Investment Banking, as well as Treasury Management.

He was appointed Chief Executive Officer of MauBank Ltd in November 2023 after having held the position of Deputy Chief Executive Officer. He joined MauBank in March 2019 as Executive Head - Corporate Banking & Treasury. Before that, he was the Managing Director of CIM Finance Ltd and Commercial Director in Barclays, Mauritius for almost ten years whereby he endorsed marked achievements in domestic, regional and global business development.

Starting his career as a Forex Dealer in BNP Intercontinentale in 1996, Vishuene climbed the ladder to becoming a Management Committee Member of Barclays Bank, Mauritius by 2004. He successively occupied the posts of Chief Dealer – Assets & Liquidity Management, Head of Liquidity Management, Treasurer and Regional Treasurer.

Vishuene is a licensed Stockbroker of the Mauritius Stock Exchange. He holds from Université Paris Sorbonne Nord an Ingénieur Maître en Banque et Finance avec spécialisation en Marchés Dérivés (IUP), Licence (IUP) en Ingénierie de la Banque, Finance et Industrie, and a Diplôme d'Etudes Universitaire Professionnalisés (DEUP) en Banque, Finance et Industrie.

Mr. SOORMALLY Issa Mohamad

Deputy Chief Executive

Mr Soormally is a C-Suite business leader in the field of Banking and Financial Services, having worked for Global and Regional Conglomerates with presence in Mauritius, Bahrain, and Seychelles, namely BNPI, Barclays, Bramer Bank, Bank of Muscat International, Al Salam Bahrain, and Toukan Corporate Services Ltd. He also has a strong proven track record in international banking in various jurisdictions, such as France, Luxembourg, Reunion Island, Kenya, Dubai and South Africa.

He has had a rich exposure working at the Regulatory level, at the Central Bank of Mauritius as Second Deputy Governor, and former Vice Chairman of the Economic Development Board. He is also a Fellow Member of the Mauritius Institute of Directors, and been a regular speaker on several International financial forums.

Administrative Information

Executive Team



Mr. MOTEE Ramesh, FCCA
Chief Risk Officer

Mr. Motee is presently the Chief Risk Officer of Maubank Ltd, he has an extensive experience at senior positions within various entities operating in the banking and financial sector which covers 40 years. He holds a Diplôme d'Etudes Supérieures Spécialisées, Université de Poitiers, and is a Fellow member of Association of Chartered Certified Accountants (FCCA).



Mr. MOHADEB Damodarsingh (Deepak), FCCA
Chief Financial Officer

Mr. Mohadeb, is a Fellow member of Association of Chartered Certified Accountants (FCCA). He commands extensive experience having held various senior positions within entities operating in the banking, financial and leasing sector over the past 20 years. Prior joining the Financial Service Industry, Mr. Mohadeb has gathered an extensive experience in audit and business advisory practice as Manager with PricewaterhouseCoopers where he has also led several overseas audit assignments.

Administrative Information

Executive Team



Mr. NAIR Praveen Viswanathan Chief Information and Digital Officer

Mr Nair has 19 years of experience at senior positions within various entities operating in the Banking, Telecommunications and Fintech Sectors. He has expertise in the Digital Transformation, Financial Operations, IT Projects, OPS Risk, Collections & Recovery, Process Excellence, Policies and Procedures. He holds an MBA in International Business and Strategy from the University of Glasgow Adam Smith Business School, UK and is a certified ISO Internal Auditor from Total Quality Management Institute and Banking on Leaders from Harvard BP.

Prior joining Maubank, Mr Nair was the Chief Operating Officer at Credito PLC for 4 years where he has designed and executed set up of IT, Finance, Strategy, HR and Operations department and also worked in Citicorp, Barclays, as well. He has also successfully set up the Digital Technology Architecture for AI Based Digital Debt Collections. He was the Co-Founder and Board Member of the UK Fintech. He was the Head of Process Transformation & Digitalization at Commercial Bank International in Dubai for 8 years, where he occupied various roles as Head of process Transformation, Head of debt management amongst others.

Ms. SADDUL Anouchka Head of Corporate Affairs, Brand Management and Marketing

Ms. Saddul is a Management with Law graduate, and a Certified Digital Marketing Professional. She also holds qualifications in Personnel Management and in Public Health. She has over 25 years of diverse experience in Marketing, Communications, Media and Public Relations in both Government bodies and the private sector, and is a member of the Digital Marketing Institute, the Mauritius Institute of Directors and the Women Leadership Academy. She was presented the Africa's Women Leaders at the 12th World Women Leadership Congress & Award.

Administrative Information

Executive Team



**Mr. SEEBARUTH Balraj Kumar (Rakesh),
FCCA**
Head of Internal Audit

He has over 20 years of experience in the field of auditing, accounting, finance and global business. He has worked in Big Four auditing firms and lead several audits in various sectors including, but not limited to, asset management, banking, insurance, manufacturing, retailing and telecommunications. Mr Seebaruth was also involved in auditing companies listed on the Stock Exchange of Mauritius as well as working on international assignments. As an experienced instructor, he delivered several audit and accounting training, and soft skill courses in Mauritius. He also formed part of the territory instructor team and delivered training in several sub-saharan african countries, including Kenya, Ghana and Uganda.



Mr. LUXIMON Sanraj, FCCA, MBA
Head of Sustainability and Corporate Strategy

Mr. Sanraj Luximon is a seasoned banking professional with extensive experience across multiple facets of the financial services sector. He holds a BSc (Hons) in Applied Accounting, an MBA, and is a Fellow of the Association of Chartered Certified Accountants (FCCA). He has also completed certifications in Sustainability Leadership and Crisil Cross-Border Lending.

Since joining the bank in 2005, Mr. Luximon has held various leadership roles, contributing significantly to the bank's strategic and operational growth. In 2015, he was appointed Officer-in-Charge of the bank during a key transitional period, demonstrating his capability to lead with resilience and vision.

Currently, Mr. Luximon leads the bank's Sustainability and Corporate Strategy function, where he plays a pivotal role in shaping long-term value creation. In addition, he oversees financial operations at the bank's sister company, EAMC Ltd.

Administrative Information

Executive Team



Mrs MARDAY SEECHURN Jinny

Officer in charge – HR

Mrs. Marday Seechurn has been a member of the Bank since 2022, bringing with her 12 years of expertise in the Human Resource field, with a focus on the hospitality sector. She is a graduate of the University of Mauritius, holding a BSc in Human Resources Management.

Administrative Information

Other Key Management

Mr. POOLOO Maoumar AL

Head of Operations

Mr. Pooloo joined the Bank in 2004. He holds an MBA with specialization in finance from the University of Technology, Mauritius. He is also as certified project manager and is a member of the ACI.

Over the years, he has worked in different departments, gaining valuable expertise. Mr. Pooloo has lately been managing the portfolio of Financial Institution & Parastatal Bodies in Corporate Banking. He has been assigned the responsibility of Operations department where all non-client activities are dealt with after the restructuring of the department.

Mr. SAWMY Premendra

Head of Special Asset Management

Mr Sawmy holds a Msc in Applied Economics with specialization in Banking and Finance and Bsc (Hons) in Economics with First Class & First Division from the University of Mauritius.

Mr Sawmy has worked at SBM Bank (Mauritius) Ltd & MHC Ltd, prior joining the Bank in April 2004. Over the last 24 years of banking experience, he has led various functions in the Bank as Branch Manager, Area Leader, Head of Credit Services and Head of Consumer Banking Operations. He has also been the Functional Lead in several Finacle Upgrade and Integration Projects.

Mrs. BHOODNAH Anusha

Compliance officer cum MLRO

Mrs Bhoodnah Anusha has 15 years of experience, primarily in the financial services sector. She has previously held key positions, including Managing Director, Director of Operations, Chief Legal and Compliance Officer and MLRO. She holds an LLM with International Commercial Law, MBA (Specialisation: Financial Services) and an LLB (Hons).

Mr. PILLAY Appasamy Govindasamy

Head of Corporate Banking

Mr. Pillay joined MauBank in 2017 and has over 20 years of experience across SME, Business Banking, and Corporate Banking in various banks in Mauritius. He manages the Corporate Department along with the Financial Institutions portfolio, while also supporting cross-border financing and trade finance activities for the Bank. He holds a BA in Accounting and Finance and has completed the Imperial Sustainability Leadership Programme.

Mr. GARSEE Ashvind

Head of Business Development and Debt

Mr. Garsee joined the Bank in 2016, he has 19 years of experience in the banking sector and has worked in Corporate Banking both in onshore and offshore segments. He holds a Master in International Business and BA (Hons) Finance services.

Mr. AUCKBARALLY MEHDI

HASSN BIN MOHAMMUD

Head of Credit Risk

Mr. Auckbarally Mehdi H. has 28 years of experience in the financial services sector and has previously held other positions including Large Corporate Relationship Manager and Senior Manager. He is currently the Head of Credit Risk at MauBank Ltd.

He holds an MBA, Post Graduate Diploma in Management and BSc (Hons.) Economics.

Mr. TRANQUILLE, JEAN HUGUES IVAN

Company Secretary

Mr. TRANQUILLE assumed the duties of Company Secretary on the 12th April 2023. He is a qualified Chartered Secretary (ACG formerly ACIS) from the Chartered Governance Institute UK & Ireland and also holds an ACIB qualification, having professionally qualified from the Chartered Institute of Bankers UK. He successfully completed his Master in Business Administration (MBA) in 2007 at the Edinburgh Business School (Scotland). He has over 30 years of banking and leasing experience, having started his career at the MCB Group and later occupied the post of Administrative Officer at Finlease Company Ltd, then a company within the MCB Group. In 2003, he joined the Mauritius Leasing Co Ltd as "Manager Operations" and later occupied the post of "Head of CUT". Following the merger into MauBank Ltd in 2016, he occupied the post of "Senior Manager - Enterprise Risk" in the Risk Department up till the 11th April 2023.

Mr. BABLEE AVISHEN

Acting Head of Treasury

Mr. Bablee joined MauBank in 2004 and he has served in various capacities including Retail Banking Division and Finance. He was subsequently posted in Treasury Department as Dealer in 2007. Currently, he has been appointed as Acting Head of Treasury Department and is a holder of ACI dealing certificate.

Mr. CHELLAPEN RAMAKRISHNA

Acting CISO

Mr. Chellapen joined the Bank in 2005 and he have served in various capacities including System Administrator - IT Infrastructure, Manager - IT Infrastructure and Facilities department, Senior Manager - IT Infrastructure, Facilities and Procurement department, Senior Manager - IT Applications, Senior Manager - Technology Risk and Data Protection Officer, Head of Department - Technology Risk and Data Protection Officer, Acting Chief Information Security Officer and Data Protection Officer.

Financial statements for the year ended 30 June 2025

Administrative information (Cont'd)

Management team (Cont'd)

Business Centre Manager at 30 June 2025

LUCKHEE Adesh Place D'Armes	KAWOL Neela Rose Belle	JUGNAUTH Ravin Kumar Quatre Bornes
BRAUNAU Aldo Paul Joël Curepipe	RAMTOHUL Dhanvesh Mahebourg	GUNGADIN Kesha Llammatie
BUNDHOO Mohammad Khalid Goodlands	MOOTOOCURPEN Roja Saraspedee (Acting Business Centre Manager) Grand Baie	LAKHOA Uttam Flacq
NOBIN Nadine Maeva Chemin Grenier	RUGHOOBUR Anjalee Triolet	AUCKBURALLY Hysham (Acting Business Centre Manager) Vacoas
RAJARAMSING Jhusveer Rose Hill	BETCHOO Satyandranath Riviere Du Rempart	JOYGOPAL Hemlata Terre Rouge
DWARKA, Anoukshada St Pierre	HUNGLEY Gary Ebène	EDOUARD Billy Roy Rodrigues
BHUNJUN Pounam Pope Hennessy		

Financial statements for the year ended 30 June 2025

Administrative information (Cont'd)

Business Centre Network at 30 June 2025

PLACE D'ARMES Business Centre 1 Queen Street Place D'Armes Port Louis	ROSE BELLE Business Centre Royal Road, Baramia Rose Belle	QUATRE BORNES Business Centre Cnr St Jean & Osman Avenue Quatre Bornes
CUREPIPE Business Centre Royal Road Curepipe	MAHEBOURG Business Centre Corner Delices & Marianne Streets Mahebourg	LALLMATIE Business Centre Corner Royal & Tagore Road Lallmatie
GOODLANDS Business Centre Royal Road Goodlands	GRAND BAIE Business Centre Richmond Hill Complex Grand Baie	FLACQ Business Centre Royal Road, Cnr of Charles De Gaulles & Francois Mitterand Street Flacq
CHEMIN GRENIER Business Centre Royal Road Chemin Grenier	TRIOLET Business Centre Royal Road, Anand Square 8th Mille, Triolet	VACOAS Business Centre Independence Street Vacoas
ROSE HILL Business Centre 477 Royal Road Rose Hill	RIVIERE DU REMPART Business Centre Riverside Shopping Complex Riviere du Rempart	TERRE ROUGE Business Centre Royal Road Terre Rouge
ST PIERRE Business Centre Kendra Commercial Centre St Pierre	EBENE Ground Floor, Bramer House Cybercity Ebène	RODRIGUES Business Centre Rue Max Lucchesi Port Mathurin, Rodrigues
POPE HENNESSY Business Centre Pope Hennessy Street Port Louis		

Tel 405-9400

Fax 404-0333

Financial statements for the year ended 30 June 2025

Administrative information (Cont'd)

Foreign correspondents

ABSA BANK

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180 Commissioner Street,
Johannesburg 2001
South Africa

AGRICULTURAL BANK OF CHINA

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Pudong New Area, Shanghai 200120
China

BANK ALJAZIRA

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Saudi Arabia

BANQUE NATIONALE DU CANADA

National Bank Tower
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5th Floor
Montreal, Quebec H3B 4L3

CREDIT SUISSE (SCHWEIZ) AG

Uetlibergstrasse 231
PO Box 400
CH-8070 Zurich

ICICI BANK LTD

International Financial Institution Group
ICICI Bank Towers
Bandra-Kurla Complex
Mumbai 400051
India

Financial statements for the year ended 30 June 2025

Administrative information (Cont'd)

Foreign correspondents

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JP MORGAN CHASE BANK, N.A.

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England
United Kingdom

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Shatin, New Territories
Hong Kong

MIZUHO BANK, LTD

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2 Chome Chuo-Ku
Tokyo 103-8528
Japan

SBM BANK (INDIA) LIMITED

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Free Press Journal Marg,
Nariman Point Mumbai
Maharashtra 400021
India

SOCIETE GENERALE PARIS

16, Rue Hoche
92972 Paris La Defence Cedex
France

Financial statements for the year ended 30 June 2025

Administrative information (Cont'd)

Foreign correspondents (Cont'd)

THE STANDARD BANK OF SOUTH AFRICA LIMITED

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3 Simmonds Street

Johannesburg 2001

South Africa

BANK OF CHINA (MAURITIUS) LIMITED

5th Flr, Dias Pier Building

Caudan

Port Louis

Mauritius

ARAB BANK FOR INVESTMENT & FOREIGN TRADE

Hamdan street, Arbift Building, Tourist Club Area,

Abu Dhabi

United Arab Emirates

