

# **WARWYCK PRIVATE BANK LTD**

Financial Statements

31 December 2025

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## Corporate Information

		Appointed on	Resigned on
<b>Directors</b>	Marco Rapaglia ( <i>Chairman</i> )	07 September 2023	-
	Osman Mahmad Badat	22 August 2022	-
	Emilie Elda Lucie Zannier ép. Wirz	10 February 2020	-
	Loïc Roger Roland Chollet-Vergé	24 February 2023	30 November 2025
	Sanjiv Chowbay Nuckchady	07 September 2023	-
	Grégoire Charles André Gérard Vaucher	07 May 2024	-
	Ashnah Gunnessing	16 August 2024	-

## Key Management Team Position

Loïc Roger Roland Chollet-Vergé ( <i>From 24 February 2023 to 30 November 2025</i> )	Chief Executive Officer
Eric Hautefeuille ( <i>From: 22 May 2025 / 18 December 2025</i> )	Chief Operating Officer / Acting Chief Executive Officer

<b>Secretary</b>	Anex Corporate Services Ltd 8 <sup>th</sup> Floor, Ebène Tower 52 Cybercity Ebène 72201 Republic of Mauritius
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<b>Registered office</b>	Warwyck House Nalletamby Road Phoenix 73538 Republic of Mauritius
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<b>Auditor</b>	Forvis Mazars LLP 4 <sup>th</sup> Floor, Unicorn Centre, Frère Félix de Valois Street Port Louis Republic of Mauritius
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## **Annual Report**

### **Corporate governance**

Warwyck Private Bank Ltd, the “Bank”, adopts sound corporate governance principles and procedures in its business strategy, operations and organisational culture.

The Board of Directors, the “Board”, has delegated its powers to a number of Board Committees and Management, which operate in accordance with the best international good corporate governance practices.

The Audit and Compliance Committee, the Nomination and Remuneration Committee, the Conduct Review Committee and the Risk Management Committee have been set up to foster safe and sound banking practices. The Bank also ensures adherence to guidelines issued by the Bank of Mauritius, the Financial Services Commission and other regulatory bodies.

### **Principal activity**

The principal activity of the Bank is to provide exclusively private banking services to high net worth and ultrahigh net worth clientele.

The Bank holds a Banking Licence issued by the Bank of Mauritius on 25 April 2014.

The Bank also holds an Investment Adviser (Unrestricted) Licence, a Custodian Licence and a Custodian (Non-CIS) Licence issued by the Financial Services Commission under the Securities Act 2005 and the Financial Services Act 2007.

On 27 October 2023, the Bank obtained a Virtual Asset Custodian (Class R) licence under the VAITOS Act.

### **Substantial shareholder**

As at 31 December 2025, the stated capital of the Bank stood at USD 13,200,000 represented by 13,200,000 ordinary shares of no-par value (2024: USD 13,200,000 represented by 13,200,000 ordinary shares, 2023: USD 13,200,000 represented by 13,200,000 ordinary shares).

The shareholding of the Bank is detailed in the Corporate Governance Report.

### **Dividends**

The directors declared and paid dividend of USD 1,900,000 to the shareholder for the year under review (2024 and 2023: Nil).

### **Directors’ remuneration**

The directors’ remuneration is disclosed in the Corporate Governance Report.

### **Donations**

No donation was made by the Bank.

### **Directors’ interest**

The directors’ interest is disclosed in the Corporate Governance Report.

## Annual Report (Cont'd)

### Directors' service contracts

The Bank does not have any service contract with its directors, except for one employment contract with its executive directors.

### Share option plan

The Bank has no share option plan.

### Auditors' fees

Fees (Exclusive of Value Added Tax) payable/paid to Forvis Mazars LLP are disclosed as follows:

	2025	2024	2023
	USD	USD	USD
Fees relating to statutory audit services	85,000	79,350	69,000
Fees relating to tax compliance (Note (i))	3,650	3,450	3,000
Fees relating to services	31,829	-	-
<b>Total</b>	<b>120,479</b>	<b>82,800</b>	<b>72,000</b>

(i) These services are provided by Mazars Corporate Services Ltd in 2025, a separate legal entity headed by a non-audit partner, as well as for 2024 and 2023.

The Bank has procedures that are designed to ensure auditors' independence, including prohibiting certain non-audit services.

### Directors' responsibilities in respect of the financial statements

The directors confirm that:

- adequate accounting records and an effective system of internal control have been maintained;
- the financial statements present fairly the financial position of the Bank as at the reporting date and the results of operations and cash flows for the reporting period; and
- appropriate accounting policies are supported by reasonable and prudent judgments and estimates have been used consistently.

The external auditor is responsible for reporting on whether the financial statements are presented fairly.

The directors report that:

- the financial statements have been prepared on the going concern basis;
- they are responsible for safeguarding the assets of the Bank;
- they have taken reasonable steps for the prevention and detection of fraud and other irregularities;
- the financial statements have been prepared in accordance with International Financial Reporting Standards, the Mauritius Companies Act 2001, the Banking Act 2004, the Financial Reporting Act 2004 and guidelines issued by the Bank of Mauritius;
- the Bank has adhered to the Code of Corporate Governance. Reasons have been provided in the Statement of Compliance in case of non-compliance with any requirement.

#### Internal Control

The directors are responsible for the Bank's systems of internal control. The systems have been designed to provide the directors with reasonable assurance that assets are safeguarded, that transactions are authorised and properly recorded, and that there are no material errors and irregularities. An internal audit function is in place to assist Management in the effective discharge of its responsibilities and it is independent of Management and reports to the Bank's Audit and Compliance Committee.

## Annual Report (Cont'd)

### Directors' responsibilities in respect of the financial statements (Cont'd)

#### Risk Management

The Board of Directors carries the ultimate responsibility of the Bank's risk management process. Its task is to formulate the Bank's risk policy and monitor the implementation by Management. The Board also defines the risk strategy, the basic risk management parameters, the maximum risk tolerance as well as the responsibilities for risk monitoring.

Risk mitigation and caution are the basis of Warwyck Private Bank Ltd which has defined risk management principles adapted to its activity focused on wealth management. The Bank has no exposure to interest rate risk from a structural point of view, and credit risk is highly limited given the Bank provides mainly credit against cash collateral or by applying prudential Loan to Value (LTV) for Lombard loans.

Reporting on the risks exposed by the Bank is performed on a regular basis. Corrective measures are regularly proposed by the department in charge of the supervision in order to protect the interest of the Bank and its customers.

Cash flow hedges are used by the Bank with the primary objective of protecting against cash flow variability arising from the Bank exposure to foreign currency fluctuations.

#### *Credit risk*

Credits granted to customers are secured by duly pledged cash deposits with the Bank or by applying prudential LTV. The collateral values are revalued on a daily basis in case of cross currencies.

Credits granted are supervised on a daily basis and the Bank is supported by a risk management function which supervises the default risks of debtors and counterparties.

#### *Market risk*

Market risk refers to the risk of loss arising from adverse movements in market prices, including interest rates, foreign exchange rates, equity prices, and treasury bond and bill prices, affecting both on-balance sheet and off-balance sheet positions. The Bank's Treasury function manages market risk within defined limits established in the Bank's risk management policy framework. The Risk Management function independently monitors and validates compliance with these limits on a regular basis.

#### *Interest rate risk*

Interest rate risk arises from fluctuations in market interest rates, which may adversely affect the Bank's Net Interest Income and overall financial performance. This risk primarily stems from repricing and maturity mismatches between assets, liabilities and off-balance-sheet exposures. The risk management function regularly checks that such exposure remains marginal.

#### *Operational risk*

Operational risk encompasses all categories of risk except for credit, market, and interest rate risks. It includes among others, AML/CFT risks, the involuntary disruption of the Bank operational activities, the failure of the computer systems, the risks resulting from improper execution of transactions, the risks resulting from a mistake in the execution of clients' instructions as well as the risks related to human resources, compliance, fraud and litigation.

#### *Liquidity risk*

The Bank has maintained a ratio of liquidity coverage above a regulatory minimum of 100% for the financial year 2025. The liquidity coverage ratio has decreased from 2,527% to 2,091% in 2025.

## Annual Report (Cont'd)

### Directors' responsibilities in respect of the financial statements (Cont'd)

#### *Foreign currency risk*

The Bank is subject to foreign exchange risk from an on-balance sheet perspective. The risk to which the Bank is exposed can also be viewed from an off-balance sheet angle through our outstanding positions. Exposure to FX risk is monitored against both regulatory stipulations and internal targets, which are, especially, applied to metrics such as the foreign exchange as a percentage of the Tier 1 capital and the overall net foreign exchange risk exposure.

#### **Acknowledgements**

The Bank has made good progress in putting together the building blocks of an institution with focus on the long term. This has been made possible due to the cooperation, efforts and dedication of staff members, leadership of its senior management and the guidance of its Board of Directors.

The Board of Directors wishes to express its appreciation to the efforts of the team members for their dedication and hard work in the execution of the business strategy of the Bank.




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**Eric Hautefeuille**  
Acting Chief Executive Officer




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**Osman Mahmud Badat**  
Director  
On behalf of the Board of Directors

**Date: 25 March 2026**

**Phoenix 73538**  
**Republic of Mauritius**

## Chairman's Statement

We are pleased to present the annual report of Warwyck Private Bank Ltd, "WPBL" or the "Bank" for the year ended 31 December 2025.

The year 2025 continued to be characterised by geopolitical tensions and global economic uncertainty, driven by ongoing conflicts in Eastern Europe and the Middle East, as well as broader geopolitical developments affecting global trade, energy markets, and investor sentiment. In such an environment, investors remained focused on capital preservation and risk diversification.

Following the monetary tightening cycle observed in previous years, central banks, including the Federal Reserve and the European Central Bank (ECB), adopted a more cautious stance during 2025. Inflationary pressures showed signs of moderation, leading to a stabilisation of interest rates, with initial rate cuts observed in certain jurisdictions during the latter part of 2024 and continuing into 2025.

Financial markets remained resilient despite ongoing uncertainty. Major equity indices, particularly in the United States, continued to demonstrate strong performance, supported by robust corporate earnings and sustained investor confidence, although market volatility persisted across regions.

The higher interest rate environment in the earlier part of the period contributed positively to the Bank's net interest income. However, it also resulted in increased demand from customers for interest-bearing products, particularly fixed deposits. As interest rates began to stabilise and expectations of easing monetary conditions emerged, investor appetite gradually shifted towards capital market and investment solutions.

The year 2025 was characterised by a continued increase in assets under management (AUM) of 23.21% (2025: USD 343M & 2024: USD 278M) and assets under custody, reflecting the Bank's strategic shift towards wealth management and investment-driven solutions. This resulted in onboarding of new customers with a continuing effect on deposits, however in 2025 the deposit had decreased as compared to 2024 by USD 27M (increased from USD 165M in 2023 to USD 204M in 2024). Although there has been a decrease in the deposit amount the operating income has increased by USD 0.4M compared to 2024. (increased from USD 4.0 M in 2023 to USD 6.3 M in 2024) which was in line with the Bank's new strategy.

In the meantime, the Bank maintained a very high level of service to its clients and continuously strengthened its range of services and products. Efforts were also extended to improve systems and processes while controlling costs, leading to a profit of USD 2.7M (vs USD 2.5M USD in 2024).

The Bank's capital base remains favourable with a total equity of USD 19.6M and the Capital Adequacy Ratio of 30.45%, well above the minimum required level of 12.5%. Warwyck Private Bank Ltd is also managed with the highest standards of compliance and regulation, as well as risk management.

To compensate the anticipated further decrease in interest rates, the dynamic onboarding of new clients will be prolonged, supported by the investment in a representative office in Dubai and the Bank's unique service proposal on crypto currencies. To ensure a proper level of service to a growing number of demanding clients, human resources will be adapted as well as tools, with the investment in an updated core banking system. This will lead to a decrease in short term profit but strengthen the long-term profitability of the Bank.

Mauritius and the Bank remain an ideal destination to safeguard and develop assets. The Bank remains confident of its continuous progress and the determination of the respective teams to serve our customers and is convinced that we can provide innovative tailor-made solutions for the greater benefits and satisfaction of those who have entrusted their confidence in our institution.

I wish to thank our Team for their commitment to this unique adventure, our clients for their trust and support, the members of our Board for their insight, and our Shareholders for their unflinching support in our business.



**Marco Rapaglia**  
Chairman

**Date: 25 March 2026**

## Corporate Governance Report

### Compliance statements

During the year under review, the Board of Directors, (the “Board”), of Warwyck Private Bank Ltd, (the “Bank” or “WPBL” or the “Company”), has assessed the requirements and provisions as specified in the National Code of Corporate Governance of Mauritius (2016) (the “Code”) and took the necessary steps to ensure adherence thereto. Throughout the year ended 31 December 2025, to the best of the Board’s knowledge, the Bank has applied the eight principles set out in the Code and has explained how these principles have been applied.

The Bank is committed to the highest standard of business integrity, transparency and professionalism to ensure that the activities within are managed ethically and responsibly. As an essential part of this commitment, the Board subscribes to and is fully committed to complying with the requirements and provisions set out in the Bank of Mauritius Guideline on Corporate Governance, the Fit and Proper Person Criteria and the Code.

In complete transparency, full and frank disclosures pertaining to the non-compliances of the Code have been made at page 42 of the Annual Report.

### Principle 1: Governance Structure

Warwyck Private Bank Ltd, a Bank incorporated in the Republic of Mauritius, is a Public Interest Entity as defined by the Financial Reporting Act 2004. The Board and management are committed to ensuring and maintaining a high standard of corporate governance within the Bank. Furthermore, the Board endorses the highest standards of business integrity and professionalism to ensure that the activities within the Bank are managed ethically and responsibly to enhance business value for all stakeholders.

The Board assumes full responsibility for leading and controlling the organisation while adhering to legal and regulatory requirements. Besides, the Board is collectively responsible for the long-term success, reputation and governance of the Bank. The Board also determines the Bank’s mission, vision, values and strategy.

This report describes, amongst others, the main corporate governance framework and compliance requirements of the Bank which are laid down in the following:

- The WPBL’s Constitution;
- The Board’s Charter;
- The Terms of Reference of the Board Committees;
- The Mauritius Companies Act 2001;
- The Banking Act 2004;
- The Bank of Mauritius’ Guideline on Corporate Governance; and
- The Financial Reporting Act 2004.

The Bank adopted a Board Charter which is reviewed and updated annually by the Board, to ensure compliance with new and/or amended laws, regulations and practices.

The Board Charter provides a clear statement of accountabilities of all Board Members, its Committees and the Company Secretary. The role of the Chairperson is distinct and separate from that of the Chief Executive Officer (CEO) and there is clear division of responsibilities with the Chairperson leading the Board and the CEO managing the Bank’s day to day business activities. A copy of the Board Charter is available on the Bank’s website.

The Human Resource Department regularly monitors and evaluates compliance with its established ethical principles and standards, and changes are made as and when required. A Code of Ethics is in place for Warwyck Group (“the group”), comprising of, Warwyck Private Bank Ltd, Warwyck Phoenix Securities Ltd, Warwyck Investment Holdings Ltd, Warwyck Phoenix VCC and Warwyck Investments to uphold the highest ethical standards and promote a culture of ethical business conduct. The Code of Ethics was adopted by the Board of the Bank on 21 September 2023 and reviewed in March 2025. The provisions of the Code are mandatory and all Directors, officers, employees and representatives of the Group, are expected to comply with the Code under all circumstances.

## Principle 1: Governance Structure (Cont'd)

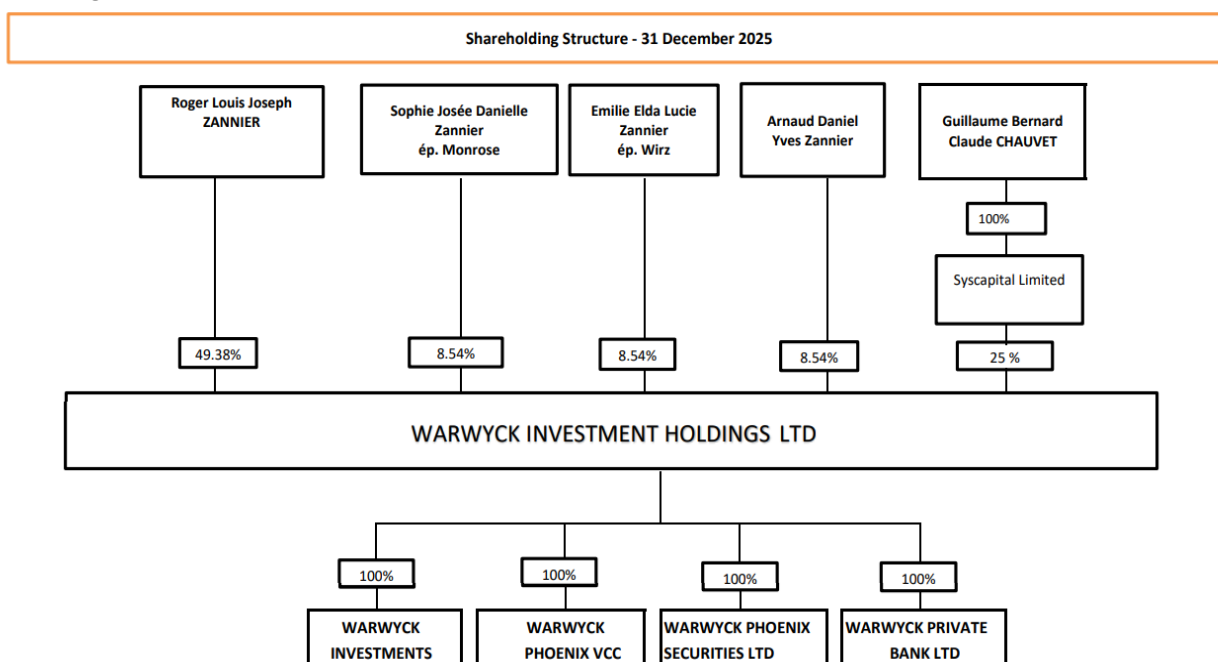
The Constitution of the Bank which dated back to 2014, was repealed and a new one adopted on 08 January 2024. The Constitution of the Bank conforms to the provisions of the Companies Act 2001 of Mauritius. A copy of the Constitution is published on the Bank's website.

Additionally, the Bank has in place a written job description for each officer and an organisational chart which graphically represents the organisation's structure, highlighting the different jobs, departments, and responsibilities that connect the company's employees to each other and to the management team.

The organisational chart is disclosed in the Annual Report of the Bank, which is available on its website.

### The Holding Structure of the Bank

The holding structure of the Bank as at 31 December 2025 is as illustrated:



#### (i) Directors

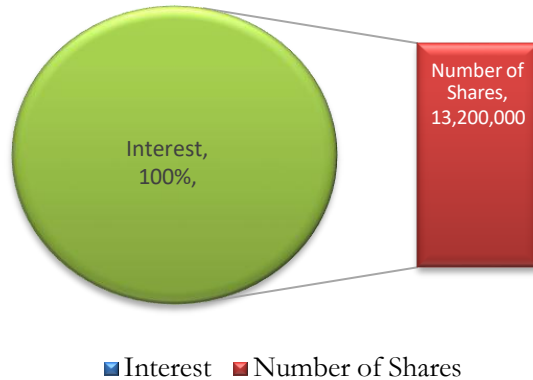
The Bank has through a correspondence dated 13 May 2022, requested the Bank of Mauritius to consider the possibility to waive the condition, restricting common directorship, by virtue of a letter dated 17 March 2017 bearing Ref: BSD 642 Vol.7. The Bank of Mauritius through a correspondence dated 08 July 2022 acceded to the Bank's request of date 13 May 2022 with certain conditions. Mr. Loïc Roger Roland Chollet-Vergé was appointed as CEO of WPBL on 24 February 2023 and has since 20 November 2023, also assumed directorship in its sister company, Warwyck Phoenix Securities Ltd.

## Principle 1: Governance Structure (Cont'd)

### The Holding Structure of the Bank (Cont'd)

(ii) Shareholding of the Bank is as follows:

#### Warwyck Investment Holdings Ltd



### Board Structure

The Board of WPBL has a unitary structure.

The Board is of the view that its composition is adequately balanced and that the current Directors have the range of skills, expertise, independence and experience to carry out their duties properly.

Besides, members of the Committees of the Board have the appropriate balance of skills, experience, independence and knowledge to enable them to discharge their duties as evidenced by their profiles.

### Board Size

The WPBL's Board Charter provides that the Board of Directors shall consist of at least seven (7) natural persons as directors.

One Executive Director resigned with effect from 30 November 2025. As at 31 December 2025, the Board comprised of six (6) members as follows:

- One (1) Non-Executive Director; and
- Five (5) Independent Non-Executive Directors.

## Principle 1: Governance Structure (Cont'd)

### Board Composition

As at 31 December 2025, the Board composition was as follows:

Directors	Category
Marco Rapaglia	Chairperson / Independent Non-Executive Director
Osman Mahmud Badat	Independent Non-Executive Director
Loïc Roger Roland Chollet-Vergé (Chief Executive Officer) (Resigned with effect from 30 November 2025)	Executive Director
Ashnah Guenessing	Independent Non-Executive Director
Sanjiv Nuckchady	Independent Non-Executive Director
Grégoire Vaucher	Independent Non-Executive Director
Émilie Elda Lucie Zannier ép. Wirz	Non-Executive Director

The Nomination and Remuneration Committee is in the process of identifying a potential candidate as successor of Mr. Loïc Roger Roland Chollet-Vergé who resigned as Executive Director/Chief Executive Officer with effect from 30 November 2025.

### Board Diversity

The Board has a formal and transparent process in place for the nomination and appointment of directors. In fulfilling this duty, the Board is supported by the Nomination and Remuneration Committee (the "NRC"), which is responsible for overseeing board directorship's renewal and succession planning. The NRC reviews the size, structure and composition of the Board on an annual basis or whenever appointments are considered. The NRC is responsible for identifying candidates, carrying out interviews and recommending potential directors to the Board for its approval.

The selection criteria used to assess prospective candidates relate, amongst others, to their specific skills, expertise, knowledge and experience. The NRC also considers gender diversity, time commitment and independence of the candidates in their assessment.

As at 31 December 2025, the Board Composition of the Bank consists of six (6) Board Members, four (4) males and two (2) females.

## **Principle 1: Governance Structure (Cont'd)**

### **Board of Directors**

The Board of Directors is the main decision-making level in the organisation, and it exercises leadership, entrepreneurship, integrity and sound judgement in directing the Bank so as to achieve continuing prosperity for the organisation while ensuring both performance and compliance.

The Board also ensures that the activities of the Bank comply with all legal and regulatory requirements as well as with its Constitution from which the Board derives its authority to act.

The Board is ultimately accountable and responsible for the performance and affairs of the Bank namely, the review and adoption of strategic plans, the overview of business performance, the adoption of appropriate risk management systems and the establishment of proper internal control systems.

All Directors are aware of the key discussions and decisions of the Board Committees as the Chairperson of each committee provides a summary of the affairs discussed to the Board, while all the committees' minutes are tabled at the next Board for ratification.

The Board of Directors assesses the Terms of Reference (which is included in the Board Charter) of the Board Committees on a yearly basis to ensure that same are being applied correctly and that the said Terms of Reference are still compliant with the various regulations.

Besides, it is also the Board's responsibility to apply effective corporate governance principles and to be the focal point of the corporate governance system.

### **Chairman and Chief Executive Officer**

The roles of the Chairperson and the Chief Executive Officer are separate and each of them has clearly defined responsibilities. These ensure a proper balance of power, increased accountability and greater capacity of the Board for independent decision-making.

The role of the Chairperson is assumed by an Independent Non-Executive Director and the Chief Executive Officer reports to the Board, therefore demonstrating a segregation of power between the Chairperson and the CEO.

In his role as Independent Chairperson of the Bank, Mr. Marco Rapaglia is responsible for leading the Board and ascertaining its effectiveness. He ensures that the corporate strategy and the related execution are aligned together with operational efficiencies. He is also responsible for ensuring that the Directors receive accurate, timely and clear information and he encourages the active participation of all Board members in discussions and decisions. With his valuable & vast experience and sound knowledge of the Bank, the Chairperson is in an excellent position to oversee its affairs at board level, while ensuring that value is being created for all stakeholders.

On the other hand, Mr. Loïc Roger Roland Chollet-Vergé in his capacity as Chief Executive Officer was, until his resignation (with effect from 30th November 2025), responsible for the executive management of WPBL's operations and for developing the long-term strategy and vision of the Bank. Mr. Loïc Roger Roland Chollet-Vergé also ensured effective communication with the shareholders.

Following Mr. Loïc Roger Roland Chollet-Verge's resignation from his position as Chief Executive Officer and Executive Director of the Bank with effect from 30 November 2025, the Board of directors resolved on 03 November 2025 to appoint Mr. Eric Hautefeuille, the current Chief Operating Officer, as acting CEO subject to approval from the authorities. The approval from the Bank of Mauritius was received on 18 December 2025 and the approval from the Financial Services Commission was received on 19 February 2026.

## **Principle 1: Governance Structure (Cont'd)**

### **Chairman and Chief Executive Officer (Cont'd)**

The roles and responsibilities of the Chairperson and the CEO are well defined in the Board Charter, published on the Bank's website.

The Shareholders and the Board are satisfied with the time commitment of the Chairperson and to date, there has been no change to such commitment that needs to be disclosed to the Board.

Management is responsible for developing and implementing an organisation's overall strategy, taking into account business-related opportunities and risks. Management is also responsible for developing an appropriate crisis plan and forming and preparing a crisis team.

### **Company Secretary**

The Bank's Company Secretary is appointed by the Board in accordance with its Constitution. The appointment and removal of the Company Secretary is a matter of the Board as a whole, who ensures that the former is competent to carry out his or her duties.

All Directors of WPBL have access to the advice and services of the Company Secretary who is responsible for providing detailed guidance to the Chairperson and the Directors as to their fiduciary duties, responsibilities and powers. The Company Secretary also ensures that the Bank is at all times complying with its Constitution, Board Charter, applicable laws, rules and regulations.

Moreover, the Company Secretary assists the Chairperson and the Board in implementing and strengthening good governance practices and processes, with a view to enhance long-term stakeholders' value. The Company Secretary also administers, attends and prepares minutes of all Board meetings, Board Committee meetings and Shareholder's meetings.

The Company Secretary also assists the Chairperson in ensuring that Board procedures are followed, and that the Bank's Constitution and relevant rules and regulations are complied with.

The Company Secretary is also the primary channel of communication between the Bank and its shareholders as well as with the regulatory bodies. The corporate service of the Bank has been outsourced to Anex Corporate Services Ltd ("Anex"). Anex is a corporate secretarial practice service provider and has been appointed as the Company Secretary of the Bank since the inception of the Bank and is responsible for the provision of corporate services to the Bank.

Anex consists of highly qualified and experienced professionals in Finance, Legal and Good governance.

The role and the responsibilities of the Company Secretary is available in the Board Charter of the Bank and published on its website and as well as in the Service Agreement and its Addendum between the Bank and Anex.

On 03 November 2025, Mr. Rahman Sayed-Hossen joined the Bank as the in-house Legal and Company Secretary and assists the Bank on secretarial matters in complement to the services provided by Anex.

## **Principle 1: Governance Structure (Cont'd)**

### **Board Meetings**

Board meetings are held at least once every quarter, while other urgent decisions are taken by way of written resolutions.

The Board promotes, encourages and expects open and frank discussions at meetings. Board meetings provide a forum for challenging and constructive debate.

Directors are expected to attend each board meeting, unless there are exceptional circumstances that prevent them from so doing.

The Board meetings are conducted in accordance with the Bank's Constitution and the Mauritius Companies Act 2001 and are convened by giving appropriate notice to the Directors. Detailed agenda, as determined by the Chairperson, together with other supporting documents are circularised in advance to the Directors to enable them to participate meaningfully in the decision-making process, make informed decisions and undertake constructive deliberations at Board meetings. Furthermore, the Directors have the right to request independent professional advice at WPBL's expense.

A director who cannot attend a Board Meeting in person, usually participates in the Meeting through a telephone/video conference. During the year under review, the Board met 4 times and the foreign directors of the Bank have attended most of the Board Meetings via video conference.

The Directors are all aware of their responsibilities and conscious of the importance of the Meetings and though meetings have been held via video conference, we have had mostly 100% attendance.

A quorum of four (4) Directors is currently required for a Board Meeting of the Bank.

The minutes of the proceedings of each Board Meeting are recorded by the Company Secretary and are entered in the minute books of the Bank. The minutes of each Board Meeting are submitted for confirmation at its next meeting, and these are then signed by the Chairperson and the Company Secretary.

## **Principle 2: The Structure of the Board and its Committees**

### **Board Committees**

Pursuant to the Section 18(6) of the Banking Act 2004, the Board shall establish board committees as the directors' may deem necessary for Board's effective discharge of its responsibilities.

The Code provides that Board Committees are a mechanism to assist the Board of Directors in discharging its duties and responsibilities through a more comprehensive evaluation of specific issues, followed by well-considered recommendations to the Board.

As such, five Board Committees have been constituted namely the Audit and Compliance Committee, the Risk Management Committee, the Nomination and Remuneration Committee, the Conduct Review Committee and the Non-Executive Directors Committee to assist the Board in the effective performance of its responsibilities. These Committees operate within defined Terms of Reference (included in the Board Charter). The Terms of Reference of those Committees are amended as required, subject to the approval of the Board.

The Chairperson of each Committee of the Board reports on the proceedings of the Committees at each Board meeting of the Bank, while the minutes of those Committees are also noted and ratified at Board level. The Committees regularly recommend necessary actions to the Board.

## Principle 2: The Structure of the Board and its Committees (Cont'd)

### Board Committees (Cont'd)

The Board recognises that Board Committees are an effective part of the corporate governance framework of the Bank which enable the Directors to discharge their duties more effectively by sharing and delegating the work of the Board, enhancing Board efficiency and effectiveness and enabling issues to be studied in greater depth. However, the Board also understands that it is ultimately responsible and accountable for the performance of the Bank and that delegating authority to Board Committees does not in any way absolve the Board of its duties and responsibilities.

Anex, the Company Secretary acts as secretary to the Board Committees.

The Board Committees are authorised to obtain, at the Bank's expense, professional advice both within and outside the Bank in order for them to perform their duties.

### *Audit and Compliance Committee*

As at 31 December 2025, the membership of the Audit and Compliance Committee is as follows:

Members	Category
Osman Mahmad Badat (Chairperson)	Independent Non-Executive Director
Marco Rapaglia	Independent Non-Executive Director
Sanjiv Nuckchady	Independent Non-Executive Director
<b><i>In attendance (when deemed appropriate)</i></b>	
Loïc Roger Roland Chollet-Vergé (resigned with effect from 30 November 2025)	Executive Director / CEO
Eric Hautefeuille (as from Q2 2025 meetings)	Chief Operating Officer
Pravish Kant Nuckchady	Internal Auditor
Forvis Mazars LLP	External Auditors
Mardina Nunkoo (as from Q2 2025 meetings)	Head of Compliance and MLRO

The Board is of the view that the members of the Audit and Compliance Committee have sufficient financial management expertise and experience to discharge their responsibilities properly and a quorum of two (2) members is currently required for a meeting of the said Committee. The Audit and Compliance Committee confirms that it has fulfilled its responsibilities for the year under review, in accordance with its Terms of Reference. The Audit and Compliance Committee has also adopted an Internal Audit Charter.

The Committee is responsible to assist the Board in fulfilling its financial reporting responsibilities and also reviews the financial reporting process, the internal control system and it also assesses the effectiveness of the independent audit process by having regular interactions with the independent auditors. The approach, scope and timing of the audit is discussed with the audit team prior to the start of any audit exercise. The Committee also recommends to the Shareholders the appointment of external auditors.

The Audit and Compliance Committee met four (4) times during the financial year ended 31 December 2025 to review the Management Accounts, the Financial Statements of the Bank and Reports of the work conducted by the Internal Audit team as well as the Compliance Reports from the Head of Compliance.

The Terms of Reference of the Audit and Compliance Committee are well defined in the Board Charter of the Bank, published on its website.

## Principle 2: The Structure of the Board and its Committees (Cont'd)

### Board Committees (Cont'd)

#### *Risk Management Committee*

As at 31 December 2025, the membership of the Risk Management Committee is as follows:

Members	Category
Sanjiv Nuckchady (Chairperson)	Independent Non-Executive Director
Loïc Roger Roland Chollet-Vergé (resigned with effect from 30 November 2025)	Executive Director/CEO
Osman Mahmad Badat	Independent Non-Executive Director
<i>In attendance (when deemed appropriate)</i>	
Shaan Dookan (as from Q2 2025)	Chief Risk Officer
Eric Hautefeuille (as from Q2 2025)	Chief Operating Officer

The Risk Management Committee operates under the Terms of Reference (included in the Board Charter) approved by the Board of Directors.

The Risk Management Committee has delegated authority from the Board for the quality, integrity and reliability of the Bank's risk management.

The Risk Management Committee's Terms of Reference include:

- Review policy for management of risks particularly in the areas of credit, market, interest, liquidity, operational and technological risks.
- Ensuring adequate and critical credit policies and procedures with clear credit concentration limits, approval limits, exposure limits, credit risk mitigation techniques and credit diversification.
- Ensuring adequate interest rate risk management policies including management of asset and liability position within specified limits.
- Ensuring appropriate methodologies and systems are in place to identify and adequately assess and manage operational risks.
- Formulate and make recommendations to the Board on risk management issues.
- Appointment of a Chief Risk Officer, who among other things, shall provide assurance that the oversight of risk management is independent from operational management and is, adequately resourced with proper visibility and status in the Bank.
- Ensuring independence of the Chief Risk Officer from operational management, without any requirement to generate revenues.
- Requirement of the Chief Risk Officer to provide regular reports to the committee, senior management and the Board on his activities and findings relating to the institution's risk appetite framework.
- Review any legal matters pending that could have a significant impact on the Bank.
- Oversee any decisions requiring a significant amount of judgement.
- Review any policies which detect fraud including the whistle-blowing framework.
- Review all risks associated with the bank's operations, including ML/TF risk and portfolio risk profile.
- Review large exposures and large impaired assets.
- Review any case of alleged or confirmed fraud, irregularities and any legal matters that could have a significant impact on the Bank's business, together with a legal advisor.
- Review and approve provisioning for credit, market, operational and legal issues in line with regulatory guidelines/requirements and review unusual and significant contingencies and commitments.
- Approve write off for the amounts above USD 10,000.
- Review and approve new products and services.
- Review adequacy of insurance coverage.
- Ensure adequate controls and information systems are in place to implement the Bank's policies; and
- Meet at least once every quarter and present the minutes of proceedings of meeting to the Board.

## Principle 2: The Structure of the Board and its Committees (Cont'd)

### Board Committees (Cont'd)

#### *Risk Management Committee (Cont'd)*

The Risk Management Committee met four (4) times during the financial year ended 31 December 2025.

#### *Nomination and Remuneration Committee*

At as 31 December 2025, the membership of the Nomination and Remuneration Committee is as follows:

Members	Category
Émilie Elda Lucie Zannier ép. Wirz (Chairperson)	Non-Executive Director
Ashnah Gunesssing	Independent Non-Executive Director
Loïc Roger Roland Chollet-Vergé (resigned with effect from 30 November 2025)	Executive Director/ Chief Executive Officer
<i>In attendance (when deemed appropriate)</i>	
Eric Hautefeuille (as from Q2 2025)	Chief Operating Officer
Melissa Ramsawmy (as from Q2 2025)	Chief Transformation Officer

### Explanation on sub-committee's composition

The Nomination and Remuneration Committee was established to review and make recommendations to the Board on management proposals and its mandate is as follows:

Meets at least three (3) times annually and present the minutes of proceedings of meetings to the Board.

#### *Directors and Chief Executive Officer.*

- The Committee will be responsible to establish a formal and transparent procedure for developing a policy on executive remuneration and fixing the remuneration packages of individual directors, prior to approval of the Board and Shareholder(s);
- Plan the composition of the Board within the objectives and strategic considerations of the Bank;
- Ensure adequate succession planning for the Board (including members of the Committees), the Chairperson and the CEO;
- Develop the specification for appointment to the Board (qualifications, expertise, integrity and independence, experience, sound knowledge of the financial sector, understanding of changes taking place nationally, regionally and internationally etc.) and ensure that these specifications are met;
- Search for, screen and select the potential directors, for recommendation to the Board & Shareholder(s), based on meritocracy and the current size, structure & composition of the Board and the Bank;
- Propose the overall level of the Board's fees to the shareholder(s);
- Review and approve the terms and conditions of the service contracts of the directors, if any, including compensation and benefits and to consider the use of contractual provisions to allow the Bank to reclaim incentive components of remuneration from executive directors and key management personnel in exceptional circumstances of misstatement of financial results or of misconduct resulting in financial loss to the financial institution;
- Ensure that transparent procedures exist for the shareholder(s) to recommend potential candidates to the Board; and
- When considering an appointment to the Board, the Nomination and Remuneration Committee shall satisfy itself that the candidate is able to commit sufficient time and effort to fulfil its responsibilities effectively, particularly if the candidate has a seat on multiple boards or undertakes other professional or commercial activities.

## Principle 2: The Structure of the Board and its Committees (Cont'd)

### Board Committees (Cont'd)

#### *Nomination and Remuneration Committee (Cont'd)*

##### *Employees*

- Set and review Key Performance Indicators (KPIs) of senior management.
- Consider and approve CEO's proposals for appointments, terms and conditions and remuneration of the Bank's senior management.
- Approve senior management appointment and terms and conditions of service.
- Review the remuneration policy to ensure that the Bank's executives are fairly rewarded and demonstrate to the concerned stakeholders that the remuneration policy for the Bank's executives is determined in an objective and transparent manner.
- Set, revise and recommend for approval the performance-based rewards for the Bank's senior executives, to the main board.
- Set, revise and recommend for approval the performance-based reward policy for all Bank's employees, to the main board; and
- Set, revise and recommend for approval all salary and terms of service policies and procedures, to the main board.

The Nomination and Remuneration Committee operates under the Terms of Reference (included in the Board Charter) approved by the Board of Directors, and it met four (4) times during the financial year ended 31 December 2025.

#### *Conduct Review Committee*

At as 31 December 2025, the membership of the Conduct Review Committee was as follows:

<b>Members</b>	<b>Category</b>
Ashnah Gunesssing (Chairperson)	Independent Director
Émilie Elda Lucie Zannier ép. Wirz	Non-Executive Director
Loïc Roger Roland Chollet-Vergé (Chief Executive Officer) (resigned with effect from 30 November 2025)	Executive Director
<b><i>In attendance (when deemed appropriate)</i></b>	
Eric Hautefeuille (as from Q2 2025)	Chief Operating Officer
Mardina Nunkoo (as from Q2 2025)	Head of Compliance and MLRO

The Conduct Review Committee was established to ensure that appropriate procedures are in place to comply with regulatory requirements on related party transactions and shall undertake the following:

- To meet at least once every quarter and present the minutes of proceedings of meetings to the Board;
- Review the policies and procedures to ensure their continuing adequacy and enforcement;
- Review and approve each credit exposure to related parties;
- Review all proposed material transactions and practices of the Bank to ensure that any transaction with the related parties that may have a material effect on the stability and solvency of the Bank are identified and dealt with in a timely manner;
- Ensure that transaction terms and conditions with a related party comply with the spirit of the Guideline on Related Party Transactions and are consistent with market practice;
- Report on a quarterly basis to the Board on matters reviewed by it, including exceptions to policies, processes and limits; and
- The Board shall have an oversight of the Conduct Review Committee and any write-off of related party credit exposures shall be subject to the prior approval of the Board.

## Principle 2: The Structure of the Board and its Committees (Cont'd)

### Board Committees (Cont'd)

#### *Conduct Review Committee (Cont'd)*

The Conduct Review Committee operates under the Terms of Reference approved by the Board of Directors, and it met four (4) times during the financial year ended 31 December 2025.

In accordance with the Bank of Mauritius Guideline on Related Party Transactions updated on 14 May 2022 and the addendum dated 21 October 2022, the Bank has delegated the approval of RPTs, where the amount of transaction exceeds 2% of Tier 1 or MUR 500m whichever is lower, to the Conduct Review Committee and abides to the conditions specified in the addendum. The Conduct Review Committee makes quarterly reporting to the Board on RPTs approved by it.

#### *Non-Executive Directors Committee*

As at 31 December 2025, the membership of the Non-Executive Directors Committee was as follows:

Members	Category
Marco Rapaglia (Chairman)	Independent Non-Executive Director
Osman Mahmad Badat	Independent Non-Executive Director
Sanjiv Nuckchady	Independent Non-Executive Director
Grégoire Vaucher	Independent Non-Executive Director
Ashnah Gunessing	Independent Non-Executive Director

The Non-Executive Directors Committee shall be made up solely of all the non-executive directors of the Board. The terms of reference of the Non-Executive Directors Committee are as follows:

- Meet at least once a year or as often as deemed necessary and present the minutes of proceedings of meetings to the Board;
- To discuss the general functioning of the Board; and
- To periodically assess the CEO's and other Executive Director's effectiveness and performance in achieving approved corporate objectives within the risk appetite framework.

The Non-Executive Directors Committee operates under the Terms of Reference (included in the Board Charter) approved by the Board of Directors. The Non-Executive Directors Committee Meetings were held on 24 March 2025 and 26 June 2025.

## Principle 2: The Structure of the Board and its Committees (Cont'd)

### Board and Board Committees Attendance

The following table sets out the attendance of Directors at scheduled Board and Committee Meetings during the year under review:

	Status	Board Meeting	Audit and Compliance Committee	Risk Management Committee	Conduct Review Committee	Nomination and Remuneration Committee	Non-Executive Directors Committee
<b>Total Number of Meetings</b>		<b>6</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>2</b>
Emilie Elda Lucie Zannier ép. Wirz	NED	6 out of 6	N/A	N/A	4 out of 4	4 out of 4	2 out of 2
Osman Mahmad Badat	INED	6 out of 6	4 out of 4	4 out of 4	N/A	N/A	2 out of 2
Loïc Roger Roland Chollet-Vergé*	ED	4 out of 6	N/A	3 out of 4	3 out of 4	3 out of 4	N/A
Sanjiv Nuckchady	INED	6 out of 6	4 out of 4	4 out of 4	N/A	N/A	2 out of 2
Marco Rapaglia	INED	6 out of 6	4 out of 4	N/A	N/A	N/A	2 out of 2
Grégoire Vaucher	INED	6 out of 6	N/A	N/A	N/A	N/A	2 out of 2
Ashnah Gunessing	INED	6 out of 6	N/A	N/A	4 out of 4	4 out of 4	2 out of 2

*ED: Executive Director*

*NED: Non-Executive Director*

*INED: Independent Non-Executive Director*

\* Resigned with effect from 30 November 2025

### Disclosure of other external directorships of the directors of the Bank

The details about the name of organisation(s) and type of directorship(s) held by the directors in other companies are not disclosed due to commercial sensitivity of the information, however we do hold on records the Register of Director's Interest of the Bank. Each year the Register of Director's Interest is tabled at the first Board Meeting of the calendar year, for consideration. The Directors of the Bank are well aware of their duty to declare an interest, either direct or indirect, in a proposed transaction or arrangement with the Bank, and to obtain prior Board authorisation on same.

### Principle 3: Director Appointment Procedures

Directors are appointed through a formal and transparent process.

The Board has a formal and transparent process in place for the nomination and appointment of directors. In fulfilling this duty, the Board is supported by the Nomination and Remuneration Committee (NRC), which is responsible for overseeing board directorship's renewal and succession planning. In so doing, it seeks to promote diversity of perspectives to enable a smooth execution of the Bank's strategy in a constantly changing market environment.

The NRC is responsible for identifying candidates, carrying out interviews and recommending potential directors to the Board for its approval.

The selection criteria used to assess prospective candidates relate, amongst others, to their specific skills, expertise, knowledge and experience. The NRC also considers gender diversity, time commitment and independence of the candidates in their assessment.

The following factors are carefully considered when appointing Directors:

- Previous experience as Director, where applicable;
- Skills, knowledge and experience of the proposed Director;
- Skills, knowledge and experience required on the Board;
- Gender Diversity;
- Any conflict of interest; and
- Independence, where applicable.

The Board is committed to upholding open and trusted relationships with the shareholder. All material business developments that influence the Bank are communicated to the Shareholder in a transparent and timely manner through various communication channels. As and when the shareholders have any reserve, same is communicated and considered at the Board Meeting.

#### Directors' Profiles

##### **Marco Rapaglia** **Chairman / Independent Non-Executive Director**

**Marco Rapaglia (Resident)** was appointed as the Chairman of Warwyck Private Bank Ltd in 2023, a private bank adhering to the best standards of the profession while taking full advantage of the well-regulated and investor friendly environment of Mauritius. Mr Rapaglia is the Chief Executive Officer of the TrustQore Group. In addition to his overall responsibility for TrustQore, Mr Rapaglia is actively involved in a selected number of client relationships and family offices. He has been working with the company since 2014 previously acting as Managing Director of the GMG Group, overseeing operations in Switzerland, Mauritius, the British Virgin Islands and South Africa. He is a former Accenture international partner and director to the board of Accenture (Belgium, Netherlands and Luxembourg). He is also a director and shareholder of several real estate investment and development businesses. Mr Rapaglia speaks Italian, French, English and Spanish.



## Principle 3: Director Appointment Procedures (Cont'd)

### Directors' Profiles (Cont'd)

#### **Émilie Elda Lucie Zannier ép. Wirz** **Non -Executive Director**

Graduated from a business school in 1993, **Émilie Elda Lucie Zannier ép. Wirz (Non-Resident)** has held several positions as General Manager of children's clothing brands (Z, Floriane, licence KENZO, Marc JACOBS, Jean-Paul GAULTIER, Paul SMITH) and became President of Maison TARTINE ET CHOCOLAT in 2011, an internationally known top-of-the-range children's brand. She is also directly involved in the Artistic Direction of her brands and their development as well as in their management and financial engineering.



#### **Osman Mahmad Badat** **Independent Director – Non-Executive Director**

**Osman Badat (Resident)** is an accomplished chartered accountant with 30 years of extensive experience in audit, taxation and corporate finance. A licensed auditor and licensed insolvency practitioner, he is the founder of MMW LLP (previously McMillan Woods) an audit and advisory firm.

#### **Sanjiv Nuckchady** **Independent Director – Non-Executive Director**

**Sanjiv C. Nuckchady (Resident)** is the founder and managing partner of CStrat Co Ltd, a consultancy and training firm specialised in strategic reviews, strategic planning, business process re-engineering, marketing, and sales optimisation.

Sanjiv is a seasoned professional, with experience acquired in different sectors such as insurance, healthcare, hospitality, distribution and facilities. He has served as a C-level executive both in Mauritius and in mainland Africa and has also travelled extensively in Eastern Africa on several consulting assignments. Sanjiv has been a speaker on international conferences and currently acts as a Seed (Stanford Institute for Innovation in Developing Economies) Coach for Stanford University.

Sanjiv is a Fellow of the Chartered Insurance Institute, UK and holds an MBA from Napier University.



## Principle 3: Director Appointment Procedures (Cont'd)

### Directors' Profiles (Cont'd)



**Grégoire Vaucher**  
Independent Director – Non-Executive Director

**Grégoire Vaucher (Non-Resident)** holds a Bachelor of Science Administration from Bryant University and a Certificate in Portfolio Management from New York University.

With over 30 years of experience in the financial and real estate industries, he has built a strong track record of successes. Grégoire is a partner and board member of LakeRock Capital, a real estate investment fund and a partner at Innova Capital, an independent financial company. He is also the Chairman & CEO of Azura Suisse, a global wealth management firm and Chairman & Founding partner of 12shields, another global wealth management firm.

Grégoire has also been an active investor and advises businesses in technology, med tech, luxury, and hospitality industries. Previously, he was CEO and Managing Partner of Bruellan Group and Semper Finance Group. Grégoire held key roles at HSBC Private Bank in New York and Geneva, where he focused on developing European clients, executing group development strategies and the supervision of advertising and marketing initiatives.

Grégoire is passionate about fostering a culture of continuous improvement and innovation at Warwyck Private Bank Ltd with a vision to leverage advanced technologies and best practices to drive operational efficiency, sustainable growth, and exceptional customer value.

**Ashnah Gunesssing**  
Independent Director – Non-Executive Director



**Ashnah Gunesssing (Resident)** is an Independent Non-Executive Director of Warwyck Private Bank Ltd. Ms. Gunesssing is the Chief Executive Officer of Toukan Corporate Services Limited, a Mauritius-based financial services firm that serves both domestic and international corporate structures, providing hands-on experience in navigating complex regulatory environments across multiple jurisdictions.

She holds a Master of Business Administration and a Bachelor of Commerce (Marketing) and is a member of the Mauritius Institute of Directors (MIOD). With over 18 years of progressive experience in the financial services sector, Ms. Gunesssing brings a practitioner's perspective to board oversight, combining operational insight with governance discipline. She serves on multiple boards spanning local and international companies, contributing particular strength in compliance frameworks, strategic risk management, and regulatory stakeholder engagement.

## Principle 3: Director Appointment Procedures (Cont'd)

### Directors' Profiles (Cont'd)



**Loïc Roger Roland Chollet-Vergé**  
**Executive Director and Chief Executive Officer (resigned with effect from 30 November 2025)**

After studying engineering at the Polytechnic Institute and UC Berkeley, Chollet-Vergé began his career as a finance auditor and consultant. He then worked at Natixis (BPCE group) for twelve years, during which he held various roles in advisory, international development, finance, and corporate banking.

In 2017, he became head of the Monaco branch of Caisse d'Épargne Côte d'Azur (BPCE Group). With more than twenty years of experience in finance, international management and banking, Mr. Chollet-Vergé was appointed Chief Executive Officer of Warwyck Private Bank Ltd in 2023.

### Profiles of Senior Management Team

The profile of Mr. Loïc Roger Roland Chollet-Vergé, Chief Executive Officer up to 30 November 2025, already appears in the Directors' Profiles section.

**Eric Hautefeuille**  
**Chief Operating Officer (as from 22 May 2025)**  
**Acting Chief Executive Officer (as from 18 December 2025)**

Eric Hautefeuille has over 30 years of international banking experience, spanning senior Operational, Technology and Transformation roles across Europe, Asia, and Africa.

He spent 24 years with Société Générale, where he held various senior roles including Project Director, Chief Information Officer, Head of Operations, Chief Operating Officer and Head of Transversal Operations, with assignments in Europe, Asia, and Africa. His responsibilities included operational management and business development initiatives in Cameroon, Tahiti, Russia, China, and India. He subsequently served for nearly ten years as Chief Operating Officer at BNI Madagascar and Bank One, two banks affiliated with the Finance cluster of CIEL Group.

Eric is currently the Acting Chief Operating Officer of Warwyck Private Bank Limited, supporting the growth of the Group's franchise by leveraging its strengths as a fully licensed offshore wealth management hub, offering a comprehensive range of services, including virtual asset-related solutions, within a robust regulatory framework. Recognised for his international perspective, execution discipline and ability to bridge strategy with operations, Eric Hautefeuille brings deep expertise in banking transformation, digital innovation and institutional development, supporting Warwyck's long-term ambitions and commitment to excellence.



### Principle 3: Director Appointment Procedures (Cont'd)

#### Profiles of Senior Management Team (Cont'd)



**Prithviraj (Prakash) Seesurn**  
**Head of Finance and Data Management (up to 30 April 2025)**

Prakash Seesurn holds a BSc (Hons) in Accounting from the University of Mauritius, a Bachelor of Laws (LLB) from the University of London and a Master in Strategy & Organisation Consulting from the ESCP Europe Business School. He is a Fellow Member of the Association of Chartered Certified Accountants (FCCA), a member of the Mauritius Institute of Professional Accountants (MIPA) and a member of the Mauritius Institute of Directors (MIoD).

Prakash is a resourceful finance professional with over 15 years' experience working at senior management level of esteemed institutions of the Mauritian banking and financial services industry, with vast experience in the banking and finance sector.

His experience in banking and finance is diverse and he is fully conversant with financial management framework, incorporating finance, taxation and back-office operations and treasury. Mr. Seesurn was appointed as Head of Finance with Warwyck Private Bank Ltd in April 2020. He is responsible for the operational running of the Finance department, treasury, data management and reporting of all finance matters of WPBL.

**Dushiant Kumar Dookan (Shaan)**  
**Chief Risk Officer (as from 19 May 2025)**

**Dushiant Kumar Dookan (Shaan)** is an accomplished risk management professional with extensive experience across credit management, internal audit, and information security. Over the course of his career, he has contributed to the banking, aviation, and consultancy sectors, bringing a well-rounded and strategic perspective to governance, risk and compliance initiatives. Shaan holds a BSc in Banking and International Finance and an MBA with a focus in Project Management. He also holds professional certifications such as Certified Information Systems Auditor (CISA), Project Management Professional (PMP), and ISO 27001 Lead Implementer.



## Principle 3: Director Appointment Procedures (Cont'd)

### Profiles of Senior Management Team (Cont'd)



**Pravish Kant Nuckchady**  
**Internal Auditor**

Pravish Kant Nuckchady joined Warwyck Private Bank Ltd in October 2017 and has been leading the Internal Audit function since 1 November 2018. He is a Fellow Member of the Association of Chartered Certified Accountants (FCCA) and a highly experienced audit professional with over 16 years of proven expertise in auditing, risk management, governance, and financial services.

Throughout his career, Mr Nuckchady has acquired extensive experience across various sectors, having previously served with leading audit firms in Mauritius where he led and supervised a wide range of internal and external audit engagements. This background has enabled him to develop strong technical competence and a comprehensive understanding of regulatory, prudential, and governance requirements applicable to banking and financial services institutions.

At Warwyck Private Bank Ltd, the Internal Audit function provides independent and objective assurance to the Audit and Compliance Committee of the Board and senior management on the effectiveness of the Bank's internal control environment, risk management practices, and governance framework. In line with its role as the third line of defence, Internal Audit assesses the adequacy, reliability, and effectiveness of internal controls, including those relating to financial reporting, regulatory compliance, operational resilience, and risk mitigation, and provides recommendations for continuous improvement.

The Internal Audit function operates independently from the Bank's operational and control functions and is structured to ensure unrestricted access to all activities, records, systems, and personnel necessary to fulfil its mandate. To safeguard independence and objectivity in accordance with regulatory and best practice requirements, the Head of Internal Audit reports functionally to the Audit and Compliance Committee of the Board and administratively to the Chief Executive Officer. This reporting structure enables the Internal Audit function to discharge its responsibilities effectively while maintaining appropriate oversight by the Board.

### Principle 3: Director Appointment Procedures (Cont'd)

**Mardina Nunkoo**  
**Head of Compliance and MLRO (as from 04 July 2025)**



**Mardina Nunkoo** is the Head of Compliance and MLRO at Warwyck Private Bank Ltd, where she contributes to maintaining strong regulatory compliance under BOM and FSC guidelines. Her role involves supporting governance initiatives, strengthening financial crime risk frameworks, and coordinating enterprise-wide risk assessments. She also works closely with regulators, assists with inspections, and prepares structured compliance reporting for the Board and Audit & Compliance Committee.

With 18 years of banking experience, including over 15 years in financial crime compliance and senior positions at Absa Bank (Mauritius) Limited and Barclays Bank, Mardina has developed practical expertise in AML/CFT risk management, policy advisory, and regulatory engagement. She is a Certified Anti-Money Laundering Specialist (ACAMS) and an Accredited Customer Experience Master, committed to fostering integrity and collaboration through data-driven insights and a strong compliance culture. Her approach emphasizes continuous learning and professional growth, supported by executive coaching and multiple recognitions in her previous roles for contributions to compliance excellence and strategic projects.



**Lovelesh Seeboruth**  
**Head of Compliance and MLRO (up to 31 May 2025)**

**Lovelesh Seeboruth** has nearly 10 years compliance experience in the banking sector in Mauritius. Besides acquiring extensive knowledge of the national and international banking regulatory frameworks, he has been heavily involved in implementing risk-based AML/CFT programme, formulating risk based policies, procedures and controls, and developing and implementing compliance risk management framework. He has also led and successfully implemented AML/CFT related projects.

He is a Certified Anti-Money Laundering Specialist qualifying from the ACAMS, USA in 2019 and has also completed the Financial Crime Competence Programme from the Financial Services Institute of Mauritius. He equally holds an MSc Finance and BSc (Hons) Management with Finance from the University of Mauritius.

### Principle 3: Director Appointment Procedures (Cont'd)



**Rahman Sayed-Hossen**  
**Head of Legal and In-house Company Secretary**  
*(as from 03 November 2025)*

**Rahman Sayed-Hossen** is the Head of Legal and Company Secretary of Warwyck Private Bank Ltd, reporting directly to the Board of Directors and the Chief Executive Officer. A Barrister-at-Law with over eight years of experience across private practice and the banking sector, he holds a Licence Droit, Économie et Gestion (France), an LLB (Hons) (UK), and has completed the Bar Professional Training Course (BPTC) (UK). He is admitted to practise in Mauritius, is a member of the Mauritian Bar Association and Lincoln's Inn, and is approved by the Financial Services Commission to serve on boards of Global Business entities. He is also an MQA-approved trainer in the field of law, and regularly teaches law.

He previously practised independently and served as Legal Counsel at Bank One Limited, advising on retail banking, trade finance and cross-border transactions, and supporting Board and committee processes. In his current role, he acts as principal legal adviser to the Board and senior management, overseeing legal and regulatory risk, governance and credit documentation frameworks, and strategic initiatives across the Bank and the Warwyck Group, and he also oversees the Corporate Secretarial function at the Bank.

**Roopesh Panday Mohabeer**  
**Chief Information Security Officer and Data Protection Officer**

Roopesh Mohabeer is a strategic cybersecurity executive with two decades of experience in the IT and financial services sectors. Since joining Warwyck Private Bank Ltd in 2016, he has been instrumental in the Bank's digital transformation, rising from Senior IT Systems Support Analyst to IT Manager in 2021, and now serving as CISO and DPO.

Roopesh specializes in architecting resilient security frameworks that protect high-value assets. He bridges the gap between complex technical infrastructure and high-level business strategy, ensuring technology acts as both a robust defense and a catalyst for growth. His extensive background includes managing multiple core banking systems and leading large-scale infrastructure migrations for various multinational firms.

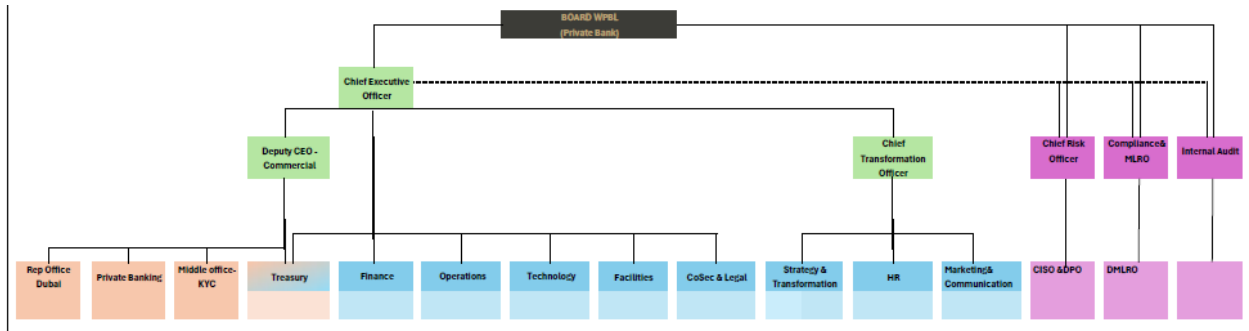
He holds a BSoc in Information Technology from the University of KwaZulu-Natal and an MBA in International Business from the University of Mauritius. A Cisco CCNA certified professional, Roopesh is dedicated to maintaining the Bank's competitive edge within an evolving global threat landscape.



## Principle 3: Director Appointment Procedures (Cont'd)

### Profiles of Senior Management Team (Cont'd)

#### Organisational Chart



## Principle 4: Director Duties, Remuneration and Performance

### Directors' Induction

Newly appointed directors receive 'Induction Programme' which includes the followings:

- (i) Induction pack - Provide handbook to directors which includes information on a broad range of matters relating to the role of directors, constitutive documents, recent Board papers, disclosure requirements with respect to directors' interests and details of applicable procedures.
- (ii) One-to-one briefings - Provide directors with the opportunity to interact with the Chairperson, Company Secretary and senior executives across the Bank with the nature and extent of these consultations depending on the specific needs of the directors.
- (iii) Presentation sessions - Provide directors with an overview of the Bank's organisational structure, financial performance and strategic orientations, activities of the different business segments as well as specific areas of interest.

### Professional Development

As part of the Board's commitment to continue improvement and an ongoing professional development, the Bank ensures that the necessary resources for developing and updating its directors' knowledge and capabilities are provided on annual basis.

The annual mandatory AML/CFT Refresher training for the staff of Bank has been conducted in Q3 and Q4 of 2025. The training for the Directors has been conducted in December 2025, as it was part of the agenda item of the Board Meeting. The training materials have already been circulated to the Board Members prior to the training session. Afterward, the attendance of each Board Member has been taken.

The programme's objective is to enable directors to be well equipped from the outset to effectively contribute to strategic discussions and oversight of the Bank. The ongoing professional development & training enable directors to update their skills and knowledge, by providing insight into areas of strategic focus and current topics of interest as well as other training with respect to specific requirements of directors. Directors are as well encouraged to attend training which could help them to perform their duties towards the Bank more effectively. This training is at the Company's expense.

## **Principle 4: Director Duties, Remuneration and Performance (Cont'd)**

### **Succession Planning**

The responsibility for succession planning rests with the Board. The Board has a formal and transparent process in place for the nomination and appointment of directors. In fulfilling this duty, the Board is supported by the Nomination and Remuneration Committee, which is responsible for overseeing board directorship's renewal and succession planning.

The Nomination and Remuneration Committee is responsible for the orderly succession of appointments to the Board and to senior management positions in order to maintain an appropriate balance of knowledge, skills and experience within the organisation and on the Board.

The Nomination and Remuneration Committee reviews the size, structure and composition of the Board as and when appointments are considered. In so doing, it seeks to promote diversity of perspectives to enable a smooth execution of the Bank's strategy in a constantly changing market environment. The Committee is responsible for identifying candidates, carrying out interviews and recommending potential directors to the Board for its approval. The selection criteria used to assess prospective candidates relate, amongst others, to their specific skills, expertise, knowledge and experience.

The Committee also considers gender diversity, time commitment and independence of the candidates in their assessment.

The Board has approved the Organisation Structure of the Bank where the different departments (new and existing) will be headed by the CEO. The incumbents have been approved by the Board and the interview exercise for the different posts has been completed by the HR department.

All the Directors of the Bank are aware of their legal duties and responsibilities.

The Board has a clear policy and set guidelines for determining the remuneration of executive directors and key employees. The remuneration is aligned to the Bank's financial performance, market conditions and relevant regulatory guidelines. The remuneration of directors is debated and recommended to the Board by the Nomination and Remuneration Committee. Executive Directors are remunerated on a monthly basis as per their respective employment contract with the Bank, while the Non-Executive and Independent Non-Executive Directors are being paid quarterly for their services to the Bank.

### **Code of Ethics**

The Board of Directors is also mindful of the interest of other stakeholders such as clients and the public at large when running its operations and is committed to high standards of integrity and ethical conduct in dealing with them.

Furthermore, the Bank and its employees must, at all times, comply with all applicable laws and regulations. The Bank will not condone the activities of employees who achieve results through violation of the law or unethical business dealings.

This includes any payments for illegal acts, indirect contributions, rebates, and bribery. The Bank does not permit any activity that fails to stand the closest possible public scrutiny.

All business conduct should be above the minimum standards required by law. Accordingly, employees must ensure that their actions cannot be interpreted as being, in any way, in contravention of the laws and regulations governing the Bank's operations. Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their superior, who, if necessary, should seek the advice of someone at the highest level of the Bank's hierarchy.

The Bank is committed to fair, honest dealing and integrity in the conduct of its business. This commitment, which is actively endorsed by the Board, is based on a fundamental belief that business should be conducted honestly, fairly and legally.

## **Principle 4: Director Duties, Remuneration and Performance (Cont'd)**

### **Code of Ethics (Cont'd)**

The Human Resource Department regularly monitors and evaluates compliance with its established ethical principles and standards and changes are made as and when required. A Code of Ethics is in place for Warwyck Group (“the group”) which comprises of Warwyck Private Bank Ltd, Warwyck Phoenix Securities Ltd, Warwyck Investment Holdings Ltd, Warwyck Phoenix VCC and Warwyck Investments to uphold the highest ethical standards and promote a culture of ethical business conduct. The provisions of the Code are mandatory and all Directors, officers, employees and representatives of the Group, are expected to comply with the Code under all circumstances, except as may be contrary to applicable local laws, rules and regulations.

### **Board Evaluation**

The Board undertakes a regular review of the performance as well as the effectiveness of the Board, its Committees and individual directors by the appointment of an external service provider, namely the Company Secretary, Anex Corporate Services Ltd.

Board Evaluation is conducted by way of Questionnaire. The Chairperson thereafter acts on the results of the evaluation by recognising the strengths and addressing the weaknesses of the Board.

It is also noted that the Directors forming part of the Board of the Bank, especially those who are members of Board Committees, have been appointed in the light of their wide range of skills and competence acquired through several years of working experience and professional background. The Board of the Bank is of the view that its composition is adequately balanced and that the current Directors have the range of skills, expertise and experience to carry out their duties properly.

Furthermore, Independent Directors are also chosen for their business experience and acumen as well as their ability to provide a blend of knowledge, skills, objectivity, integrity, experience, independence and commitment to the Board. These Directors are free from any business or other relationships which would materially affect their ability to exercise independent judgement and are critical observers.

The evaluation exercise for the year 2023 was conducted by Anex Corporate Services Ltd (“Anex”) whereby the views of Directors are sought on a range of topics including strategy and planning, performance, risk and control, board structure and composition as well as the board process. The exercise assessed whether the Board and its Committees are operating effectively and that directors continue to fulfil their roles as required. Where issues are identified, the

Board collectively agreed for improvement and an action plan is then implemented. The implementation of the action plan is monitored by the Chairperson of the Board to ensure that issues identified are given due consideration, within a reasonable timeframe.

Based on the provisions of the Code and the Guidelines on Corporate Governance of the Bank of Mauritius, the evaluation exercise of the Board, Committees and Non-Executive Directors are being effected every two (2) years. However, the performance evaluation of the executive directors is conducted annually.

## Principle 4: Director Duties, Remuneration and Performance (Cont'd)

### Board and Board Committees' Fees

With competent directors considered as essential to contributing to the development of the Bank's strategy, the Board lays significant emphasis on approving the right people with the right set of skills and behaviour whilst rewarding them adequately, in line with market practices.

Apart from a basic salary and other fringe benefits which reflect their responsibilities and experience, the remuneration of executive directors consists of a variable element in the form of a discretionary bonus, having regard to the performance of the Bank and the individual.

The Non-Executive Directors are being remunerated with a retainer fee reflecting the workload, the size and the complexity of the business as well as the responsibility involved. The Non-Executive Directors have not received any remuneration in the form of share options or bonuses associated with the Bank's performance.

The remunerations and benefits paid to the Directors for the year ended 31 December 2025 amounted to USD 331,122 (2024: USD 656,069 and 2023: USD 652,432).

The Remuneration and Benefits received from the Bank by each individual director, in accordance with Section 221(1)(e)(iii) of the Companies Act 2001, have been disclosed.

### Remuneration and benefits

The remuneration and benefits paid to the directors during the financial year 2025 are as per the table below.

Directors	USD
<b>RAPAGLIA, MARCO *</b> Independent Non-Executive Director	<b>70,000</b>
<b>VAUCHER, GREGOIRE CHARLES ANDRE GERARD Independent Director*</b>	<b>12,800</b>
<b>NUCKCHADY, SANJIV *</b> Independent Director	<b>12,800</b>
<b>BADAT, OSMAN*</b> Independent Director	<b>12,800</b>
<b>GUNESSING, ASHNAH*</b> Independent Director	<b>12,800</b>
<b>ZANNIER WIRZ, EMILIE ELDA LUCIE*</b> Non-Executive Director	<b>12,800</b>
<b>CHOLLET VERGE, LOIC ROGER ROLAND (up to 30 November 2025)**</b> Executive Director	<b>197,122</b>

\* Paid on a quarterly basis

\*\*An ex-gratia of USD 51,818 was paid to Loic in November 2025.

## Principle 4: Director Duties, Remuneration and Performance (Cont'd)

### Remuneration Philosophy

The Board is ultimately responsible for the remuneration policy of the Bank.

Remuneration practices are structured to provide clear differentiation between staff grades. Non-Executive Directors are only paid on a quarterly basis.

### Conflict of Interest

The Board of Directors strictly believes that a director should make his best effort to avoid conflict of interest or situation where others might reasonably perceive such a conflict. It is the responsibility of each director to ensure that any conflict of interest is disclosed to the Board and recorded by the Company Secretary, in the Directors' Interest Register.

At the date of this report, the indirect interests of the current Directors in the Bank are disclosed in the table below:

Directors	Indirect interest
Emilie Elda Lucie Zannier ép. Wirz	8.54%

### Related Party Transactions

The Bank adheres to the Guideline on Related Party Transactions (the "Guideline") issued by the Bank of Mauritius. As per the Guideline, the Board of Directors established a Conduct Review Committee (CRC) to review, approve and ratify all related party transactions (RPTs). The Board has opted for the adoption of a policy whereby the rules pertaining to the identification of related parties, the terms and conditions in relation to transactions entered with related parties and reporting procedures to the CRC are written.

The CRC is chaired by Mrs. Ashnah Gunesssing and was comprised of two members as at 31 December 2025 as one of the members, namely Mr. Loic Chollet Vergé, resigned with effect from 30 November 2025.

The Bank enters into transactions with related parties in the normal course of business, i.e., with its shareholders, ultimate beneficial owners, directors and sister companies. Note 28 to these financial statements show the details of RPTs.

### Board Information

All Directors receive regular information about the Bank so that they are equipped to play their role fully in Board Meetings. Papers for Board and Committee Meetings are circulated prior to the relevant meeting. All Board Members have access to the Company Secretary for any further information they require. Independent professional advice is available to Directors in appropriate circumstances, at the Bank's expense.

The Board members of the Bank ensure that matters relating to the Bank, learned in their capacity as Directors, are strictly confidential and private and shall not be divulged to anyone without the express authority of the Board.

Register of Interest of Directors is circulated to all the Directors annually, so that each of them could review and advise if existing Register needs to be amended or not and make a full disclosure of their existing business, financial, appointments and other interest acquired. The Company Secretary monitors and maintains the Interest Register and is made available to the Shareholder upon written request to the Company Secretary.

## Principle 4: Director Duties, Remuneration and Performance (Cont'd)

### Information Governance

Strict control of IT expenditures is also exercised through stringent supplier selection and monitoring of project milestones-based payment. In this respect, for any IT projects, quotes are evaluated and the best among three suppliers is chosen. The selection of suppliers is based on predefined criteria such as experience, methodology used, years in business, support services, amongst others.

Supplier on boarding is completed only after due diligence checks have been carried out by the project owner and Bank's compliance team. The supplier contracts are vetted and appropriate payment terms in line with project deliverables and milestones are enforced. Payments are effected only upon completion of the identified milestones and in certain cases penalties may be imposed in the event of project delays.

Mr. Roopersh Mohabeer, the Data Protection Officer ("DPO"), ensured that the relevant requirements are met. The DPO worked within an independent environment and manner, reported to the highest management level and had the adequate resources to enable the controller or the processor to meet its obligations under the DPA 2017.

## Principle 5: Risk Governance and Internal Control

### Internal Control and Risk Management

#### (a) Responsibility and application

Management is responsible for risk assessment and mitigation, while the Board is responsible for the definition of the overall strategy for risk appetite, within the Bank's risk tolerance. Management and the assurance process on risk management are delegated to the established Risk Management Committee. This Committee is responsible for the design and implementation of the risk management processes while day-to-day management of risk is performed by Management and the Chief Risk Officer.

#### (b) Structures and processes for identification of risks and risk management

A risk management framework has been adopted to identify, manage and mitigate risks within the banking operations. A risk assessment methodology has been devised to rate the following risks:

- Credit risk
- Market risk
- Operational risk
- Liquidity risk
- Reputational risk
- Business risk
- Systemic risk
- Money laundering risk

The Chief Risk Officer (CRO) maintains overall responsibility for the compliance and adherence to this framework whilst head of business units are responsible for managing risk within their business operations. The risk management framework identifies risks within each business process. Once the risks have been identified, the likelihood of occurrence of each risk is measured and the potential business impact is evaluated. The risk exposures are then calculated and identified risks which are above the acceptable threshold are controlled and mitigating actions are taken.

## Principle 5: Risk Governance and Internal Control (Cont'd)

### (c) Integration of internal control and risk management

The system of internal control, which is embedded in all key operations, provides reasonable rather than absolute assurance that the Bank's business objectives will be achieved within the risk appetite levels defined by the Board.

### (d) Assurance on the effectiveness of the risk management process

The Board also receives assurance from the Audit and Compliance Committee, which derives its information in part, from regular internal and external audit reports on risk and internal control throughout the Bank. During the year under review, the Board continued to monitor closely the evolution of the operating environment in view of the significant challenges induced by the pandemic. Supported by the Risk Management Committee, the Board ensures that the necessary structures, processes and methods for identification, evaluation and monitoring of the principal risks faced by the Bank are integrated into the latter's overall risk management framework. The Board has received assurance, through the regular reporting by the Chairperson of Risk Management Committee, on the adequacy of the risk management processes and systems in place over the period under review. The Board, assisted by the Audit & Compliance Committee, ensures that the internal control framework in place results in an acceptable level of risk exposure whilst guaranteeing compliance with established internal policies and procedures and relevant laws and regulations.

The Internal Audit functions regularly report to the Audit & Compliance Committee. Furthermore, the Audit & Compliance Committee receives reports from the Company's external auditor and engages with the latter in the absence of Management to ensure that there are no unresolved material issues of concern. Based on the work performed by internal and external auditors, reviews by Management and regular reporting from the Chairperson of the Audit & Compliance Committee, the Board satisfies itself that the internal control systems are adequate and effective.

### Management of key risks identified

Within the Bank, the risk elements are viewed under the following headings:

Risk category	Definition
Credit Risk	Credit risk is defined as the potential risk that a loan taker or counterparty will fail to meet its obligations in accordance with agreed terms.
Market Risk	Market risk is defined as the risk of losses in the bank's trading book due to changes in equity prices, interest rates, credit spreads, foreign-exchange rates, commodity prices, and other indicators whose values are set in a public market.
Operational Risk	Operational risk defines the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.
Liquidity Risk	Liquidity risk is the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimise a loss.
Reputational Risk	Reputational risk is the possible loss of the organisation's reputational capital.
Business Risk	Business risk is defined as the risk associated with the failure of a bank's long-term strategy, estimated forecasts of revenue and number of other things related to profitability.
Systemic Risk	Systemic risk does not affect a single bank or financial institution, but it affects the whole industry. Systemic risks are associated with cascading failures where the failure of a big entity can cause the failure of all the others in the industry.
People Risk	People risk considers potential threats to an organisation's performance, continuity, or reputation arising from its people—such as skills gaps, leadership failures, poor culture, misconduct, high turnover, or non-compliance with labour and ethical standards
Step-in risks	Step-in risk arises when a bank considers that it is likely to suffer a negative impact from the weakness or failure of an unconsolidated entity and concludes that this impact is best mitigated by stepping in to provide financial support (e.g. to avoid the reputational risk the bank would suffer otherwise)

## **Principle 5: Risk Governance and Internal Control (Cont'd)**

### **Management of key risks identified (Cont'd)**

The identified risks are managed as part of the enterprise risk management framework established by the Bank. Some of the risks are covered in detail in Note 4 to the Financial Statements.

### **Whistle-blowing policy**

The whistle-blowing policy of the Bank is being reviewed and updated annually. The Bank gives freedom and encourages its employees to raise their voice or complaints for any misconduct, bad or harmful behaviour, illegal and unethical activity. The Whistle-blowing Policy is meant to guide the employees of the Bank as how to report matters of concern in strict confidentiality.

## **Principle 6: Reporting with Integrity**

### **Statement of Directors' Responsibilities in respect of the Preparation of the Financial Statements**

The Directors affirm their responsibilities for preparing the Annual Report and Financial Statements of the Bank that fairly present the state of affairs of the Bank and the results of its operations.

The Statement of Directors' Responsibilities is found on pages 4 to 6 of the Annual Report.

### **Dividend Policy**

The objective of the Bank is to distribute to its shareholder a proportion of the period's profit as dividend. The Bank's policy is to declare dividend subject to internal cash flow requirements, approval or 'no objection' of the Bank of Mauritius and the solvency test under the Section 61(2) of the Mauritius Companies Act 2001 being satisfied.

### **Health, Safety and Environmental Issues**

The Bank attaches great importance to the health, safety and welfare of its employees at work. Every effort is made to provide a safe working environment. However, no safety policy is likely to be successful unless it has the co-operation of all employees.

The specific objectives of the Bank's Health, Safety and Fire Policy are to:

- promote a healthy and safe working environment;
- ensure each employee accepts health and safety as a major part of his/her individual responsibilities;
- identify health, safety and fire hazards in advance, and control the risks; and
- ensure all legal requirements are satisfied.

Any matter relating to the health, safety and welfare of the staff is being taken by the Management of the Bank. The Bank is also committed to good environmental practices.

Clients have been encouraged to switch to the paperless banking options which is available via the Bank's internet banking services.

## Principle 6: Reporting with Integrity (Cont'd)

### Social Issues

The Bank aims at giving equal opportunities to its employees. There is also an annual performance appraisal which is carried out and where rewards and merits are provided for.

The Bank recognises the importance of the role it has to play in society. The Bank is also committed to creating sustainable value for the social and economic well-being of the society.

### Charitable and Political Contributions

The Bank did not make any political donation or charitable contributions during the financial year ended 31 December 2025.

## Principle 7: Audit

### Internal Audit

#### (i) Role and responsibilities

The internal audit department assists the Board and management to maintain and improve the process by which risks are identified and managed and helps the Board to discharge its responsibilities by maintaining and strengthening the internal control framework. The internal audit function is responsible for providing assurance to the Board regarding the implementation, operation and effectiveness of internal control and risk management.

The Board has delegated the responsibility for managing the internal audit function and for receiving internal audit reports to the Audit and Compliance Committee.

The Audit and Compliance Committee has the following duties in respect of the internal audit function:

- Oversee the objectives of the internal audit function and the annual plan of action;
- Review the scope of internal audit and audit plan;
- Approve the remuneration of the Head of Internal Audit;
- Assess the adequacy and performance of the internal audit function and the adequacy of available resources;
- Review and report on significant matters reported by the internal auditor;
- Review and report on significant differences between management and the internal auditor; and
- Review and oversee the cooperation and coordination between the internal and external auditors.

Significant issues in relation to the Financial Statements are resolved as and when identified. The Audit and Compliance Committee always invited the Internal Auditors and the Management to assist the members of the Committee on any issues identified and where required the External Auditors are called upon to attend the meetings.

#### (ii) Reporting and disclosure

### Structure and Organisation

An internal audit charter governs the internal audit activity within the Bank. The internal audit charter, which is reviewed and approved annually by the Audit and Compliance Committee, establishes the roles and responsibilities, scope of work, authority, independence and reporting procedures of the internal audit function.

## **Principle 7: Audit (Cont'd)**

### **Internal Audit (Cont'd)**

#### **(ii) Reporting and disclosure (Cont'd)**

##### **Reporting lines**

The Internal Auditor has a direct reporting line to the Audit and Compliance Committee and maintains an open and constructive communication with senior and executive management. He also has direct access to the Chairperson of the Board. This reporting structure allows the Internal Audit Department to remain independent and report all items of significance to the Board and the Audit & Compliance Committee.

##### **Coverage and Risk management**

The Internal Audit department performs a wide range of audit services including financial audits, compliance audits, operational audits and investigative audits. Audits are performed in accordance with standards set out in the Standards for the Professional Practice of Internal Auditing.

- a. Financial Audits address questions regarding accounting and the propriety of financial transactions.
- b. Compliance Audits assess the Bank's compliance with the applicable laws, regulations, guidelines and licensing conditions.
- c. Operational Audits review information and procedures to determine if any modifications of the operations could result in greater efficiency and effectiveness.
- d. Investigative Audits to assess emergency situations.

The Internal Audit plan is based on the main risk areas of the Bank and designed to ensure adequate audit coverage of the Bank's organisational units and processes. The Internal Audit plan is derived from the risk management assessment, then pre-discussed with the executive management and finally approved by the Audit and Compliance Committee.

A typical audit is made up of four stages: planning, fieldwork, reporting and follow-up. The audit team collects data and documents the procedures, controls and/or activities being reviewed. Based on the risk assessment, the audit team performs various types of tests, concludes and makes recommendations to management to improve these controls based on system testing and control analysis.

##### **Restrictions**

The Internal Audit has full and unrestricted access to any and all of the Bank's records, physical properties and personnel pertinent to carrying out the audit function.

##### **External Audit**

With a view to ensuring the overall adequacy of the Bank's internal control framework, the Audit and Compliance Committee evaluates the independence and effectiveness of the external auditors on an ongoing basis before making a recommendation to the Board on their appointment and retention.

With regards to the timeframe, the External Auditors' appointment is for a period of one year with possibility of reappointment of the selected firm annually, subject to regulatory provisions and approval at the Annual Meeting of Shareholder of the Bank. The latter retains the right to renew and extend the contract following an assessment by the Audit and Compliance Committee of the external auditors' overall scope, terms of reference and independence.

Forvis Mazars LLP has been appointed as the External Auditor of the Bank to conduct the annual audit of the Bank for the Financial Year ended 31 December 2025.

The External Auditors meet the members of the Audit and Compliance Committee to discuss on the Financial Statements of the Bank and the accounting principles and guidelines adopted.

## **Principle 7: Audit (Cont'd)**

### **Fees to external auditors**

The fees payable to Forvis Mazars LLP for the year ended 31 December 2025 is USD USD 85,000 excluding VAT against USD 69,000 exclusive of VAT for the previous year.

### **Non-audit services**

The Bank via the Audit and Compliance Committee, has a process in place to ensure that there is no threat to the objectivity and independence of the external auditors in the conduct of the audit, resulting from the provision of non-audit services.

Forvis Mazars LLP ensures objectivity and independence are safeguarded at all times. The latter did not provide any non-audit services to the Bank during 2025.

## **Principle 8: Relations with Shareholders and Other Key Stakeholders**

### **Shareholder's Agreement**

There was no such agreement during the year under review, affecting the governance of the Bank and the Board.

### **Employee Share Option Plan**

No Employee Share Option Plan is available.

### **Third Party Management Agreement**

There was no General Management agreement between third parties and the Bank during the year under review.

### **Shareholders that hold a substantial percentage**

The Bank is held 100% by Warwyck Investment Holdings Ltd, a company incorporated as a special purpose vehicle mainly for the purpose of holding shares in a few entities.

### **Shareholder's and Stakeholders' Communication**

The Board is committed to upholding open and trusted relationships with the shareholder. All material business developments that influence the Bank are communicated to the Shareholder in a transparent and timely manner through various communication channels. The Chairperson ensures that all directors be made aware of the concerns of the major shareholders and other key stakeholders. The Board stays apprised of shareholders' and stakeholders' opinions in whatever ways are most practical and efficient. The Chairperson also ensures that Shareholders' views are communicated to the Board as a whole and include them in discussion of strategy and governance.

### **Our Key Stakeholders**

We engage with our internal and external stakeholders in a systematic, coherent and meaningful manner, with a view to promptly responding to their needs/requirements. When selecting suppliers, contractors or non-governmental organisations, we look for those that align closely to our values and areas of focus. Our key stakeholders have been identified below:

- Shareholders and Investors
- Customers
- Societies and Communities
- Government and Regulatory Authorities
- Employees and Management

**Principle 8: Relations with Shareholders and Other Key Stakeholders (Cont'd)****General Meetings**

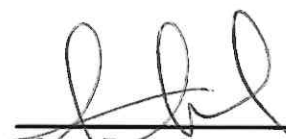
Pursuant to section 270 of the Companies Act 2001, the Bank is dispensed with the holding of shareholders meetings, thus the Annual General Meeting ("AGM") of the Bank is held via circular resolution. The Board is committed to upholding open and trusted relationships with the shareholder. All material business developments that influence the Bank are communicated to the Shareholder in a transparent and timely manner through various communication channels. As and when the shareholders have any reserve, same is communicated and considered at the Board Meeting without having to be answered at the AGM.

**Website**

In order to be compliant with the requirements of the Code, the Annual Report of the Bank will be published on its website, namely <https://www.warwyck.com/en>

**Important Events**

The Bank endeavours to comply with the statutory requirements regarding preparation of the financial statements, completion of the audit, review of the financial statements by the Audit and Compliance Committee, approval by the Board, filing of the financial statements and holding of the Annual Meeting within the prescribed deadlines.



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**Marco Rapaglia**  
Chairman  
On behalf of the Board of Directors



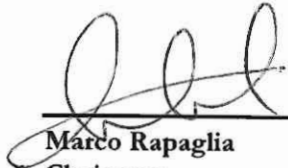
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**Eric Hautefeuille**  
Acting Chief Executive Officer

**Date: 25 March 2026**

**STATEMENT OF COMPLIANCE**  
**(Section 75(3) of the Financial Reporting Act 2004)**

We, the directors of Warwyck Private Bank Ltd, (the 'Company'), hereby confirm to the best of our knowledge that the Company has complied with principles of the Code of Corporate Governance (the 'Code'), save for one instance of non-compliance, the details of which are set out on page 42.

  
\_\_\_\_\_  
**Marco Rapaglia**  
Chairman  
On behalf of the Board of Directors

  
\_\_\_\_\_  
**Eric Hautefeuille**  
Acting Chief Executive Officer

**Date: 25 March 2026**

## **Non-compliance with the National Code of Corporate Governance for Mauritius 2016**


### **Principle 2: The Structure of the Board and its Committees**

#### **Board composition**

For the year ended 31 December 2025, the Bank had only one executive director who held office up to 30 November 2025. The approval from the regulatory authorities for the replacement executive director is awaited.



**Marco Rapaglia**  
Chairperson  
On Behalf of the Board



**Osman Badat**  
Director  
On Behalf of the Board

25 March 2026

## Statement of Management's responsibility for Financial Reporting

For the year ended 31 December 2025

The financial statements for the Bank's operations presented in this Annual Report 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, the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and Bank of Mauritius Guideline on Public Disclosure of Information have been applied and management has exercised its judgement and made best estimates were deemed necessary.

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

The Bank's Board of Directors, acting in part through the Audit and Compliance Committee, the Conduct Review Committee and the Risk Management Committee, which are comprised of independent 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 and Compliance Committee, conducts a well-designed programme of internal audits in coordination with the Bank's external auditors. In addition, the Bank's compliance function maintains policies, procedures and programmes directed at ensuring compliance with regulatory requirements.

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

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




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**Eric Hautefeuille**  
Acting Chief Executive Officer




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**Osman Mahmud Badat**  
Director  
On behalf of the Board of Directors

**Date: 25 March 2026**

**Phoenix 73538**  
**Republic of Mauritius**

## Report from the Secretary

We certify, to the best of our knowledge and belief, that the Bank has filed with the Registrar of Companies all such returns as are required of the Bank under the Mauritius Companies Act 2001, in terms of Section 166 (d), during the financial year ended 31 December 2025.



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**Anex Corporate Services Ltd**  
**Secretary**

8<sup>th</sup> Floor, Ebene Tower  
52 Cybercity  
Ebène 72201  
Republic of Mauritius

**Date: 25 March 2026**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF WARWYCK PRIVATE BANK LTD****Report on the Audit of the Financial Statements*****Opinion***

In our opinion, the accompanying financial statements, set out on pages 50 to 136, give a true and fair view of the financial position of **Warwyck Private Bank Ltd** (the "Bank") at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and the Banking Act 2004.

***What we have audited***

The Bank's accompanying financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes, comprising significant accounting policies and other explanatory information.

***Basis for Opinion***

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "*Auditor's Responsibilities for the Audit of Financial Statements*" section of our report.

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

***Independence***

We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

**INDEPENDENT AUDITOR’S REPORT TO THE MEMBER OF WARWYCK PRIVATE BANK LTD**

**Report on the Audit of the Financial Statements (Continued)**

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Our audit approach to the Key Audit Matter
<b>Expected Credit Losses</b>	
<p>The estimation of Expected Credit Losses (“ECL”) on financial assets involves Management’s judgements and estimates which are subjective due to the significant uncertainty associated with the underlying assumptions in the calculation of ECLs. These include:</p> <ul style="list-style-type: none"> <li>▶ accounting interpretations, assumptions and data points applied to estimate the Probability of Default (“PD”), Exposure At Default (“EAD”) and Loss Given Default (“LGD”) (the net exposure), used to build and run the model that calculate the ECL;</li> <li>▶ allocation of assets between Stage 1 or 2, i.e., identifying triggers for Significant Increase in Credit Risk (“SICR”);</li> <li>▶ inputs and assumptions relating to forward-looking adjustments;</li> </ul> <p>The estimation of Stage 3 ECLs also includes Management’s judgement and estimates to estimate the occurrence of “default” or “loss” event and the eventual recovery of the expected future cash flows, including the realisation of any securities.</p> <p>Change in Management assumptions may have significant impacts on the estimation of Stage 3 ECL provisions.</p> <p><i>Refer to the following notes</i>  <i>Note 2.3 – Material accounting policies – Financial instruments - Impairment of financial assets</i>  <i>Note 3 – Material management judgements - measurement of ECL</i>  <i>Note 10 – Loan and advances</i>  <i>Note 4.2 – Financial Instruments risk - credit risk analysis</i></p>	<p>Our audit approach and procedures comprised of the following:</p> <ul style="list-style-type: none"> <li>▶ evaluated the design and operating effectiveness of controls across the processes relevant to ECL model and calculation;</li> <li>▶ evaluated the criteria used to allocate financial assets between Stage 1 or 2 or 3 in accordance with IFRS 9 requirements;</li> <li>▶ reviewed the list of debit balances to determine number of days in arrears for staging (including default);</li> <li>▶ reviewed and tested the assumptions, inputs and formulae used in the ECL model. This included assessing the appropriateness of model design, refinements made, and recalculating the key inputs such as PD and LGD;</li> <li>▶ involved our specialist modelling and IFRS 9 team in performing certain procedures;</li> <li>▶ assess the reasonableness of forward-looking information, on a sample basis;</li> <li>▶ agreed ECL calculation data points to source system extracts on sample basis, to evaluate data quality;</li> <li>▶ reviewed and reperformed the calculations of provisions per IFRS 9 (on a sample basis) for all Stages;</li> <li>▶ reviewed of collaterals considered as part of the IFRS 9 calculation and reviewed their enforceability;</li> <li>▶ reviewed of after-date receipts of funds for customers (on a sample basis);</li> <li>▶ assessed the adequacy of disclosures in the financial statements in line with accounting standards and regulatory considerations; and</li> <li>▶ considered the complexity of management’s process to design and create financial statement disclosures given the granularity and complexity.</li> </ul>

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF WARWYCK PRIVATE BANK LTD****Report on the Audit of the Financial Statements (Continued)*****Other information***

The directors are responsible for the other information. The other information comprises the Corporate Information, Annual Report, Statement of Management Responsibility for Financial Reporting, Report from the Secretary and Management Discussion and Analysis, but, does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our reporting responsibilities regarding the corporate governance report is dealt with below under the "Corporate Governance report" section of this report.

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

***Corporate Governance report***

Our responsibility, under the Financial Reporting Act 2004, is to report on the compliance with the Code of Corporate Governance 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 report in the annual report, the Public Interest Entity has, pursuant to section 75 of the Financial Reporting Act 2004, complied with the requirements of the Code.

***Responsibilities of Directors for the Financial Statements***

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and the Banking Act 2004 and regulations and guidelines of the Bank of Mauritius, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Bank's financial reporting process.

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF WARWYCK PRIVATE BANK LTD****Report on the Audit of the Financial Statements (Continued)*****Auditor's Responsibilities for the Audit of the Financial Statements (Continued)***

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank'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 Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the Directors with a statement that we have compiled with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our audit report unless laws or regulations 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 of adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF WARWYCK PRIVATE BANK LTD*****Report on other Legal and Regulatory Requirements******Mauritius Companies Act 2001***

The Mauritius Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

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

***Banking Act 2004***

The Banking Act 2004 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

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

***Other matters******Non-Compliance With Guideline on Climate-Related And Environmental Financial Risk Management***

We note that the Bank has not prepared any disclosure with respect to the reporting areas and does not comply with certain sections of the Guideline such as section 29 – Metric and Targets.

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



**Forvis Mazars LLP**

Date: [25 March 2026](#)



**Udaysingh Taukoordass, FCA**  
Licensed by FRC


## Statement of financial position as at 31 December

	Notes	2025 USD	2024 USD	2023 USD
<b>ASSETS</b>				
Cash and cash equivalents	7	101,284,860	158,702,306	65,735,229
Placements with other banks	11	74,217,044	33,998,999	1,606,720
Derivative financial assets	6	35,240	-	-
Loans and advances	10	10,563,786	13,837,658	20,160,840
Investment securities	12	9,479,410	6,908,628	82,143,816
Property, plant and equipment	8(a)	4,941,905	4,941,514	4,797,866
Intangible assets	9	-	308,468	702,128
Deferred tax assets	21(b)(i)	-	57,788	135,947
Current tax assets	21(a)(ii)	-	24,048	18,321
Other assets	13	923,762	4,633,305	6,545,291
<b>TOTAL ASSETS</b>		<b>201,446,007</b>	<b>223,412,714</b>	<b>181,846,158</b>
<b>LIABILITIES</b>				
Deposits from customers	14	178,421,038	204,227,540	165,258,351
Derivative financial liabilities	6	10,516	-	-
Retirement benefit obligations	25	17,481	76,560	84,727
Deferred tax liabilities	21(b)(i)	33,138	-	-
Current tax liabilities	21(a)(ii)	125,471	-	-
Other liabilities	15	3,262,293	449,462	405,392
<b>Total liabilities</b>		<b>181,869,937</b>	<b>204,753,562</b>	<b>165,748,470</b>
<b>SHAREHOLDER'S EQUITY</b>				
Stated capital	16	13,200,000	13,200,000	13,200,000
Statutory reserve	17	3,004,021	2,593,896	2,212,640
General Reserve	18	975,266	963,230	-
Retained earnings		2,396,783	1,902,026	685,048
<b>Total equity</b>		<b>19,576,070</b>	<b>18,659,152</b>	<b>16,097,688</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>201,446,007</b>	<b>223,412,714</b>	<b>181,846,158</b>

Approved by the Board of Directors on 25 March 2026 and signed on its behalf by:

  
 Marco Rapaglia  
 Chairman

  
 Eric Hautefeuille  
 Acting Chief Executive Officer

  
 Osman Mahmud Badat  
 Director

The notes on pages 54 to 136 form an integral part of these financial statements.  
 Auditors' report on pages 45 to 49.

## Statement of profit or loss and other comprehensive income for the year ended 31 December

	Notes	2025 USD	2024 USD	2023 USD
Interest income	22	6,426,756	4,923,969	2,591,564
Interest expense	22	(2,257,531)	(1,902,476)	(431,621)
<b>Net interest income</b>	22	<b>4,169,225</b>	3,021,493	2,159,943
Fee and commission income	23	1,897,423	1,555,784	863,368
Fee and commission expense	23	(559,895)	(290,889)	(280,901)
<b>Net fee and commission income</b>	23	<b>1,337,528</b>	1,264,895	582,467
Other income	24	1,209,102	2,015,123	1,234,969
<b>Operating income</b>		<b>6,715,855</b>	6,301,511	3,977,379
Personnel expenses	19	(2,065,640)	(1,554,156)	(1,218,091)
Other expenses	20	(1,894,903)	(1,888,014)	(1,668,049)
Depreciation and amortisation	8(a) & 8(b) & 9	(451,617)	(525,205)	(399,200)
Net impairment gains on financial assets	10(b) & 13	51,230	21,963	11,229
Net foreign exchange gains		618,718	262,727	158,852
<b>Profit before tax</b>		<b>2,973,643</b>	2,618,826	862,120
Income tax expense	21(a)(i)	(239,478)	(77,119)	(60,444)
<b>Profit for the year</b>		<b>2,734,165</b>	2,541,707	801,676
<b>Other comprehensive income:</b>				
<i>Items that will not be reclassified to profit or loss:</i>				
Remeasurements of post-employment benefit obligations	25(v)	87,108	20,797	(88,118)
Deferred tax on remeasurements of post-employment benefit obligations	21(a)(i)	(4,355)	(1,040)	4,235
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>82,753</b>	19,757	(83,883)
<b>Total comprehensive income for the year</b>		<b>2,816,918</b>	2,561,464	717,793
<b>Transfer to statutory reserve during the year</b>		<b>410,125</b>	381,256	120,251

Approved by the Board of Directors on 25 March 2026 and signed on its behalf by:



Marco Rapaglia  
Chairman



Eric Hautefeuille  
Acting Chief Executive Officer



Osman Mahmad Badat  
Director

The notes on pages 54 to 136 form an integral part of these financial statements.  
Auditors' report on pages 45 to 49

## Statement of changes in equity for the year ended 31 December

	Notes	Stated Capital USD	General Reserve USD	Statutory Reserve USD	Retained Earnings USD	Total Equity USD
<b>At 01 January 2025</b>		<b>13,200,000</b>	<b>963,230</b>	<b>2,593,896</b>	<b>1,902,026</b>	<b>18,659,152</b>
Dividend paid	26	-	-	-	(1,900,000)	(1,900,000)
Transactions with the shareholder		-	-	-	(1,900,000)	(1,900,000)
Profit for the year		-	-	-	2,734,165	2,734,165
Other comprehensive income		-	-	-	82,753	82,753
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>2,816,918</b>	<b>2,816,918</b>
<b>Transfer to statutory reserve</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>410,125</b>	<b>(410,125)</b>	<b>-</b>
<b>Transfer to general reserve</b>	<b>18</b>	<b>-</b>	<b>12,036</b>	<b>-</b>	<b>(12,036)</b>	<b>-</b>
<b>At 31 December 2025</b>		<b>13,200,000</b>	<b>975,266</b>	<b>3,004,021</b>	<b>2,396,783</b>	<b>19,576,070</b>
At 01 January 2024		13,200,000	-	2,212,640	685,048	16,097,688
Profit for the year		-	-	-	2,541,707	2,541,707
Other comprehensive income		-	-	-	19,757	19,757
Total comprehensive income for the year		-	-	-	2,561,464	2561,464
Transfer to statutory reserve	17	-	-	381,256	(381,256)	-
Transfer to general reserve	18	-	963,230	-	(963,230)	-
At 31 December 2024		13,200,000	963,230	2,593,896	1,902,026	18,659,152
At 01 January 2023		13,200,000	-	2,092,389	87,506	15,379,895
Profit for the year		-	-	-	801,676	801,676
Other comprehensive loss		-	-	-	(83,883)	(83,883)
Total comprehensive income for the year		-	-	-	717,793	717,793
Transfer to statutory reserve	17	-	-	120,251	(120,251)	-
At 31 December 2023		13,200,000	-	2,212,640	685,048	16,097,688

The notes on pages 54 to 136 form an integral part of these financial statements.  
Auditors' report on pages 45 to 49

## Statement of cash flows for the year ended 31 December

	Notes	2025 USD	2024 USD	2023 USD
<b>Cash flows from operating activities</b>				
Profit before tax		2,973,643	2,618,826	862,120
<b>Adjustments for:</b>				
Depreciation of property, plant and equipment	8(a)	143,149	131,545	195,801
Depreciation of right of use assets	8(b)	-	-	5,564
Amortisation of intangible assets	9	308,468	393,660	197,835
Net loss on sale of property, plant and equipment		(6,093)	-	9,146
Net gains on disposal of investment	12	(671,416)	(1,746,853)	(83,392)
Fair value losses/(gains) on investment	12	284,097	460,099	(460,099)
Net foreign exchange differences	12	(1,552,094)	2,858,646	-
Interest expense	22	2,257,531	1,902,476	431,621
Fair value gain on derivate financial instruments	6.1	(87,255)	-	-
Interest on treasury bills	22	(160,935)	(225,167)	(2,842)
Other interest income	22	(6,265,821)	(4,698,802)	(2,588,722)
Provision for retirement benefit obligations	25	28,029	12,630	(24,997)
Total adjustments		(5,722,340)	(911,766)	(2,320,085)
<b>Changes in Operating assets and liabilities</b>				
(Increase)/decrease in placement with other banks	11	(39,416,485)	(32,080,462)	330,942
Decrease in loans and advances	10	3,265,362	6,299,970	1,981,612
Decrease in other assets	13	3,700,432	1,898,653	519,610
(Decrease)/increase in deposits from customers	14	(25,859,609)	38,570,066	114,421,991
Increase in other liabilities	15	2,808,316	44,070	12,702
Interest paid		(2,204,425)	(1,503,353)	(306,583)
Interest received		5,472,773	4,410,197	2,505,248
Decrease in derivative financial instrument	6.1	62,530	-	-
		(52,171,106)	17,639,141	119,465,522
Tax refund	21(a) (ii)	10,238	7,606	-
<b>Net cash (used in)/generated from operating activities</b>		<b>(54,909,565)</b>	<b>19,353,807</b>	<b>118,007,557</b>
<b>Cash flows from investing activities</b>				
Acquisition of property, plant and equipment	8(a)	(166,630)	(275,193)	(29,600)
Investment in securities	12	(38,738,882)	(102,523,117)	(88,629,200)
Investment in treasury bills	12	(77,702,307)	(6,848,069)	(7,372,121)
Proceeds from disposal of securities and treasury bills	12	115,650,032	183,259,649	14,403,838
Coupon received	12	320,723	-	-
Proceeds from disposal of property, plant and equipment		29,183	-	47,873
<b>Net cash (used in)/generated from investing activities</b>		<b>(607,881)</b>	<b>73,613,270</b>	<b>(81,579,210)</b>
<b>Cash flows from financing activities</b>				
Principal paid on lease liabilities	8(c)	-	-	(5,999)
Interest paid on lease liabilities	8(c)	-	-	(50)
Payment of dividend	26	(1,900,000)	-	-
<b>Net cash used in financing activities</b>		<b>(1,900,000)</b>	<b>-</b>	<b>(6,049)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(57,417,446)</b>	<b>92,967,077</b>	<b>36,422,298</b>
Cash and cash equivalents at the beginning of the year		158,702,306	65,735,229	29,312,931
<b>Cash and cash equivalents at the end of the year</b>	27	<b>101,284,860</b>	<b>158,702,306</b>	<b>65,735,229</b>

The notes on pages 54 to 136 form an integral part of these financial statements.  
Auditors' report on pages 45 to 49

## Notes to the financial statements

For the year ended 31 December 2025

### 1. General information

Warwyck Private Bank Ltd, the “Bank”, was incorporated in the Republic of Mauritius under the Mauritius Companies Act 2001 on 10 December 2013 as a private company limited by shares. The Bank’s registered office is Warwyck House, Nalletamby Road, Phoenix 73538, Republic of Mauritius.

The Bank holds a Banking Licence issued by the Bank of Mauritius on 25 April 2014 and it started its operations on 23 June 2014. The Bank also holds an Investment Adviser (Unrestricted) Licence, a Custodian Licence and a Custodian (Non-CIS) Licence issued by the Financial Services Commission.

On 27 October 2023, the Bank obtained the Class "R" Virtual Asset Custodian Licence under the Virtual Asset and Initial Token Offering Services Act 2021.

The principal activity of the Bank is to provide private banking services.

These financial statements will be submitted for consideration and approval at the forthcoming Annual Meeting of the Shareholder of the Bank.

### 2. Material Accounting Policies

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

#### 2.1. Basis of preparation

The financial statements of the Bank have been prepared in accordance with IFRS Accounting Standards and in compliance with the Mauritius Companies Act 2001, the Banking Act 2004 and regulations and guidelines issued by the Bank of Mauritius, in so far as the operations of the Bank are concerned.

These financial statements are that of an individual entity. The financial statements are presented in United States Dollar (USD) and all values are rounded to the nearest USD, except when otherwise indicated.

The financial statements are prepared under the historical cost convention except that:

- (i) Certain financial assets and liabilities including investment in securities; and
- (ii) Defined benefit pension plans – measured at fair value.

The preparation of financial statements in conformity with IFRS<sup>®</sup> Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Bank's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements, are disclosed in Note 3.

#### New and amended standards adopted by the Bank

The Bank has applied the following amendments for the first time for their annual reporting period commencing 1 January 2025:

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to materially affect the current or future periods.

## **Notes to the financial statements**

For the year ended 31 December 2025

### **2. Material Accounting Policies (Cont'd)**

#### **2.1. Basis of preparation (Cont'd)**

##### **New standards and interpretations not yet adopted**

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Bank. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

- IAS 21 - The Effects of Changes in Foreign Exchange Rates (Annual periods beginning on or after 1 January 2027)
- IFRS 7 Financial Instrument: Disclosures - Amendments to the Classification and Measurement of Financial Instruments (Annual periods beginning on or after 1 January 2026)
- IFRS 9 Financial Instrument- Amendments to the Classification and Measurement of Financial Instruments (Annual periods beginning on or after 1 January 2026)
- IFRS 18 Presentation and Disclosure in Financial Statements (Annual periods beginning on or after 1 January 2027)

Where relevant, the Bank is still evaluating the effect of these Standards, Amendments to published Standards and Interpretations issued but not yet effective, on the presentation of its financial statements.

#### **2.2. Cash and cash equivalents**

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with central banks and highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Bank in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

#### **2.3. Financial instruments**

##### **Recognition, initial measurement and derecognition**

Financial assets and liabilities are recognised when the Bank becomes party to the contractual provisions of the financial instruments and are measured initially at fair value adjusted by transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are measured as described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.3. Financial instruments (Cont'd)

##### Classification and subsequent measurement of financial assets

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost;
- fair value through profit or loss (FVTPL);
- fair value through other comprehensive income (FVOCI).

The Bank does not have any financial assets categorised as FVOCI. The classification is determined by both:

- the Bank's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within interest income, interest expense or other financial items.

##### Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest.

They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Bank's cash and cash equivalents, placements with an overseas bank, loans and advances and most of its financial assets fall into this category of financial instruments.

##### Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit or loss. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The Bank's investment in securities and derivative financial assets are measured at fair value through profit or loss. The Bank's derivative financial instrument falls within this category.

##### Classification and subsequent measurement of financial liabilities

The Bank's financial liabilities include deposits from customers, other liabilities and lease liabilities.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transactions costs unless the Bank designed a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designed at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.3. Financial instruments (Cont'd)

##### Classification and subsequent measurement of financial liabilities (Cont'd)

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included with interest income and interest expense.

##### Derivative financial instruments

The Bank enters into foreign exchange option contracts with counterparty banks as part of its derivatives trading activities. Additionally, the Bank offers Dual Currency Deposit products to customers which contain embedded foreign exchange options.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently measured at fair value through profit or loss (FVTPL) in accordance with IFRS 9. Transaction costs are recognised immediately in profit or loss.

Derivatives are presented as financial assets when their fair value is positive and as financial liabilities when their fair value is negative.

Certain structured products, including dual currency deposits, contain embedded derivatives. Where the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract, and the hybrid instrument is not measured at FVTPL in its entirety, the embedded derivative is separated and accounted for as a standalone derivative at fair value through profit or loss. The host contract is accounted for in accordance with its classification under IFRS 9.

Changes in the fair value of derivatives, including separated embedded derivatives, are recognised immediately in the statement of profit or loss unless the instrument qualifies for hedge accounting under IFRS 9.

The Bank's derivative transactions, while providing effective economic hedges under the Bank's risk management policies, do not qualify for hedge accounting under the specific requirements of IFRS 9 and are therefore classified as derivatives held for trading, with fair value gains and losses recognised in profit or loss.

##### Interest rate benchmark reform

If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, then the Bank updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e the basis immediately before the change.

If changes are made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, then the Bank first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Bank applies the policies on accounting for modifications set out above to the additional changes.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.3. Financial instruments (Cont'd)

##### Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. For the Bank, instruments within the scope of the new requirements included cash and cash equivalents, placements, investment in securities, loans and advances and most of its other assets (including receivables from related parties) and financial assets at amortised costs.

Recognition of credit losses is no longer dependent on the Bank's first identifying a credit loss event. Instead, the Bank considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this approach, a distinction is made between:

- Financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1");
- Financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2"); and
- 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.
- '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second and third categories.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

#### 2.4. Provision for impairment losses

Specific provisions are made on impaired advances and are calculated as the shortfall between the carrying amounts of the advances and their recoverable amounts. The recoverable amount is the present value of expected future cash flows discounted at the prevailing effective interest rate of the advance. The Bank follows the guidance of the Bank of Mauritius Guideline on Credit Impairment Measurement and Income Recognition (the "Guideline") issued in November 2004 and lastly revised in August 2024 as "Guideline on Classification, Provisioning and write-off of credit exposure.

As at 31 December 2025, the revised Guideline on Classification, Provisioning and Write-Off of Credit Exposures was already implemented.

Any write off, of the different types of assets the Bank, requires amongst other points:

- regular conduct of the recovery analysis and review of the write-off policy at least annually based on findings of time taken for material recovery for different types of non-performing assets;
- write off be done at one level higher than the sanctioning authority and not by the officer who approved the exposure;
- write off of related party credit exposures require the approval of the Board of the Bank;
- on periodical reassessment of the exposure the Bank reverse any provision upon repayment or any improvements in the probability of default

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.4. Provision for impairment losses (Cont'd)

As per the Bank's classification, provisioning and write-off of Credit Exposures policy, the maximum time for the full write-off of exposures towards corporate and retail (including mortgages) should not exceed 7 years and 5 years respectively. Notwithstanding the above specified periods the requirement for a prompt write-off where there is no realistic prospect of further recoveries and in case of insolvency or fraudulent loans where recovery is bleak.

#### 2.5. Offsetting financial instruments

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

#### 2.6. Property, plant and equipment

##### Land and buildings

Freehold land and buildings are initially recognised at acquisition cost or manufacturing 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 Bank's management. Freehold building is subsequently measured using the cost model that is cost less subsequent depreciation and impairment losses.

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

##### Other property plant and equipment

Other property, plant and equipment are initially recognised at acquisition cost or manufacturing 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 Bank's management. Property, plant and equipment are subsequently measured using the cost model that is cost less subsequent depreciation and impairment losses.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposals of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. On disposal of an asset, the difference between the carrying value of the asset and sale consideration is taken to the statement of profit or loss and other comprehensive income.

The assets' residual values, useful lives and methods of depreciation are reviewed and adjusted prospectively, if appropriate, at each reporting date. Repairs and maintenance costs are expensed as incurred.

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

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in profit or loss.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.6. Property, plant and equipment (Cont'd)

##### Other property plant and equipment (Cont'd)

Depreciation is calculated on the straight-line method to allocate the cost of each asset to their residual values over their estimated useful lives as follows:

Office and equipment	20%
Computer equipment	25%
Furniture and fittings	20%
Motor vehicles	20%
Buildings	2%

#### 2.7. Interest income and expense

##### (i) Effective Interest Rate

Interest income and expense are recognised in the statement of profit or loss and other comprehensive income for all interest-bearing instruments using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but not ECL. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including ECL.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.7. Interest income and expense

- (ii) Amortised cost and gross carrying amount

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance. The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

- (iii) Calculation of interest income and expense

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating-rate instruments to reflect movements in market rates of interest. The effective interest rate is also revised for fair value hedge adjustments at the date on which amortisation of the hedge adjustment begins.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired (including stage 3 loans), then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

#### 2.8. Fees and commission

Fee and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate.

Other fee and commission income – including account servicing fees, card fees, and investment advisory fees are recognised as the related services are performed.

Other fee and commission expenses relate mainly to transaction and service fees, which are expensed as the services are received.

#### 2.9. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Bank recognises revenue when it transfers control over a product or service to a customer. The following table depicts the various sources of revenue from contracts with customers:

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.9. Revenue recognition (Cont'd)

Services	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies under IFRS 15
Investment advisory fees – Sub-funds of the VCC	The Bank provides investment advisory services to various sub-funds of Warwyck Phoenix VCC. Fees are recognised on a monthly basis and are charged to clients on a quarterly basis based on the net asset value (NAV) of each sub-fund.	Revenue from investment advisory fees is recognised over time as the services are provided.
Account Service Fees	Fees for ongoing account management are charged to the customer's account on a monthly basis.	Revenue from account service fees is recognised over time as the services are provided.
FX Option Income / Structured products	The Bank acts as an arranger for FX option products. The Bank receives an option premium from the client, and in turn enters into back-to-back FX option contracts and a net commission is recognised.	The revenue from FX options is recognised at a point in time, i.e., when the transaction takes place.
Commission on Card	All fees related to credit and prepaid cards, including Card annual fee, Cash withdrawal fee, Card interchange fee, Prepaid card loading fee, Courier charges involved in sending the card and PIN to client among others.	The revenue from commission on cards is recognised at a point in time, i.e., when the transaction takes place.

Dividend income is recognised when the right to receive payment is established.

#### 2.10. Foreign currencies

##### (a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Bank operates ('the functional currency'). The financial statements are presented in United States dollar (USD), which is also the Bank's functional and presentation currency.

##### (b) Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of 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 statement of profit or loss.

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.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.10. Foreign currencies (Cont'd)

##### (b) Foreign currency transactions and balances (Cont'd)

Assets and liabilities have been translated into USD at the closing rate at the reporting date. Income and expenses have been translated into USD at rates prevailing on the date of transaction over the reporting period.

The exchange rates used to convert the Bank's foreign transactions into USD at reporting date were as follows:

	Currency pair	2025	2024	2023
<b>Euro</b>	EUR/USD	<b>1.1740</b>	1.0407	1.1078
<b>Mauritian Rupee</b>	USD/MUR	<b>46.0363</b>	47.0655	44.2733
<b>Great Britain Pound Sterling</b>	GBP/USD	<b>1.3463</b>	1.2547	1.2737
<b>United Arab Emirates Dirham</b>	AED/USD	<b>0.2723</b>	0.2722	0.2723
<b>South African Rand</b>	USD/ZAR	<b>16.5956</b>	18.8044	18.5216
<b>Swiss Franc</b>	CHF/USD	<b>1.2621</b>	1.1075	1.1869

#### 2.11. Income taxes

The tax credit/(expense) for the year comprises of current tax and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

The Bank is liable to tax at the rate of 5% on the first MUR 1.5 bn of its chargeable income and at the rate of 15% above the MUR 1.5 bn.

##### (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 tax

Deferred income taxes are calculated using the liability method on temporary differences arising 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 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.

Deferred tax assets and liabilities are offset only when the Bank has 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 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.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.11. Income taxes (Cont'd)

##### (c) Special Levy

Special levy on banks was amended under the Finance Act 2023 and is now governed under the VAT Act. Every bank shall in every year be liable to pay a special levy calculated at 5.5% of the leviable income. Leviable income applies to banking transactions and is defined as the sum of net interest income and other income before deduction of expenses, arising from transactions with residents other than companies holding a Global Business Licence under the Financial Services Act. The levy for a bank which was in operation as at 30 June 2018 shall be lower of current levy payable or 1.5 times the levy payable for the year of assessment 2017-2018.

##### (d) Corporate Social responsibility

The Corporate Social Responsibility ("CSR") was legislated by the Government of Mauritius in July 2009. In terms of the legislation, the Bank is required to allocate 2% of its chargeable income under Resident of the preceding financial year to Government-approved CSR projects. Where the amount paid out of the CSR fund is less than the amount provided under the fund, the difference shall be remitted to the Mauritius Revenue Authority at the time of submission of the income tax return on the year under review.

##### (e) Climate Change Responsibility (CCR) Levy

As from the year of assessment commencing on 1 July 2024, the CCR levy was introduced by the Mauritian Government at a rate of 2% which is applicable to the Bank. However, the Company does not have a CCR charge at the reporting date because it does not satisfy both criteria as follows:

- taxable revenue including exempt income exceed approx. USD 1m; and
- the Company does not have chargeable income.

##### (f) Fair Share Contribution (FSC)

As from the year of assessment commencing on 1 July 2024, a Fair Share Contribution (FSC) was introduced by the Mauritian Government. The FSC is applicable at a rate of 2% on chargeable income where the following conditions are met:

- the Company's taxable revenue including exempt income exceeds approximately USD 1 million; and
- the Company has chargeable income for the year.

At the reporting date, the Company does not recognise any FSC liability as it does not satisfy the above criteria.

#### 2.12. Retirement benefit obligations

##### Pension and retirement scheme

The Bank contributes 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 Bank has no further payment obligations. The regular contributions constitute net periodic costs for the year in which they are due and are included in personnel expenses.

The retirement benefits in respect of employment legislation are recognised when disbursed.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.12. Retirement benefit obligations (Cont'd)

##### State plan

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

##### Short-term employee benefits

Short-term employee benefits are included in personnel expenses.

##### Gratuity on retirement

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

#### 2.13. Provisions

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of economic resources will be required to settle the obligation, and the amount can be estimated reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risk and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

#### 2.14. Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The Bank accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- There is an identified asset;
- The Bank obtains substantially all the economic benefits from use of the asset; and
- The Bank has the right to direct use of the asset.

The Bank considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Bank obtains substantially all the economic benefits from use of the asset, the Bank considers only the economic benefits that arise use of the asset, not those incidentals to legal ownership or other potential benefits.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.14. Leases (Cont'd)

In determining whether the Bank has the right to direct use of the asset, the Bank considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Bank considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Bank applies other applicable IFRSs rather than IFRS 16.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate varying from 4% to 5.5% determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Bank's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the Bank if it is reasonably certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Bank is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Bank revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.15. Intangible assets

Software acquired by the Bank is measured at cost less accumulated amortisation and any accumulated impairment losses.

Expenditure on internally developed software is recognised as an asset when the Company is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software and capitalised borrowing costs, and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Software is amortised on a straight-line basis in profit or loss over its estimated useful life, from the date on which it is available for use. The estimated useful life of software is four to six years. The estimated useful life for the intangible assets is as follow:

Software 16.67% - 25%

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. The Bank applies accelerated amortisation methods for certain software where management considers that the pattern of economic benefits is expected to be consumed more rapidly in the earlier years of use. This approach is considered to best reflect the consumption of the asset's economic benefits.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred in the statement of profit or loss.

#### 2.16. Impairment of non-financial assets

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

#### 2.17. Stated capital and reserves

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

Retained earnings include current and prior years' results as disclosed in the statement of profit or loss and other comprehensive income.

Dividend payment to the shareholder is deducted from retained earnings when the dividend has been approved by the Board before the reporting date.

Statutory reserve represents non-distributable reserves which is 15% of the profit after tax transferred from retained earnings in accordance with relevant local banking legislations. This reserve is not distributable.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.18. Other expenses

Other expenses are recognised in the statement of profit or loss upon utilisation of the service or at the date of their origin.

#### 2.19. Residents and Non Residents Activities

A segment is a distinguishable component of the Bank that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to the risks and rewards that are different from those of other segments. Segment income, segment expenses and segment performance include transfers between business segments and between geographical segments.

The Bank prepares its financial statements in line with the requirements of the Bank of Mauritius guideline on 'Segmental Reporting under a Single Banking Licence Regime' which sets out the essential components of Residents and Non-Residents.

##### Non Residents Activities

Non Resident (NR) activity essentially relates to the provision of international financial services that give rise to 'foreign source income'. Such services may be fund based and/ or non-fund based. NR asset will generally consist of placements with and advances to foreign resident companies, institutions as well as individuals including stocks and debt instruments and claims on non-residents and/or entities holding Global Business Licence ('GBLs'). NR liabilities will normally arise from deposits, borrowings, funds deposited by non-residents and GBLs.

##### Residents Activities

Resident activity relates to all banking business other than non-resident activity. The financial services provided under Residents may be fund and/or non-fund based. Resident's business will essentially consist of transactions with residents of Mauritius, both on the liability side and asset side.

As at 31 December 2025, resident portfolio represented 9.58% (2024: 11.8% and 2023: 26.77%) as disclosed in Note 30.

#### 2.20. Guarantees

In the normal course of business, the Bank issues various forms of guarantees to support its customers. These guarantees are kept off-balance sheet unless a provision is needed to cover probable losses.

## Notes to the financial statements

For the year ended 31 December 2025

### 2. Material Accounting Policies (Cont'd)

#### 2.21. Off-balance sheet arrangements

In the normal course of business, the Bank enters into arrangements that, under IFRS Accounting Standards, 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 Bank does 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 gain or loss recorded in the statement of profit or loss and other comprehensive income.

### 3. Material management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

#### Material management judgements

The following are the judgements made by management in applying the accounting policies of the Bank that have the most material effect on the financial statements.

##### *Determination of functional currency*

The determination of the functional currency of the Bank is critical since recording of transactions and exchange differences arising therefrom are dependent on the functional currency selected. The directors have considered those factors and have determined that the functional currency of the Bank is the USD.

##### *Intangible assets*

Management uses its judgement when determining whether the recognition requirements for the capitalisation of intangible assets are met. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are indicators that these assets may be impaired.

##### *Recognition of deferred tax assets*

The extent to which deferred tax asset can be recognised is based on an assessment of the probability of the Bank's future taxable income will be available against which the deductible temporary differences and tax loss carry forwards can be utilised.

##### *Residents and Non-Residents reporting*

The Bank has prepared financial statements in line with requirements of the Bank of Mauritius Guideline on 'Public Disclosure of Information' which requires that segment information should be provided for residents and non-resident banking business (Note 2.19). The directors have determined that the revenues and expenses are mostly attributable to non-resident.

## Notes to the financial statements

For the year ended 31 December 2025

### 3. Material management judgement in applying accounting policies and estimation uncertainty (Cont'd)

#### Estimation uncertainty

Estimates and judgements are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Bank makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *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, expected salary increase rate and withdrawal 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 for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 25.

#### *Asset lives and residual values*

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

#### *Depreciation policies*

Property, plant and equipment are depreciated to their residual values over their estimated useful lives. The residual value of an asset is the estimated net amount that the Bank would currently obtain from disposal of the asset, if the asset was already of the age and in condition expected at the end of its useful life.

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

## Notes to the financial statements

For the year ended 31 December 2025

### 3. Material management judgement in applying accounting policies and estimation uncertainty (Cont'd)

#### *Limitation of sensitivity analysis*

Sensitivity analysis as disclosed in Note 4.1 in respect of market risk demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results.

Sensitivity analysis does not take into consideration that the Bank's assets and liabilities are managed. Other limitations include the use of hypothetical market movements to demonstrate potential risk that only represent the Bank's view of possible near-term market changes that cannot be predicted with any certainty.

#### *Measurement of the expected credit loss allowance*

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and material assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of inputs, assumptions, and estimation techniques used in measuring Expected Credit Losses ('ECL') is further detailed in Note 4.2.2, 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:

- a. Determining criteria for significant increase in credit risk; and
- b. Choosing appropriate models and assumptions for the measurement of ECL.

Detailed information about the inputs, assumptions and estimation techniques used by the Bank in the above areas is set out in Note 4.2.2.3.

#### *Specific allowance for credit impairment*

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. As at 31 December 2025, no specific allowance was made (2024: nil and 2023: nil).

#### *General allowance for credit impairment*

The general allowance for credit impairment is estimated based upon historical patterns of losses in each component of the portfolio of loans and advances as well as management estimate of the impact of current economic and other relevant conditions on the recoverability of the loans and advances portfolio.

## Notes to the financial statements

For the year ended 31 December 2025

### 3. Material management judgement in applying accounting policies and estimation uncertainty (Cont'd)

#### Going concern

By virtue of its strategic plan and initiatives set for 2025, the Bank aims to:

- (i) further expand on its current product offering, namely Lombard loan,
- (ii) develop new products and services, including but not limited to structured products,
- (iii) enhance its interactions with its existing clients in a bid to increase their banking activity,
- (iv) at all times, maintain high quality service and customer satisfaction, and
- (v) ongoing monitoring to contain costs generally.

The Liquidity coverage ratio (LCR) of the Bank stood at 2,091% (2024: 2,527% and 2023: 291%) well above the regulatory limit of 100% as stated in Note 4.4. Similarly, the Bank has maintained its Capital adequacy ratio (CAR) at 30.45% (2024: 32.03% and 2023: 28.10%) well above the regulatory limit of 12.50% as stated in Note 5 for the financial year 2025.

Based on the above, the Bank's ability to operate as going concern is not jeopardised.

### 4. Financial instrument risk

#### Risk management objectives and policies

The Bank's financial assets and liabilities by category are summarised in the table below:

	2025 USD	2024 USD	2023 USD
<b>Financial assets</b>			
<i>At fair value through profit or loss:</i>			
Money market placement (included in investment in securities)	-	-	74,768,853
Treasury bonds	<b>9,479,410</b>	-	-
Derivative financial assets	<b>35,240</b>	-	-
<i>At amortised cost:</i>			
Placements with other banks	<b>74,217,044</b>	33,998,999	1,606,720
Cash and cash equivalents	<b>101,284,860</b>	158,702,306	65,735,229
Loans and advances	<b>10,563,786</b>	13,837,658	20,160,840
Treasury bills	-	6,908,628	7,374,963
Other assets	<b>376,368</b>	3,135,308	3,797,178
	<b>195,956,708</b>	216,582,899	173,443,783

	2025 USD	2024 USD	2023 USD
<b>Financial liabilities</b>			
<i>At fair value through profit or loss:</i>			
Derivative financial liabilities	<b>10,516</b>	-	-
<i>At amortised cost:</i>			
Deposits from customers	<b>178,421,038</b>	204,227,540	165,258,351
Other liabilities	<b>3,197,085</b>	414,280	374,233
	<b>181,628,639</b>	204,641,820	165,632,584

\* Other assets considered as financial assets exclude prepayments and cash reserve requirements as disclosed in Note 13.

\*\* Other liabilities considered as financial liabilities exclude statutory deductions as disclosed in Note 15

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

The Bank's activities expose it 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 Bank's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Bank's financial performance.

The Bank's risk management is coordinated by management in close cooperation with the Board of Directors and committees set by the Board, and focuses on actively securing the Bank's short to medium-term cash flows by minimising the exposure to financial markets.

Risk management is carried out by the Risk Management Committee under policies approved by the Board of Directors. The Risk Management Committee identifies, evaluates and hedges financial risks in close co-operation with the Bank's operating units. In addition, internal audit is responsible for the independent review of risk management and the control environment. The main types of risks faced by the Bank are market risk, credit risk, liquidity risk and operational risks. Market risk includes currency risk, interest rate risk and price risks.

#### 4.1. 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 and equity price risks. 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 Bank's trading businesses.

Market risk is monitored consistently by the Chief Risk Officer and the treasury department and reported to the Bank's Risk Management Committee. Movements of major currencies, trends and forecasts are analysed in the Risk Management Committee. Matching of the Bank'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.

##### 4.1.1 Price sensitivity

The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date.

If equity prices had been 1% higher/lower:

Net profit for the year ended 31 December 2025 increase/decrease by USD Nil (2024: USD Nil and 2023: USD 747,686) as a result of the changes in price of securities.

**Notes to the financial statements**

For the year ended 31 December 2025

**4. Financial instrument risk (Cont'd)****Risk management objectives and policies (Cont'd)****4.1. Market risk analysis (Cont'd)****4.1.2 Foreign currency sensitivity**

Foreign exchange risk is the risk that the Bank's earnings and economic value will be adversely affected with movements in foreign exchange rates. The Bank 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 Bank monitors its foreign exchange risk exposure based on limits set in the Bank's Foreign Currency Risk Policy. Authorisation limits are clearly indicated in this policy. Foreign exchange exposures are reported to the Bank of Mauritius as per the guidelines. The Risk Management Committee is the main forum in which foreign exchange and treasury matters are discussed and analysed.

The Bank's reporting currency is the United States Dollar (USD) but it has assets, liabilities, income and expenses in other currencies. The following table summarises the Bank's exposure to the foreign exchange rate risk at 31 December 2025, 31 December 2024 and 31 December 2023.

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.1. Market risk analysis (Cont'd)

#### 4.1.2 Foreign currency sensitivity (Cont'd)

At 31 December 2025	USD	EUR	CHF	MUR	GBP	ZAR	AED	DKK	HKD	SEK	JPY	SGD	CAD	Total
	USD Equivalent													
<b>Assets</b>														
Cash and cash equivalents	59,794,875	33,769,880	3,290,973	96,772	3,158,257	-	1,164,043	1,584	5,730	1,965	20	751	10	101,284,860
Placements with other banks	-	58,452,144	-	-	-	-	15,764,900	-	-	-	-	-	-	74,217,044
Loans and advances	1,505,018	9,058,768	-	-	-	-	-	-	-	-	-	-	-	10,563,786
Investment securities	6,238,326	3,241,084	-	-	-	-	-	-	-	-	-	-	-	9,479,410
Other assets	185,046	168,139	-	23,183	-	-	-	-	-	-	-	-	-	376,368
Derivative financial assets	35,240	-	-	-	-	-	-	-	-	-	-	-	-	35,240
<b>Total assets</b>	<b>67,758,505</b>	<b>104,690,015</b>	<b>3,290,973</b>	<b>119,955</b>	<b>3,158,257</b>	<b>-</b>	<b>16,928,943</b>	<b>1,584</b>	<b>5,730</b>	<b>1,965</b>	<b>20</b>	<b>751</b>	<b>10</b>	<b>195,956,708</b>
<b>Liabilities</b>														
Deposits from customers	50,445,674	104,676,647	3,247,460	-	3,172,698	2	16,878,557	-	-	-	-	-	-	178,421,038
Other liabilities	2,674,805	476,460	-	45,820	-	-	-	-	-	-	-	-	-	3,197,085
Derivative financial liabilities	10,516	-	-	-	-	-	-	-	-	-	-	-	-	10,516
<b>Total liabilities</b>	<b>53,130,995</b>	<b>105,153,107</b>	<b>3,247,460</b>	<b>45,820</b>	<b>3,172,698</b>	<b>2</b>	<b>16,878,557</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>181,628,639</b>
<b>Net on-balance sheet position</b>	<b>14,627,510</b>	<b>(463,092)</b>	<b>43,513</b>	<b>74,135</b>	<b>(14,441)</b>	<b>(2)</b>	<b>50,386</b>	<b>1,584</b>	<b>5,730</b>	<b>1,965</b>	<b>20</b>	<b>751</b>	<b>10</b>	<b>14,328,069</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.1. Market risk analysis (Cont'd)

#### 4.1.2 Foreign currency sensitivity (Cont'd)

At 31 December 2024	USD	EUR	CHF	MUR	GBP	ZAR	AED	DKK	HKD	SEK	Total
	USD Equivalent										
Assets											
Cash and cash equivalents	47,601,585	73,664,907	348,701	48,920	524,710	-	36,510,386	1,328	1,254	515	158,702,306
Placements with other banks	1,219,250	32,779,749	-	-	-	-	-	-	-	-	33,998,999
Loans and advances	2,499,266	11,336,932	-	-	-	-	1,460	-	-	-	13,837,658
Investment securities	6,908,628	-	-	-	-	-	-	-	-	-	6,908,628
Other assets	3,055,053	71,366	-	8,889	-	-	-	-	-	-	3,135,308
<b>Total assets</b>	<b>61,283,782</b>	<b>117,852,954</b>	<b>348,701</b>	<b>57,809</b>	<b>524,710</b>	<b>-</b>	<b>36,511,846</b>	<b>1,328</b>	<b>1,254</b>	<b>515</b>	<b>216,582,899</b>
Liabilities											
Deposits from customers	47,723,768	119,120,227	353,228	-	533,548	2	36,496,767	-	-	-	204,227,540
Other liabilities	406,762	2,742	237	4,539	-	-	-	-	-	-	414,280
<b>Total liabilities</b>	<b>48,130,530</b>	<b>119,122,969</b>	<b>353,465</b>	<b>4,539</b>	<b>533,548</b>	<b>2</b>	<b>36,496,767</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>204,641,820</b>
<b>Net on-balance sheet position</b>	<b>13,153,252</b>	<b>(1,270,015)</b>	<b>(4,764)</b>	<b>53,270</b>	<b>(8,838)</b>	<b>(2)</b>	<b>15,079</b>	<b>1,328</b>	<b>1,254</b>	<b>515</b>	<b>11,941,079</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.1. Market risk analysis (Cont'd)

#### 4.1.2 Foreign currency sensitivity (Cont'd)

At 31 December 2023	USD	EUR	CHF	MUR USD equivalent	GBP	ZAR	AED	Total
Assets								
Cash and cash equivalents	44,299,835	18,593,646	1,751,196	75,886	1,014,365	29	272	65,735,229
Placements with other banks	1,606,720	-	-	-	-	-	-	1,606,720
Loans and advances	2,498,003	17,662,837	-	-	-	-	-	20,160,840
Investment Securities	4,014,571	78,129,245	-	-	-	-	-	82,143,816
Other assets	611,595	3,174,484	-	11,099	-	-	-	3,797,178
<b>Total assets</b>	<b>53,030,724</b>	<b>117,560,212</b>	<b>1,751,196</b>	<b>86,985</b>	<b>1,014,365</b>	<b>29</b>	<b>272</b>	<b>173,443,783</b>
Liabilities								
Deposits from customers	42,623,667	119,854,596	1,757,579	-	1,022,260	2	247	165,258,351
Other liabilities	370,087	1,351	-	2,795	-	-	-	374,233
<b>Total liabilities</b>	<b>42,993,754</b>	<b>119,855,947</b>	<b>1,757,579</b>	<b>2,795</b>	<b>1,022,260</b>	<b>2</b>	<b>247</b>	<b>165,632,584</b>
<b>Net on-balance sheet position</b>	<b>10,036,970</b>	<b>(2,295,735)</b>	<b>(6,383)</b>	<b>84,190</b>	<b>(7,895)</b>	<b>27</b>	<b>25</b>	<b>7,811,199</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.1. Market risk analysis (Cont'd)

#### 4.1.2 Foreign currency sensitivity (Cont'd)

The Bank is exposed to foreign exchange risk arising from its currency exposure, primarily with respect to the Euro (EUR), Mauritian Rupee (MUR), Great Britain Pound Sterling (GBP), United Arab Emirates dirham (AED), Swiss Franc (CHF) and South African Rand (ZAR).

The sensitivity of profit and equity in regards to the Bank's financial instruments is subject to changes in the EUR/USD, MUR/USD, GBP/USD, AED/USD, USD/CHF and ZAR/USD exchange rates "all other things being equal".

It assumes the following percentage changes in the exchange rates for the years ended 31 December 2025, 31 December 2024 and 31 December 2023:

	% Change		
	2025	2024	2023
EUR	<b>13%</b>	6%	4%
MUR	<b>2%</b>	6%	1%
GBP	<b>7%</b>	1%	6%
AED	<b>0%</b>	0%	0%
CHF	<b>14%</b>	7%	10%
ZAR	<b>12%</b>	2%	9%

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 Bank's foreign currency financial instruments held at each reporting date.

If the USD had strengthened by the above percentages, then this would have had the following impact:

	2025		2024		2023	
	Profit USD	Equity USD	Profit USD	Equity USD	Profit USD	Equity USD
EUR	<b>(59,316)</b>	<b>(59,316)</b>	(76,925)	(76,925)	13,091	13,091
MUR	<b>1,621</b>	<b>1,621</b>	3,360	3,360	446	446
GBP	<b>(1,054)</b>	<b>(1,054)</b>	(132)	(132)	(445)	(445)
AED	<b>4</b>	<b>4</b>	2	2	-	-
CHF	<b>6,074</b>	<b>6,074</b>	(319)	(319)	(638)	(638)
ZAR	-	-	-	-	2	2

If the USD had weakened by the above percentages, then this would have had the following impact:

	2025		2024		2023	
	Profit USD	Equity USD	Profit USD	Equity USD	Profit USD	Equity USD
EUR	<b>59,316</b>	<b>59,316</b>	76,925	76,925	(13,091)	(13,091)
MUR	<b>(1,621)</b>	<b>(1,621)</b>	(3,360)	(3,360)	(446)	(446)
GBP	<b>1,054</b>	<b>1,054</b>	132	132	445	445
AED	<b>(4)</b>	<b>(4)</b>	(2)	(2)	-	-
CHF	<b>(6,074)</b>	<b>(6,074)</b>	319	319	638	638
ZAR	-	-	-	-	(2)	(2)

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.1. Market risk analysis (Cont'd)

##### 4.1.3 Interest rate sensitivity

The Bank has interest bearing financial assets in the form of loans and advances and placements which are at fixed rates as well as floating rates and has interest bearing financial liabilities in the form of term deposits and borrowings which are also at fixed rates and floating rates. Hence, the Bank is exposed to interest rate risk on these financial assets and liabilities with floating rates.

	2025	2024	2023
	USD	USD	USD
Impact on Earnings	195,554	249,703	339,261

#### Interest sensitivity of assets and liabilities – repricing analysis

31 December 2025	Up to 1 month USD	1-3 months USD	3-6 months USD	6-12 months USD	1-3 years USD	Over 3 years USD	Non-interest bearing USD	Total USD
Cash and cash equivalents	71,621,865	2,349,781	-	-	-	-	27,313,214	101,284,860
Placements with other banks	2,663,710	23,209,292	13,217,830	35,126,212	-	-	-	74,217,044
Loans and advances	3,646,932	-	1,714,506	2,762,250	587,719	1,883,167	-	10,594,574
Investment securities	-	-	-	-	-	9,479,410	-	9,479,410
Derivative financial assets	-	-	-	-	-	-	35,240	35,240
Other assets	-	-	-	-	-	-	376,368	376,368
	77,932,507	25,559,073	14,932,336	37,888,462	587,719	11,362,577	27,724,822	195,987,496
Less allowance for credit impairment	(379)	-	(17,776)	(959)	(372)	(11,302)	-	(30,788)
<b>Total assets</b>	<b>77,932,128</b>	<b>25,559,073</b>	<b>14,914,560</b>	<b>37,887,503</b>	<b>587,347</b>	<b>11,351,275</b>	<b>27,724,822</b>	<b>195,956,708</b>
Deposits from customers	15,754,292	30,619,056	-	31,857,289	549,205	-	99,641,196	178,421,038
Other liabilities	-	-	-	-	-	-	3,197,085	3,197,085
Derivative financial liabilities	-	-	-	-	-	-	10,516	10,516
<b>Total liabilities</b>	<b>15,754,292</b>	<b>30,619,056</b>	<b>-</b>	<b>31,857,289</b>	<b>549,205</b>	<b>-</b>	<b>102,848,797</b>	<b>181,628,639</b>
<b>Net on-balance sheet interest sensitivity gap</b>	<b>62,177,836</b>	<b>(5,059,983)</b>	<b>14,914,560</b>	<b>6,030,214</b>	<b>38,142</b>	<b>11,351,275</b>	<b>(75,123,975)</b>	<b>14,328,069</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.1. Market risk analysis (Cont'd)

#### 4.1.3 Interest rate sensitivity (Cont'd)

##### Interest rate profiling

31 December 2025	Fixed interest rate USD	Variable interest rate USD	Non-bearing interest rate USD	Total USD
Cash and cash equivalents	73,971,646	-	27,313,214	101,284,860
Placements with other banks	74,217,044	-	-	74,217,044
Loans and advances	587,719	10,006,855	-	10,594,574
Investment securities	9,479,410	-	-	9,479,410
Derivative financial assets	-	-	35,240	35,240
Other assets	-	-	376,368	376,368
	<b>158,255,819</b>	<b>10,006,855</b>	<b>27,724,822</b>	<b>195,987,496</b>
Less allowance for credit impairment	(372)	(30,416)	-	(30,788)
<b>Total assets</b>	<b>158,255,447</b>	<b>9,976,439</b>	<b>27,724,822</b>	<b>195,956,708</b>
Deposits from customers	78,779,842	-	99,641,196	178,421,038
Other liabilities	-	-	3,197,085	3,197,085
Derivative financial liabilities	-	-	10,516	10,516
<b>Total liabilities</b>	<b>78,779,842</b>	<b>-</b>	<b>102,848,797</b>	<b>181,628,639</b>
<b>Net on-balance sheet interest sensitivity gap</b>	<b>79,475,605</b>	<b>9,976,439</b>	<b>(75,123,975)</b>	<b>14,328,069</b>

Various scenarios are used to measure the effect of the changing interest rates on net interest income including the standardised approach of 200bp parallel shock over a 12-month period assuming a static balance sheet, as shown below.

	2025 USD	2024 USD	2024 USD
<b>Increase/(decrease) in profit</b>	<b>194,243</b>	249,703	339,261

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.1. Market risk analysis (Cont'd)

#### 4.1.3 Interest rate sensitivity (Cont'd)

##### Interest sensitivity of assets and liabilities – repricing analysis

31 December 2024	Up to 1 month USD	1-3 months USD	3-6 months USD	6-12months USD	1-3years USD	Over 3 years USD	Non-interest bearing USD	Total USD
Cash and cash equivalents	78,188,192	52,237,102	-	-	-	-	28,277,012	158,702,306
Placements with other banks	-	-	27,460,615	1,219,250	5,319,134	-	-	33,998,999
Loans and advances	4,511,653	-	1,497,222	3,537,392	2,174,055	2,166,800	-	13,887,122
Investment securities	-	-	-	2,910,913	1,992,614	2,005,101	-	6,908,628
Other assets	-	-	-	-	-	-	3,167,862	3,167,862
	82,699,845	52,237,102	28,957,837	7,667,555	9,485,803	4,171,901	31,444,874	216,664,917
Less allowance for credit impairment	(638)	-	(7,393)	-	(22,593)	(18,840)	(32,554)	(82,018)
<b>Total assets</b>	<b>82,699,207</b>	<b>52,237,102</b>	<b>28,950,444</b>	<b>7,667,555</b>	<b>9,463,210</b>	<b>4,153,061</b>	<b>31,412,320</b>	<b>216,582,899</b>
Deposits from customers	26,864,768	54,107,973	26,375,705	607,239	482,256	-	95,789,599	204,227,540
Other liabilities	-	-	-	-	-	-	414,280	414,280
<b>Total liabilities</b>	<b>26,864,768</b>	<b>54,107,973</b>	<b>26,375,705</b>	<b>607,239</b>	<b>482,256</b>	<b>-</b>	<b>96,203,879</b>	<b>204,641,820</b>
<b>Net on-balance sheet interest sensitivity gap</b>	<b>55,834,439</b>	<b>(1,870,871)</b>	<b>2,574,739</b>	<b>7,060,316</b>	<b>8,980,954</b>	<b>4,153,061</b>	<b>(64,791,559)</b>	<b>11,941,079</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.1. Market risk analysis (Cont'd)

#### 4.1.3 Interest rate sensitivity (Cont'd)

##### Interest rate profiling

31 December 2024	Fixed interest rate USD	Variable interest rate USD	Non-bearing interest rate USD	Total USD
Cash and cash equivalents	130,425,294	-	28,277,012	158,702,306
Placements with other banks	33,998,999	-	-	33,998,999
Loans and advances	1,244,142	12,642,980	-	13,887,122
Investment securities	6,908,628	-	-	6,908,628
Other assets	-	-	3,167,862	3,167,862
	172,577,063	12,642,980	31,444,874	216,664,917
Less allowance for credit impairment	-	(49,464)	(32,554)	(82,018)
<b>Total assets</b>	<b>172,577,063</b>	<b>12,593,516</b>	<b>31,412,320</b>	<b>216,582,899</b>
Deposits from customers	108,437,941	-	95,789,599	204,227,540
Other liabilities	-	-	414,280	414,280
<b>Total liabilities</b>	<b>108,437,941</b>	<b>-</b>	<b>96,203,879</b>	<b>204,641,820</b>
<b>Net on-balance sheet interest sensitivity gap</b>	<b>64,139,122</b>	<b>12,593,516</b>	<b>(64,791,559)</b>	<b>11,941,079</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.1. Market risk analysis (Cont'd)

#### 4.1.3 Interest rate sensitivity (Cont'd)

##### Interest sensitivity of assets and liabilities – repricing analysis

31 December 2023	Up to 1 month USD	1-3 months USD	3-6 months USD	6-12 months USD	1-3 years USD	Over 3 years USD	Non- Maturity USD	Non-interest bearing USD	Total USD
Cash and cash equivalents	41,258,532	-	-	-	-	-	-	24,476,697	65,735,229
Placements with other banks	-	1,606,720	-	-	-	-	-	-	1,606,720
Loans and advances	7,655,789	-	3,104,247	1,218,261	4,931,844	3,321,046	-	-	20,231,187
Investment Securities	-	-	3,840,868	3,534,095	-	-	74,768,853	-	82,143,816
Other assets	-	-	-	-	-	-	-	3,830,812	3,830,812
	48,914,321	1,606,720	6,945,115	4,752,356	4,931,844	3,321,046	74,768,853	28,307,509	173,547,764
Less allowance for credit impairment	-	-	-	-	-	-	-	(103,981)	(103,981)
<b>Total assets</b>	<b>48,914,321</b>	<b>1,606,720</b>	<b>6,945,115</b>	<b>4,752,356</b>	<b>4,931,844</b>	<b>3,321,046</b>	<b>74,768,853</b>	<b>28,203,528</b>	<b>173,443,783</b>
Deposits from customers	47,280,388	38,679,631	3,132,822	-	1,356,055	508,453	-	74,301,002	165,258,351
Other liabilities	-	-	-	-	-	-	-	374,233	374,233
<b>Total liabilities</b>	<b>47,280,388</b>	<b>38,679,631</b>	<b>3,132,822</b>	<b>-</b>	<b>1,356,055</b>	<b>508,453</b>	<b>-</b>	<b>74,675,235</b>	<b>165,632,584</b>
<b>Net on-balance sheet interest sensitivity gap</b>	<b>1,633,933</b>	<b>(37,072,911)</b>	<b>3,812,293</b>	<b>4,752,356</b>	<b>3,575,789</b>	<b>2,812,593</b>	<b>74,768,853</b>	<b>(46,471,707)</b>	<b>7,811,199</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.1. Market risk analysis (Cont'd)

#### 4.1.3 Interest rate sensitivity (Cont'd)

##### Interest rate profiling

31 December 2023	Fixed interest rate USD	Variable interest rate USD	Non-bearing interest rate USD	Total USD
Cash and cash equivalents	41,258,532	-	24,476,697	65,735,229
Placements with other banks	1,606,720	-	-	1,606,720
Loans and advances	3,091,212	17,139,975	-	20,231,187
Investment securities	7,374,963	-	74,768,853	82,143,816
Other assets	-	322,345	3,508,467	3,830,812
	53,331,427	17,462,320	102,754,017	173,547,764
Less allowance for credit impairment	(452)	(73,022)	(30,507)	(103,981)
<b>Total assets</b>	<b>53,330,975</b>	<b>17,389,298</b>	<b>102,723,510</b>	<b>173,443,783</b>
Deposits from customers	90,957,349	-	74,301,002	165,258,351
Other liabilities	-	-	374,233	374,233
<b>Total liabilities</b>	<b>90,957,349</b>	<b>-</b>	<b>74,675,235</b>	<b>165,632,584</b>
<b>Net on-balance sheet interest sensitivity gap</b>	<b>(37,626,374)</b>	<b>17,389,298</b>	<b>28,048,275</b>	<b>7,811,199</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.2 Credit risk analysis

Credit risk is the risk of suffering financial loss, should any of the Bank's customers, clients or market counterparties fail to fulfil their contractual obligations to the Bank. Credit risk arises mainly from loans and advances, and loan commitments arising from such lending activities.

The Bank is also exposed to other credit risks arising from other financial assets such as other assets, cash and cash equivalents and most of its receivables and credit risk off-balance sheet financial instruments, such as guarantees.

Credit risk is the single largest risk for the Bank's business; management therefore carefully manages its exposure to credit risk. The credit risk management and control is performed by a Chief Risk Officer who reports regularly to the Risk Management Committee.

##### 4.2.1 Credit risk measurement

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 Bank measures 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.

##### *Credit risk grading*

The Bank uses internal credit risk grading that reflect its assessment of the probability of default of individual counterparties. The Bank use internal rating models tailored to the various categories of counterparty. Borrower and loan specific information collected at the time of application is fed into this rating model. This is supplemented with external data such as credit bureau scoring information on individual borrowers. In addition, the models enable expert judgement from the Credit Risk Officer to be fed into the final internal credit rating for each exposure. This allows for considerations which may not be captured as part of the other data inputs into the model.

The Bank's internal rating is as follows:

- Low risk – if the loan is in the same currency as the collateral;
- Medium risk – if the loan is in a different currency of the collateral and the loan is portfolio collateralised; and
- High risk – If the loan is not cash collateralised and the loan exceeds 40% of the portfolio collateral.

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

### 4.2 Credit risk analysis (Cont'd)

#### 4.2.2 Expected credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Bank.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Refer to Note 4.2.2.2 for a description of how the Bank defines credit-impaired and default.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the ECL that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Please refer to Note 4.2.2.3 for a description of inputs, assumptions and estimation techniques used in measuring the ECL.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward looking information.

The key judgements and assumptions adopted by the Bank in addressing the requirements of IFRS 9 are discussed in the following sections.

#### 4.2.2.1 Significant increase in credit risk (SICR)

The Bank considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following qualitative or backstop criteria have been met:

##### *Qualitative criteria*

If the borrower meets one or more of the following criteria:

- In short-term forbearance.
- Direct debit cancellation.
- Extension to the terms granted in cases of debit balances.
- Previous arrears within the last 12 months.

The assessment of SICR incorporates forward-looking information and is performed on a quarterly basis at a portfolio level for all financial instruments held by the Bank. The criteria used to identify SICR are monitored and reviewed periodically for appropriateness by the independent Credit Risk team.

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

### 4.2 Credit risk analysis (Cont'd)

#### 4.2.2 Expected credit loss measurement (Cont'd)

##### 4.2.2.1 Significant increase in credit risk (SICR) (Cont'd)

###### *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.

The Bank has not used the low credit risk exemption for any financial instruments, except intercompany loans that have low credit risk. This short cut assumes:

- (i) that the PD for the intercompany loans is that of the lowest investment grade (e.g. BBB- or Baa3, depending on the credit ratings agency used); and
- (ii) the maximum possible loss in the event of default (that is, the loan is fully drawn and no amount is recovered).

##### 4.2.2.2 Definition of default and credit-impaired assets

The Bank defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

###### *Quantitative criteria*

The borrower is more than 90 days past due on its contractual payments.

The borrower meets unlikeliness to pay criteria, which indicates that the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance;
- The borrower is deceased;
- The borrower is insolvent;
- The borrower is in breach of financial covenant(s);
- An active market for that financial asset has disappeared because of financial difficulties;
- Concessions have been made by the lender relating to the borrower's financial difficulty;
- It is becoming probable that the borrower will enter bankruptcy;
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The above criteria have been applied to all financial instruments held by the Bank and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the PD, EAD and LGD throughout the Bank's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six months. This period of six months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions.

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

### 4.2 Credit risk analysis (Cont'd)

#### 4.2.2 Expected credit loss measurement (Cont'd)

##### 4.2.2.3 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 PD, EAD, and LGD, defined as follows:

- PD represents the likelihood of a borrower defaulting on its financial obligation 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).
- 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 month 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 month, 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.

The Bank has started its operations in 2014 and there has not been any experience of default over the last 3 years of its operation. The default history does not provide a reliable forecast of future probability of default. Relying on Guidance provided by the Bank for International Settlements (BIS), a minimum 12-month PD of 1.23% is used as it would be inappropriate to assume that no default will occur. The Bank has applied 1%-1.96% for loan and advances as general provision for 31 December 2025 (2024: 1 -1.55% and 2023: 1.09% - 11.87%).

The PD values used for the different stages is summarised below:

Staging	Probability of Default		
	2025	2024	2023
Stage 1	12-month PD – 1.23% (for both related party and non-related party) for Other Financial Assets and 1% - 1.96% for loan and advances.	12-month PD – 1.11% (for both related party and non-related party) for Other Financial Assets and 1%-1.55% for loan and advances.	12-month PD-0.97% (for both related party and non-related party) for Other Financial Assets and 1.09%-11.87% for loans and advances
Stage 2	1% - 1.96% Lifetime PD	1%-2% Lifetime PD	1.09%-11.87% Lifetime PD
Stage 3	100%	100%	100%

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

### 4.2 Credit risk analysis (Cont'd)

#### 4.2.2 Expected credit loss measurement (Cont'd)

##### 4.2.2.3 Measuring ECL - Explanation of inputs, assumptions and estimation techniques (Cont'd)

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 12-month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment assumptions are also incorporated into the calculation.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type. For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.

At 01 January and 31 December 2025, some loans provided by the Bank that were fully collateralised either by fixed deposits or current accounts in the same currency as the loan, of which the Bank has direct control. Other Lombard loan were collateralised by portfolio of quoted. There are no losses attributed to variations in exchange rates or costs to obtain and sell the collateral in the event of a default. The loans are also serviced regularly for interest repayments. The appropriate haircut for cash collateral in the same currency as the loan is 0% as per Basel III. However, though remote, there is a risk that the borrower is not able to repay the interest portion of amounts outstanding. The Bank has considered that the LGD attributable to the interest element, should the borrower default, is 1.23% (related party) and 1.23% (non-related party); (2024: 1.11% (related party) and 1.11% (non-related party); 2023: 0.97% (related party) and 0.97% (non-related party) for other financial assets. For loan and advances, the value is 1%-1.96% (2024: 1.09% - 11.87% and 2023: 1%). Thus, the recovery rate is considered as 100% for the loans and the value for LGD is nil.

Other assets which pertain mainly to amounts due from various sister companies, are also impacted by the impairment provisions of IFRS 9. Based on their assessment, management confirmed that the related parties are financially strong to meet their contractual cash flows in the near term and have not defaulted in the past. Therefore, the Bank has applied the Basel set-threshold of 1.23% for 12-month PD and a maximum possible loss in the event of default (i.e., LGD = 100%) to the outstanding balances of the other assets, to arrive at the ECL.

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 a quarterly basis.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

### 4.2 Credit risk analysis (Cont'd)

#### 4.2.3 Credit risk exposure

##### 4.2.3.1 Maximum exposure to credit risk – Financial instruments subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Bank's maximum exposure to credit risk on these assets:

	2025				2024	2023
	Stage 1	Stage 2	Stage 3	Total	Total	Total
	12-month ECL	Lifetime ECL	Lifetime ECL			
	USD	USD	USD	USD	USD	USD
<b>Loans and advances</b>						
<b>Credit Grade</b>						
Low risk	1,406,855	-	-	1,406,855	1,244,142	4,889,083
Medium risk	8,477,737	709,982	-	9,187,719	12,642,980	15,342,104
High risk	-	-	-	-	-	-
<b>Gross carrying amount</b>	<b>9,884,592</b>	<b>709,982</b>	<b>-</b>	<b>10,594,574</b>	13,887,122	20,231,187
Allowance for credit impairment (Note 10)	(23,125)	(7,663)	-	(30,788)	(49,464)	(70,347)
<b>Carrying amount</b>	<b>9,861,467</b>	<b>702,319</b>	<b>-</b>	<b>10,563,786</b>	13,837,658	20,160,840
<b>Other assets</b>						
<b>Credit Grade</b>						
Low risk	376,368	-	-	376,368	3,167,862	3,830,812
Medium risk	-	-	-	-	-	-
High risk	-	-	-	-	-	-
<b>Gross carrying amount</b>	<b>376,368</b>	<b>-</b>	<b>-</b>	<b>376,368</b>	3,167,862	3,830,812
Allowance for credit impairment (Note 12)	-	-	-	-	(32,554)	(33,634)
<b>Carrying amount</b>	<b>376,368</b>	<b>-</b>	<b>-</b>	<b>376,368</b>	3,135,308	3,797,178

No change in category for other assets.

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

#### 4.2 Credit risk analysis (Cont'd)

##### 4.2.3 Credit risk exposure (Cont'd)

##### 4.2.3.1 Maximum exposure to credit risk – Financial instruments subject to impairment (Cont'd)

	2025				2024	2023
	Stage 1	Stage 2	Stage 3	Total	Total	Total
	12-month	Lifetime	Lifetime			
	ECL	ECL	ECL			
	USD	USD	USD	USD	USD	USD
<b><i>Money market placements</i></b>						
<b><i>(included in investment in securities)</i></b>						
<b>Credit Grade</b>						
Low risk	-	-	-	-	-	74,768,853
Medium risk	-	-	-	-	-	-
High risk	-	-	-	-	-	-
<b>Gross carrying amount</b>	-	-	-	-	-	74,768,853
Allowance for credit impairment	-	-	-	-	-	-
<b>Carrying amount</b>	-	-	-	-	-	74,768,853
<b><i>Treasury bonds (included in investment in securities)</i></b>						
<b>Credit Grade</b>						
Low risk	<b>9,479,410</b>	-	-	<b>9,479,410</b>	6,908,628	7,374,963
Medium risk	-	-	-	-	-	-
High risk	-	-	-	-	-	-
<b>Gross carrying amount</b>	<b>9,479,410</b>	-	-	<b>9,479,410</b>	6,908,628	7,374,963
Allowance for credit impairment	-	-	-	-	-	-
<b>Carrying amount</b>	<b>9,479,410</b>	-	-	<b>9,479,410</b>	6,908,628	7,374,963

The Bank considers credit risk on cash and cash equivalents, placements with other banks as insignificant as these are held with reputable institutions.

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

### 4.2 Credit risk analysis (Cont'd)

#### 4.2.3 Credit risk exposure (Cont'd)

##### 4.2.3.1 Maximum exposure to credit risk – Financial instruments subject to impairment (Cont'd)

The following tables explain the changes in the loss allowance in loans and advances and other assets between the beginning and the end of the year due to these factors:

Allowance for credit losses	2025				2024	2023
	Stage 1 12 month ECL performing USD	Stage 2 Lifetime ECL special mention USD	Stage 3 Lifetime ECL impaired USD	Total USD	Total USD	Total USD
Balance at 01 January	35,707	13,757	-	49,464	70,347	96,888
<b>Movement with P&amp;L impact</b>				-	-	-
Transfers:						
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-	-	-
New financial assets originated or purchases	30,056	-	-	30,056	3,858	12,395
Change in existing	122	-	-	122	(14,837)	(26,292)
<b>Other movements with no P&amp;L impact</b>						
Repayments/matured loans	(42,760)	(6,094)	-	(48,854)	(9,904)	(12,644)
Balance at 31 December	23,125	7,663	-	30,788	49,464	70,347

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

### 4.2 Credit risk analysis (Cont'd)

#### 4.2.3 Credit risk exposure (Cont'd)

##### 4.2.3.1 Maximum exposure to credit risk – Financial instruments subject to impairment (Cont'd)

Loans	2025				2024	2023
	Stage 1 12 month ECL performing USD	Stage 2 Lifetime ECL special mention USD	Stage 3 Lifetime ECL impaired USD	Total USD	Total USD	Total USD
Gross carrying amount as at 01 January	<b>13,119,227</b>	<b>767,895</b>	-	<b>13,887,122</b>	20,231,187	22,222,573
Transfers:						
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-	-	-
New financial assets originated or purchases	<b>9,973,452</b>	-	-	<b>9,973,452</b>	8,807,545	12,526,718
Change in existing	<b>48,289</b>	-	-	<b>48,289</b>	-	-
FX and other movements	<b>44,700</b>	-	-	<b>44,700</b>	(774,260)	613,211
Repayments/matured loans	<b>(13,301,076)</b>	<b>(57,913)</b>	-	<b>(13,358,989)</b>	(14,377,350)	(15,131,315)
Gross carrying amount as at 31 December	<b>9,884,592</b>	<b>709,982</b>	-	<b>10,594,574</b>	13,887,122	20,231,187

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

### 4.2 Credit risk analysis (Cont'd)

#### 4.2.3 Credit risk exposure (Cont'd)

##### 4.2.3.1 Maximum exposure to credit risk – Financial instruments subject to impairment (Cont'd)

The following table explains the changes in investment in securities between the beginning and the end of the year due to these factors:

Money market fund	2025				2024	2023
	Stage 1	Stage 2	Stage 3	Total	Total	Total
	Performing	Special Mention	Impaired			
	USD	USD	USD	USD	USD	USD
Balance at 01 January	-	-	-	-	74,768,853	-
<b>Movement with P&amp;L impact</b>						
Transfers:						
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-	-	-
New financial assets originated or purchases	<b>38,738,882</b>	-	-	<b>38,738,882</b>	102,523,117	74,768,853
Change in existing	-	-	-	-	(1,392,021)	-
<b>Other movements with no P&amp;L impact</b>						
Disposal of money market fund	<b>(38,738,882)</b>	-	-	<b>(38,738,882)</b>	(175,899,949)	-
Balance at 31 December	-	-	-	-	-	74,768,853

Treasury Bills	2025				2024	2023
	Stage 1	Stage 2	Stage 3	Total	Total	Total
	Performing	Special Mention	Impaired			
	USD	USD	USD	USD	USD	USD
Balance at 01 January	<b>6,908,628</b>	-	-	<b>6,908,628</b>	7,374,963	-
<b>Movement with P&amp;L impact</b>						
Transfers:						
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-	-	-
New financial assets originated or purchases	-	-	-	-	6,848,069	7,374,963
Change in existing	<b>25,680</b>	-	-	<b>25,680</b>	44,719	-
<b>Other movements with no P&amp;L impact</b>						
Maturity of Treasury Bills	<b>(6,934,308)</b>	-	-	<b>(6,934,308)</b>	(7,359,123)	-
Balance at 31 December	-	-	-	-	6,908,628	7,374,963

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

### 4.2 Credit risk analysis (Cont'd)

#### 4.2.3 Credit risk exposure (Cont'd)

##### 4.2.3.1. Maximum exposure to credit risk – Financial instruments subject to impairment (Cont'd)

Treasury Bonds	2025				2024	2023
	Stage 1	Stage 2	Stage 3	Total	Total	Total
	Performing	Special Mention	Impaired			
	USD	USD	USD	USD	USD	USD
Balance at 01 January	-	-	-	-	-	-
<b>Movement with P&amp;L impact</b>						
Transfers:						
Transfer from Stage 1 to Stage 2	-	-	-	-	-	-
Transfer from Stage 3 to Stage 2	-	-	-	-	-	-
New financial assets originated or purchases	<b>77,702,307</b>	-	-	<b>77,702,307</b>	-	-
Change in existing	<b>(203,160)</b>	-	-	<b>(203,160)</b>	-	-
<b>Other movements with no P&amp;L impact</b>						
Maturity/disposal of Treasury Bonds	<b>(68,019,737)</b>	-	-	<b>(68,019,737)</b>	-	-
Balance at 31 December	<b>9,479,410</b>	-	-	<b>9,479,410</b>	-	-

##### 4.2.3.2 Concentration of loans and advances with credit risk exposure.

The following table breaks down the Bank's main credit exposure for loans and advances at their net amounts, as categorised by the industry sectors.

	2025	2024	2023
	USD	USD	USD
Construction	<b>819,136</b>	991,965	1,540,883
Wholesale and retail trade	-	374,914	1,156,622
Financial and business services	<b>8,466,186</b>	10,878,128	15,091,734
Personal	<b>1,309,252</b>	1,642,115	2,441,948
Total (Note 10(c))	<b>10,594,574</b>	13,887,122	20,231,187
Less allowance for credit impairment	<b>(30,788)</b>	(49,464)	(70,347)
<b>Net balance</b>	<b>10,563,786</b>	13,837,658	20,160,840

The breakdown for loans and advances categorised by domestic and international clients is set out in Note 10.

##### 4.2.3.3 Collateral and other credit enhancements

The Bank employs a range of policies and practices to mitigate credit risk. The amount and type of collateral required depend on the counterparty's credit quality and repayment capacity.

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

##### 4.2.3.3. Collateral and other credit enhancements (Cont'd)

The Bank prepares a valuation of the collateral obtained as part of the loan origination process. This assessment is reviewed periodically. The principal collateral types for loans and advances is cash and portfolio collaterals, of which the Bank has direct control.

The Bank's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Bank since the prior period.

##### 4.2.3.4. Write off policy

The Bank writes 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) when 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.

The Bank may write-off financial assets that are still subject to enforcement activity. The Bank would still seek to recover amounts it is legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.

### 4.3 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 fulfil their foreign obligations for reasons beyond the usual credit risk which arises in relation to all lending.

In April 2010, the Central Bank issued its first guideline on Country Risk Management. The Bank has put in place its policy on Country Risk Management which is a comprehensive document approved by the Board of Directors and which contains the risk appetite of the Bank together with a set of techniques on the measurement and monitoring of the Bank's country risk 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, the Bank monitors its country risk exposures at the level of the Risk Management Committee for any discrepancy which is noted.

At 31 December 2025, 76% of the risk weighted exposures were in "A" rated countries, 52% in "B" rated countries and the remaining 5% were with unrated countries (source from Moody's – Credit ratings). The highest exposures were in France (Aa3) represented by 48%. "B" rated countries comprised of Baa3 - Mauritius 14%.

### 4.4 Liquidity risk analysis

Liquidity risk is defined as 'the risk that, at any time, the Bank does not have sufficient realisable financial assets to meet its financial obligations as they fall due'. The management of liquidity risk in the Bank is undertaken under the guideline on Liquidity Risk Management issued by the Bank of Mauritius.

The objective of the Bank is to ensure that it can meet its financial obligations as they fall due in the normal course of business, and it maintains an adequate stock of highly liquid assets to enable it to meet unexpected funding needs at short notice.

The Treasury Department of the Bank manages the day- to-day cash flows of the Bank.

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

Risk management objectives and policies (Cont'd)

#### 4.4 Liquidity risk analysis (Cont'd)

The following table analyses the Bank's assets and liabilities into relevant maturity groupings. The amounts disclosed for financial year 2025 are undiscounted.

<b>31 December 2025</b>	<b>Up to 1 month</b>	<b>1-3 months</b>	<b>3-6 months</b>	<b>6-12 months</b>	<b>1-3 years</b>	<b>Over 3 years</b>	<b>Non-Maturity items</b>	<b>Total</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>Assets</b>								
Cash and cash equivalents	98,937,478	2,361,593	-	-	-	-	-	101,299,071
Placements with other banks	2,668,140	23,337,954	13,327,974	35,692,785	-	-	-	75,026,853
Loans and advances	3,644,581	13,617	1,800,468	2,862,580	655,180	2,044,588	-	11,021,014
Investment Securities	-	-	-	-	-	9,762,967	-	9,762,967
Other assets	-	-	-	-	-	-	376,368	376,368
	<b>105,250,199</b>	<b>25,713,164</b>	<b>15,128,442</b>	<b>38,555,365</b>	<b>655,180</b>	<b>11,807,555</b>	<b>376,368</b>	<b>197,486,273</b>
Less allowance for credit impairment	(991)	(5,742)	(5,971)	(6,782)	(3)	(11,299)	-	(30,788)
<b>Total assets</b>	<b>105,249,208</b>	<b>25,707,422</b>	<b>15,122,471</b>	<b>38,548,583</b>	<b>655,177</b>	<b>11,796,256</b>	<b>376,368</b>	<b>197,455,485</b>
<b>Liabilities</b>								
Deposits from customers	15,740,440	30,095,124	51,598	32,120,777	1,158,996	48,643	102,189,695	181,405,273
Other liabilities	-	-	-	-	-	-	781,833	781,833
<b>Total liabilities</b>	<b>15,740,440</b>	<b>30,095,124</b>	<b>51,598</b>	<b>32,120,777</b>	<b>1,158,996</b>	<b>48,643</b>	<b>102,971,528</b>	<b>182,187,106</b>
<b>Net on-balance sheet liquidity gap</b>	<b>89,508,768</b>	<b>(4,387,702)</b>	<b>15,070,873</b>	<b>6,427,806</b>	<b>(503,819)</b>	<b>11,747,613</b>	<b>(102,595,160)</b>	<b>15,268,379</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.4 Liquidity risk analysis (Cont'd)

The following table analyses the Bank's assets and liabilities into relevant maturity groupings:

31 December 2024	Up to 1 month USD	1-3 months USD	3-6 months USD	6-12 months USD	1-3 years USD	Over 3 years USD	Non-Maturity items USD	Total USD
<u>Assets</u>								
Cash and cash equivalents	124,959,583	33,992,460	-	-	-	-	-	158,952,043
Placements with other banks	17,059,794	10,493,508	622,167	6,061,802	-	-	-	34,237,271
Loans and advances	4,591,448	57,198	1,628,533	3,696,056	2,499,720	2,377,129	-	14,850,084
Investment Securities	-	70,000	3,750	3,073,750	2,280,000	2,145,000	-	7,572,500
Other assets	-	-	-	-	-	-	3,167,862	3,167,862
	146,610,825	44,613,166	2,254,450	12,831,608	4,779,720	4,522,129	3,167,862	218,779,760
Less allowance for credit impairment	(638)	-	(7,393)	-	(22,593)	(18,840)	(32,554)	(82,018)
<b>Total assets</b>	<b>146,610,187</b>	<b>44,613,166</b>	<b>2,247,057</b>	<b>12,831,608</b>	<b>4,757,127</b>	<b>4,503,289</b>	<b>3,135,308</b>	<b>218,697,742</b>
<u>Liabilities</u>								
Deposits from customers	122,691,408	54,387,887	26,614,691	622,204	495,812	-	-	204,812,002
Other liabilities	-	-	-	-	-	-	414,280	414,280
<b>Total liabilities</b>	<b>122,691,408</b>	<b>54,387,887</b>	<b>26,614,691</b>	<b>622,204</b>	<b>495,812</b>	<b>-</b>	<b>414,280</b>	<b>205,226,282</b>
<b>Net on-balance sheet liquidity gap</b>	<b>23,918,779</b>	<b>(9,774,721)</b>	<b>(24,367,634)</b>	<b>12,209,404</b>	<b>4,261,315</b>	<b>4,503,289</b>	<b>2,721,028</b>	<b>13,471,460</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.4 Liquidity risk analysis (Cont'd)

The following table analyses the Bank's assets and liabilities into relevant maturity groupings:

31 December 2023	Up to 1 month USD	1-3 months USD	3-6 months USD	6-12 months USD	1-3 years USD	Over 3 years USD	Non-Maturity items USD	Total USD
<u>Assets</u>								
Cash and cash equivalents	65,778,742	-	-	-	-	-	-	65,778,742
Placements with other banks	-	1,612,880	-	-	-	-	-	1,612,880
Loans and advances	7,763,704	65,481	3,280,953	1,412,215	5,499,952	3,820,895	-	21,843,200
Investment securities	-	-	3,877,300	3,661,700	-	-	74,768,853	82,307,853
Other assets	5,822,838	421,421	322,345	18,321	1,809	-	9,812	6,596,546
	79,365,284	2,099,782	7,480,598	5,092,236	5,501,761	3,820,895	74,778,665	178,139,221
Less allowance for credit impairment	(32,970)	(2,031)	(3,127)	-	(38,703)	(27,150)	-	(103,981)
<b>Total assets</b>	<b>79,332,314</b>	<b>2,097,751</b>	<b>7,477,471</b>	<b>5,092,236</b>	<b>5,463,058</b>	<b>3,793,745</b>	<b>74,778,665</b>	<b>178,035,240</b>
<u>Liabilities</u>								
Deposits from customers	121,619,667	38,914,011	3,163,502	-	1,371,298	527,783	-	165,596,261
Other liabilities	34,661	-	370,532	4,332	16,549	19,943	84,727	530,744
<b>Total liabilities</b>	<b>121,654,328</b>	<b>38,914,011</b>	<b>3,534,034</b>	<b>4,332</b>	<b>1,387,847</b>	<b>547,726</b>	<b>84,727</b>	<b>166,127,005</b>
<b>Net on-balance sheet liquidity gap</b>	<b>(42,322,014)</b>	<b>(36,816,260)</b>	<b>3,943,437</b>	<b>5,087,904</b>	<b>4,075,211</b>	<b>3,246,019</b>	<b>74,693,938</b>	<b>11,908,235</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.4 Liquidity risk analysis (Cont'd)

##### *Liquidity coverage ratio*

Liquidity Coverage Ratio (LCR) represents a standard that is designed to ensure that a bank has an adequate inventory of unencumbered high quality liquid 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, by which time, management and the Bank of Mauritius will be able to take appropriate corrective actions to resolve the stress situation in an orderly manner.

Details on the LCR of the Bank are given in the table below:

	2025 TOTAL WEIGHTED VALUE (quarterly average of bi-monthly observation) USD	2024 TOTAL WEIGHTED VALUE (quarterly average of bi- monthly observation) USD	2023 TOTAL WEIGHTED VALUE (quarterly average of bi- monthly observation) USD
<b>HIGH-QUALITY LIQUID ASSETS</b>			
Total high-quality liquid assets (HQLA)	63,602,390	98,217,250	7,791,416
<b>CASH OUTFLOW</b>			
Retail deposits and deposits from small business customers, of which:			
Stable deposits	-	-	-
Less stable deposits	5,452,471	5,191,887	2,051,826
Term deposit with residual maturity greater than 30 days	-	-	-
Unsecured wholesale funding, of which:			
Operational deposits (all counterparties)	6,712,324	7,733,355	8,667,545
Other contingent funding obligations	-	-	-
<b>TOTAL CASH OUTFLOWS</b>	<b>12,164,795</b>	<b>12,925,242</b>	<b>10,719,371</b>
<b>CASH INFLOWS</b>			
Other cash inflows:	46,352,666	27,435,661	46,799,035
<b>TOTAL CASH INFLOWS</b>	<b>46,352,666</b>	<b>27,435,661</b>	<b>46,799,035</b>
<b>TOTAL ADJUSTED VALUES</b>			
TOTAL HQLA	63,602,390	98,217,250	7,791,416
TOTAL NET CASH OUTFLOWS	3,041,199	3,886,003	2,679,843
LIQUIDITY COVERAGE RATIO (%)	2,091%	2,527%	291%

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.4 Liquidity risk analysis (Cont'd)

##### *Liquidity coverage ratio (Cont'd)*

During the years ended 31 December 2025, 31 December 2024 and 31 December 2023, the Bank complied with all of the externally imposed capital requirements to which it is subject. The Bank has to maintain a ratio of liquidity coverage at or above a regulatory minimum of 100% for the financial year 2025.

#### 4.5 Compliance risk

Compliance Risk is the current and prospective risk to earnings or capital arising from violations of, or non-conformance with, laws, rules, regulations, prescribed practices, internal policies, and procedures, or ethical standards. This risk exposes the Bank to fines, civil money penalties, payment of damages, and the voiding of contracts. Compliance Risk can lead to diminished reputation, reduced franchise value, limited business opportunities and reduced expansion potential.

The Bank is subject to extensive supervisory and regulatory governance.

The Bank seeks to limit compliance risk through the following ways:

- (a) Monitor compliance with existing rules and regulations.
- (b) Conduct compliance training such as providing Anti-Money Laundering training for all the employees of the Bank in order to educate them about the existing rules, standards and laws.
- (c) Review changes in laws and regulations periodically so as to mitigate the risks arising from these changes.
- (d) Promote a culture of integrity within the Bank so as to prevent fraud.
- (e) Establish a two-way communication with the regulators such as Bank of Mauritius and Financial Services Commission.
- (f) Setting up a proper framework for system control and appropriate management oversight.

#### 4.6 Interest Rate Benchmark Reform

##### *Overview*

A fundamental reform of major interest rate benchmarks is being undertaken globally, replacing some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR reform'). The Bank has exposure to certain IBORs on its financial instruments that are being reformed as part of these market-wide initiatives.

The main risks to which the Group has been exposed as a result of IBOR reform are operational. For example, the renegotiation of loan contracts through bilateral negotiation with customers, updating of contractual terms, updating of systems that use IBOR curves and revision of operational controls related to the reform and regulatory risks. Financial risk is predominantly limited to interest rate risk.

The Bank established a project management team to manage its transition to alternative rates. The objectives of the project management team include evaluating the extent to which loans advanced, loan commitments, liabilities and derivatives reference IBOR cash flows, whether such contracts need to be amended as a result of IBOR reform and how to manage communication about IBOR reform with counterparties. The project management team reports to the Risk Management Committee quarterly and collaborates with other business functions as needed.

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.6 Interest Rate Benchmark Reform (Cont'd)

For contracts indexed to an IBOR that mature after the expected cessation of the IBOR rate, the project management team has established amended terms to the contracts which included replacement of the IBOR rate with an alternative benchmark rate.

#### 4.7 Financial derivatives

##### (a) Nature of Product

The Bank holds foreign exchange option contracts arising from two sources: (i) embedded derivatives within Dual Currency Deposit (DCD) products offered to customers, where structured deposits contain embedded foreign exchange options allowing customers to receive repayment at maturity in either the deposit currency or an alternative currency depending on the prevailing exchange rate against a predetermined strike rate; and (ii) foreign exchange option contracts entered into by the Bank with counterparty banks as part of its derivatives trading activities, including customer accommodation, market making, and managing foreign exchange positions.

##### (b) Option Contracts

The Bank holds foreign exchange option contracts for two purposes:

##### (i) Option Contracts (Structured Deposits)

These represent embedded foreign exchange options within DCD products offered to customers. In accordance with IFRS 9, these embedded derivatives are separated from the client deposit contract and measured at fair value through profit or loss. The client deposit component is measured at amortised cost. Fair value changes on embedded options are recognised in net gain from options.

##### (ii) Option Contracts (Option contracts - Bank)

These represent foreign exchange option contracts entered into by the Bank with counterparty banks. These options are measured at fair value through profit or loss, with fair value changes recognised in net gains from options. The Bank enters into such contracts as part of its foreign exchange derivatives trading activities, including customer accommodation, market making, and managing foreign exchange positions.

##### (c) Valuation Methodology

Both embedded options and Option - Bank contracts are valued as per the portfolio statement on the platform on which they are traded.

##### (d) Risk Management

The Bank manages foreign exchange market risk arising from option contract positions through value-at-risk measures, sensitivity analysis, and stress testing. Counterparty credit risk on option contracts is managed through established credit limits, collateral arrangements where appropriate, and dealing only with reputable banking counterparties. The Bank monitors concentration risk by currency pair, maturity profile, and counterparty exposure to ensure prudent risk management.

## Notes to the financial statements

For the year ended 31 December 2025

### 4. Financial instrument risk (Cont'd)

#### Risk management objectives and policies (Cont'd)

#### 4.7 Financial derivatives (Cont'd)

	2025 USD	2024 USD	2023 USD
<b>Assets</b>			
Derivatives assets	35,240	-	-
<b>Liabilities</b>			
Derivatives liabilities	10,516	-	-

The fair values of derivative instruments are further analysed as follows:

	Notional USD	Fair Values Assets USD	Fair Values Liabilities USD
<b>31 December 2025</b>			
<i>Derivatives fair value through profit and loss</i>			
Option contracts (structured deposits)	1,000,000	-	2,640
Option contracts	5,000,000	35,240	7,876
	<b>6,000,000</b>	<b>35,240</b>	<b>10,516</b>
<b>31 December 2024</b>			
<i>Derivatives fair value through profit and loss</i>			
Option contracts (structured deposits)	-	-	-
Option contracts	-	-	-
	-	-	-
<b>31 December 2023</b>			
<i>Derivatives fair value through profit and loss</i>			
Option contracts (structured deposits)	-	-	-
Option contracts	-	-	-
	-	-	-

## Notes to the financial statements

For the year ended 31 December 2025

### 5. Capital management policies and procedures

The Bank's objectives when managing capital, which is a broader concept than the 'equity' on the face of statement of financial position, are:

- (a) To comply with the capital requirements set by the Central Bank;
- (b) To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholder and benefits for other stakeholders; and
- (c) 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.

The Bank's regulatory capital is divided into two tiers:

- Tier 1 capital: share capital, statutory reserve and retained earnings created by appropriations of retained earnings; and
- Tier 2 capital: qualifying subordinated loan capital, general banking reserve and unrealised gains arising on the fair valuation of property, plant and equipment.

The Bank has to maintain a ratio of total regulatory capital to the risk-weighted asset (the 'Capital Adequacy Ratio') plus a Conservation Buffer at or above a minimum of 12.50%, a Common Equity Tier 1 (CET1) CAR plus a Conservation Buffer of at least 10.5% and a Tier 1 CAR of at least 10% as per Basel III for the financial year 2025.

The Bank's regulatory capital is divided into the following two tiers:

- Tier 1 capital (going-concern capital): comprising of (i) Common Equity Tier 1 and (ii) Additional Tier 1 Capital
- The Bank's Common Equity Tier 1 (CET1) capital consists of the following:
  - (a) stated capital;
  - (b) statutory reserve; and
  - (c) retained earnings.
- The Bank has no Additional Tier 1 (AT1) capital as at 31 December 2025.
- The Bank has Tier 2 capital in terms of its provision for allowance.

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 the year ended 31 December 2025

### 5. Capital management policies and procedures (Cont'd)

The following table summarises the composition of regulatory capital and the ratios of the Bank for the years 31 December 2025, 31 December 2024 and 31 December 2023 respectively. During the years ended 31 December 2025, 31 December 2024 and 31 December 2023, the Bank complied with all of the externally imposed capital requirements to which it is subject.

	<b>2025 Audited USD</b>	2024 Audited USD	2023 Audited USD
<b>Tier 1 Capital</b>			
<b>Common Equity Tier 1 Capital: instruments and reserves</b>			
Paid up share capital	<b>13,200,000</b>	13,200,000	13,200,000
Retained earnings	<b>2,396,783</b>	1,902,025	685,048
Accumulated other comprehensive income and other disclosed reserves (excluding revaluation surpluses on land and building assets)	<b>3,004,021</b>	3,557,126	2,212,640
<b>Common equity Tier 1 Capital before regulatory adjustments</b>	<b>18,600,804</b>	18,659,151	16,097,688
Common equity Tier 1 Capital: regulatory adjustments	-	(366,256)	(838,075)
<b>Total regulatory adjustments to Common equity Tier 1 Capital</b>	<b>-</b>	(366,256)	(838,075)
<b>Common equity Tier 1 Capital</b>	<b>18,600,804</b>	18,292,895	15,259,613
<b>Additional Tier 1 capital:</b>	<b>-</b>	-	-
<b>Tier 1 Capital</b>	<b>18,600,804</b>	18,292,895	15,259,613
<b>Tier 2 Capital</b>			
<b>Tier 2 Capital: instruments and provisions</b>			
Provisions and loan loss reserves	<b>796,352</b>	82,018	103,981
<b>Tier 2 Capital before regulatory adjustments</b>	<b>796,352</b>	82,018	103,981
Tier 2 Capital: regulatory adjustments	-	-	-
<b>Tier 2 Capital</b>	<b>796,352</b>	82,018	103,981
<b>Total Regulatory Capital (USD)</b>	<b>19,397,156</b>	18,374,913	15,363,594
<b>Risk Weighted Assets (USD)</b>	<b>63,708,136</b>	57,364,552	54,674,101
<b>Common Equity Tier 1 Capital Adequacy Ratio (%)</b>	<b>29.20%</b>	31.89%	27.91%
<b>Tier 1 Capital Adequacy Ratio (%)</b>	<b>29.20%</b>	31.89%	27.91%
<b>Capital Adequacy Ratio (%)</b>	<b>30.45%</b>	32.03%	28.10%
(i) The Risk Weighted Assets are made up of the following:			
- Total on-balance sheet risk-weighted credit exposures	<b>59,170,072</b>	54,132,288	51,527,667
- Total market-related off-balance sheet risk-weighted credit exposures	<b>60,000</b>	-	-
- Risk weighted assets for operational risk	<b>4,283,022</b>	3,111,838	2,799,174
- Aggregate net open foreign exchange position	<b>195,042</b>	120,426	347,260
<b>Total Risk Weighted Assets</b>	<b>63,708,136</b>	57,364,552	54,674,101

## Notes to the financial statements

For the year ended 31 December 2025

### 6. Fair value measurement

#### 6.1. Fair value measurement of financial instruments

Financial assets and financial liabilities 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 or indirectly; and
- Level 3: unobservable inputs for the assets or liability.

The financial instruments measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

31 December 2025	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>Assets</b>				
Derivative financial assets	-	35,240	-	35,240
<b>Liabilities</b>				
Derivative financial liabilities	-	(10,516)	-	(10,516)
<hr/>				
31 December 2024	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>Assets</b>				
Derivative financial assets	-	-	-	-
<b>Liabilities</b>				
Derivative financial liabilities	-	-	-	-
<hr/>				
31 December 2023	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>Assets</b>				
Derivative financial assets	-	-	-	-
<b>Liabilities</b>				
Derivative financial liabilities	-	-	-	-

#### Movement in the Derivative financial instruments

	Derivative financial assets 2025 USD	Derivative financial liabilities 2025 USD
At 01 January	-	-
Additions (Note 1)	228,497	(260,377)
Realised (loss)/gain on disposal/maturity	(427)	93,302
Change in fair value	(8,980)	3,044
Disposal / Matured (Note 1)	(183,850)	153,515
<b>Total</b>	<b>35,240</b>	<b>(10,516)</b>

There was no derivative from assets/liabilities as at 31 December 2024 and 31 December 2023.

Note 1: The net cash movements of the derivative financial assets' and liabilities' additions and disposal amounts to USD 62,215.

## Notes to the financial statements

For the year ended 31 December 2025

### 6. Fair value measurement (Cont'd)

#### 6.1. Fair value measurement of financial instruments (Cont'd)

##### Measurement of fair value – Level 2

##### *Derivative financial instruments*

The Bank dealt in derivatives such as foreign exchange options, foreign exchange spot and forwards and these derivatives are traded in an active market. The fair values of these derivatives are determined using estimations of forward currency rates as determined based on interest rates.

#### 6.2. Fair value measurement of financial instruments not carried at fair value

The Bank's other financial assets and financial liabilities are measured at their carrying amounts which approximate their fair values.

#### 6.3. Fair value measurement of non-financial instruments

The Bank's non-financial assets consist of property, plant and equipment, intangible assets, right of use assets, current tax assets, prepayments and deferred tax assets and non-financial liabilities consist of deferred tax liabilities and retirement benefit obligations. For these non-financial instruments, fair value measurement is not applicable since these are not measured at fair value on a recurring or non-recurring basis in the statement of financial position.

### 7. Cash and cash equivalents

	<b>2025</b>	2024	2023
	<b>USD</b>	USD	USD
Cash in hand	<b>166</b>	228	219
Cash with banks in Mauritius	<b>3,512,978</b>	2,615,094	3,008,024
Cash with foreign banks	<b>23,800,071</b>	25,661,690	21,468,454
Placements (Note 7(i))	<b>73,971,645</b>	130,425,294	41,258,532
<b>Total</b>	<b>101,284,860</b>	158,702,306	65,735,229

- (i) The placements represent short term fixed deposits having an original maturity period less than three months.

## Notes to the financial statements

For the year ended 31 December 2025

### 8. (a) Property, plant and equipment

	Land and buildings	Motor vehicles	Computer equipment	Furniture and fittings	Office equipment	Work in progress	Total
	USD	USD	USD	USD	USD	USD	USD
<b>Cost</b>							
At 01 January 2023	4,958,047	319,369	880,056	407,727	825,008	-	7,390,207
Additions	-	-	22,738	428	4,010	2,424	29,600
Disposals	-	(208,398)	-	-	-	-	(208,398)
Write Offs	-	-	(852)	-	(6,873)	-	(7,725)
At 31 December 2023	4,958,047	110,971	901,942	408,155	822,145	2,424	7,203,684
Additions	198,925	-	39,182	14,474	9,717	12,895	275,193
Disposals	-	-	-	-	-	-	-
Transfer to Furniture & Fittings	-	-	-	2,424	-	(2,424)	-
At 31 December 2024	5,156,972	110,971	941,124	425,053	831,862	12,895	7,478,877
Additions	-	<b>110,415</b>	<b>38,528</b>	<b>4,437</b>	<b>12,761</b>	<b>489</b>	<b>166,630</b>
Disposals	-	<b>(110,971)</b>	-	<b>(11,601)</b>	-	-	<b>(122,572)</b>
Transfer	-	-	<b>9,770</b>	-	<b>2,229</b>	<b>(11,999)</b>	-
Other Adjustments	-	-	-	-	-	<b>(896)</b>	<b>(896)</b>
<b>At 31 December 2025</b>	<b>5,156,972</b>	<b>110,415</b>	<b>989,422</b>	<b>417,889</b>	<b>846,852</b>	<b>489</b>	<b>7,522,039</b>
<b>Accumulated Depreciation</b>							
<b>At 01 January 2023</b>	296,472	189,417	660,394	399,616	823,219	-	2,369,118
Charge for the year	45,853	41,860	98,806	4,368	4,914	-	195,801
Disposals	-	(151,376)	-	-	-	-	(151,376)
Write Offs	-	-	(852)	-	(6,873)	-	(7,725)
<b>At 31 December 2023</b>	342,325	79,901	758,348	403,984	821,260	-	2,405,818
Charge for the year	46,185	8,876	63,590	4,552	8,342	-	131,545
Disposals	-	-	-	-	-	-	-
<b>At 31 December 2024</b>	388,510	88,777	821,938	408,536	829,602	-	2,537,363
Charge for the year	<b>49,832</b>	<b>11,777</b>	<b>68,344</b>	<b>4,252</b>	<b>8,944</b>	-	<b>143,149</b>
Disposals	-	<b>(88,777)</b>	-	<b>(11,601)</b>	-	-	<b>(100,378)</b>
<b>At 31 December 2025</b>	<b>438,342</b>	<b>11,777</b>	<b>890,282</b>	<b>401,187</b>	<b>838,546</b>	-	<b>2,580,134</b>
<b>Net book values</b>							
<b>At 31 December 2025</b>	<b>4,718,630</b>	<b>98,638</b>	<b>99,140</b>	<b>16,702</b>	<b>8,306</b>	<b>489</b>	<b>4,941,905</b>
At 31 December 2024	4,768,462	22,194	119,186	16,517	2,260	12,895	4,941,514
At 31 December 2023	4,615,722	31,070	143,594	4,171	885	2,424	4,797,866

## Notes to the financial statements

For the year ended 31 December 2025

### 8. (b) Right of use assets

	2025	2024	2023
<b>Right of use assets (Buildings)</b>	<b>USD</b>	USD	USD
<b>Cost</b>			
At 01 January	-	-	152,122
Additions	-	-	-
At 31 December	-	-	152,122
<b>Accumulated Depreciation</b>			
At 01 January	-	-	146,558
Charge for the year	-	-	5,564
At 31 December	-	-	152,122
<b>Net book values</b>			
At 31 December	-	-	-

### 8. (c) Lease liabilities

	2025	2024	2023
<b>Lease liabilities (Buildings)</b>	<b>USD</b>	USD	USD
At 01 January	-	-	5,999
Interest expense	-	-	50
Lease payments	-	-	(6,049)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non-current</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Nature of leasing activities (in the capacity as lessee)

The Bank leases a property in the jurisdictions from which it operates for its Disaster Recovery (DR site). The lease contract provides for payments to increase by 5% each year.

#### Variable lease payments

The percentages in the table below reflect the current proportions of lease payments that are either fixed or variable. The sensitivity reflects the impact on the carrying amount of lease liabilities and right-of-use assets if there was an uplift of 5% on the balance sheet date to lease payments that are variable.

	Lease Contracts Number	Variable payments %	Sensitivity ± USD
<b>31 December 2025</b>			
Property leases with payments linked to inflation	0	0%	0
31 December 2024			
Property lease with payments linked to inflation	0	0%	0
31 December 2023			
Property leases with payments linked to inflation	1	100%	300

The Bank does not consider this contract as a lease contract as per IFRS 16 on the basis of low value and short-term nature.

## Notes to the financial statements

For the year ended 31 December 2025

### 9. Intangible assets

	<b>Softwares</b>
	<b>USD</b>
<b>Cost</b>	
At 01 January 2023	2,683,964
Additions	-
At 31 December 2023	2,683,964
Additions	-
At 31 December 2024	2,683,964
Additions	-
<b>At 31 December 2025</b>	<b>2,683,964</b>
<b>Amortisation</b>	
At 01 January 2023	1,784,001
Charge for the year	197,835
At 31 December 2023	1,981,836
Charge for the year	393,660
At 31 December 2024	2,375,496
Charge for the year	308,468
<b>At 31 December 2025</b>	<b>2,683,964</b>
<b>Net book values</b>	
<b>At 31 December 2025</b>	<b>-</b>
At 31 December 2024	308,468
At 31 December 2024	702,128

In anticipation that the Olean software which was decommissioned in latest June 2025, there was an accelerated depreciation amount of USD 308,468 in 2025 and USD 393,660 in 2024 accordingly.

### 10. Loans and advances

	<b>2025</b>	2024	2023
	<b>USD</b>	USD	USD
Entities outside Mauritius	<b>7,332,992</b>	6,634,297	12,571,064
Entities in Mauritius – Global business companies	<b>3,261,582</b>	7,252,825	7,660,123
	<b>10,594,574</b>	13,887,122	20,231,187
Less allowance for credit impairment (Note 10(b)):			
Entities outside Mauritius	<b>(30,416)</b>	(49,464)	(69,924)
Entities in Mauritius – Global business companies	<b>(372)</b>	-	(423)
<b>Net balance</b>	<b>10,563,786</b>	13,837,658	20,160,840

## Notes to the financial statements

For the year ended 31 December 2025

### 10. Loans and advances (Cont'd)

	2025	2024	2023
	USD	USD	USD
<b>(a) Remaining term to maturity:</b>			
Up to 6 months	5,361,438	6,008,875	10,760,036
Over 6 months and up to 12 months	2,762,250	3,537,392	1,218,261
Over 1 and up to 3 years	587,719	2,174,055	4,931,844
Over 3 and up to 5 years	1,883,167	2,166,800	826,062
Over 5 years	-	-	2,494,984
	<b>10,594,574</b>	13,887,122	20,231,187
Less allowance for credit impairment (Note 10(b))	<b>(30,788)</b>	(49,464)	(70,347)
<b>Net balance</b>	<b>10,563,786</b>	13,837,658	20,160,840

- (i) The Bank's management considers that the loans and advances are of good credit quality.
- (ii) The bank provides secured and unsecured credits. Secured credits are supported by collateral of liquid and portfolio assets of quoted and unquoted securities.

### (b) Allowance for credit impairment

	Allowance for credit impairment		
	2025	2024	2023
	USD	USD	USD
At 01 January	49,464	70,347	96,888
Allowance for credit impairment for the year	<b>(18,676)</b>	(20,883)	(26,541)
<b>At 31 December</b>	<b>30,788</b>	49,464	70,347

### (c) Allowance for credit impairment by industry sectors

	Gross amount of loans and advances			Allowance for credit impairment		
	2025	2024	2023	2025	2024	2023
	USD	USD	USD	USD	USD	USD
Construction	819,136	991,964	1,540,883	6	-	29
Wholesale and retail trade	-	374,915	1,156,622	-	3,544	12,395
Financial and Business Services	8,466,185	10,878,128	15,091,734	17,301	23,522	32,574
Personal	1,309,253	1,642,115	2,441,948	13,481	22,398	25,349
	<b>10,594,574</b>	13,887,122	20,231,187	<b>30,788</b>	49,464	70,347

### (d) General provision

A general provision of 1%-1.32% has been made on loans and advances after offsetting any collateral of liquid assets in the portfolio. This provision has already catered for the expected credit loss of a minimum 12-month probability of default of 1.23% (2024: 1.11% and 2023: 0.97%) for related parties and 1.23%-1.31% (2024: 1.21% and 2023: 0.97%) for non-related parties as required by IFRS 9, Financial Instruments.

## Notes to the financial statements

For the year ended 31 December 2025

### 10. Loans and advances (Cont'd)

#### (e) Specific provision

When principal and interest are overdue by 90 days, loans and advances are classified as non-performing. Specific provision is provided for non-performing loans and advances to reflect their net estimated recoverable amount.

As at 31 December 2025, allowance of credit allowance impairment of USD 7,663 was made to stage 2. (2024: USD 13,757 and 2023: USD 4,494).

As at 31 December 2025, no allowance for credit impairment was made for stage 3 (2024 and 2023: no allowance for credit impairment was made for stage 3).

### 11. Placements with other banks

	2025 USD	2024 USD	2023 USD
Placements	<b>74,217,044</b>	33,998,999	1,606,720
<b>Remaining term to maturity</b>			
- Within 3 months	<b>25,873,002</b>	27,460,615	1,606,720
- Over 3 and up to 6 months	<b>13,217,830</b>	609,167	-
- Over 6 months	<b>35,126,212</b>	5,929,217	-
	<b>74,217,044</b>	33,998,999	1,606,720

### 12. Investment securities

#### Interest sensitivity of assets and liabilities – repricing analysis

31 December 2025	Up to 3 months USD	3 - 6 months USD	6 - 12 months USD	1-3 Yr USD	3-5 Yr USD	Non maturity USD	Total USD
<b>a) Debt securities measured at FVTPL</b>							
Treasury bonds (i)	-	-	-	-	<b>9,479,410</b>	-	<b>9,479,410</b>
<b>Total investment securities</b>	-	-	-	-	<b>9,479,410</b>	-	<b>9,479,410</b>

#### Movement in investment in securities Dec 2025

	Money market fund USD	Treasury bills USD	Treasury bonds USD	Total USD
At 01 January	-	6,908,628	-	6,908,628
Addition	38,738,882	-	77,702,307	116,441,189
Realised gain on disposal/maturity	214,853	79,122	377,441	671,416
Change in fair value	-	-	(284,097)	(284,097)
Disposal / Matured	(40,475,561)	(6,934,308)	(68,240,163)	(115,650,032)
Coupon received	-	(73,750)	(246,973)	(320,723)
Interest income	-	20,308	140,627	160,935
Foreign exchange difference	1,521,826	-	30,268	1,552,094
<b>At 31 December</b>	-	-	<b>9,479,410</b>	<b>9,479,410</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 12. Investment securities (Cont'd)

#### Movement in investment in securities Dec 2025 (Cont'd)

- (i) The treasury bonds have maturity dates ranging between 1 to 5 years from the reporting date and carries a fixed rate of interest.

31 December 2024	Up to 3 months USD	3 - 6 months USD	6 - 12 months USD	1-3 Yr USD	3-5 Yr USD	Non maturity USD	Total USD
a) Debt securities measured at amortised cost							
Treasury bills (i)	-	-	2,910,913	1,992,614	2,005,101	-	6,908,628
<b>Total investment securities</b>	-	-	2,910,913	1,992,614	2,005,101	-	6,908,628

#### Movement in investment in securities Dec 2024

	Money Market Fund USD	Treasury Bills USD	Total USD
At 01 January	74,768,853	7,374,963	82,143,816
Addition	102,523,117	6,848,069	109,371,186
Realised gain on disposal/maturity	1,746,853	-	1,746,853
Change in fair value	(460,099)	-	(460,099)
Disposal/Matured	(175,899,949)	(7,359,700)	(183,259,649)
Interest income	-	225,167	225,167
Effects of Foreign Exchange	(2,678,775)	(179,871)	(2,858,646)
<b>As at 31 December</b>	-	6,908,628	6,908,628

	Up to 3 months USD	3 - 6 months USD	6 - 12 months USD	Non maturity USD	Total USD
a) Investment securities mandatorily measured at FVTPL					
Investment in money market fund (i)	-	-	-	74,768,853	74,768,853
b) Debt securities measured at amortised cost					
Treasury bills (ii)	-	3,840,868	3,534,095	-	7,374,963
<b>Total investment securities</b>	-	3,840,868	3,534,095	74,768,853	82,143,816

#### Movement in investment in securities Dec 2023

	Money market fund USD	Treasury bills USD	Total USD
At 01 January	-	-	-
Addition	88,629,200	7,372,121	96,001,321
Realised gain on disposal/maturity	83,392	-	83,392
Change in fair value	460,099	-	460,099
Disposal	(14,403,838)	-	(14,403,838)
Interest income	-	2,842	2,842
<b>At 31 December</b>	74,768,853	7,374,963	82,143,816

## Notes to the financial statements

For the year ended 31 December 2025

### 12. Investment securities (Cont'd)

(i) The Bank has invested in securities (also referred as the "Fund") during the 2023:

- HSBC Global Liquidity Funds Plc.
- UBS (Lux) SICAV 2

#### HSBC Global Liquidity Funds Plc.

The Fund aims to provide security of capital, daily liquidity and a return that is similar to Euro money markets. The Fund will invest in a diversified portfolio of short-term securities, instruments and obligations, securities and reverse repurchase agreements. It's liquidity is daily – meaning investors can redeem their investment on any business day. It is classified as a Low Volatility NAV Money Market Fund under the European Union Money Market Fund Regulations.

#### UBS (Lux) SICAV 2

The Fund is actively managed and primarily invests in corporate bonds with short maturities from issuers with Investment Grade rating classified by the established rating agencies that exhibit a solid ESG profile.

The Product does not have a maturity date (the Product has been established for an indefinite period of time). The Manufacturer may terminate the Product early. The amount you will receive upon early termination may be less than the amount you invested.

(ii) The Treasury bills have maturity dates ranging between 3 to 12 months from the reporting date and return a fixed rate of interest.

### 13. Other assets

	2025	2024	2023
	USD	USD	USD
Other receivables	376,368	235,092	685,742
Receivables from related parties (Note 13(i))	-	2,932,770	3,145,070
<b>Gross financial assets</b>	<b>376,368</b>	<b>3,167,862</b>	<b>3,830,812</b>
Allowance for credit impairment	-	(32,554)	(33,634)
<b>Net financial assets</b>	<b>376,368</b>	<b>3,135,308</b>	<b>3,797,178</b>
Other receivables**	18,013	46,913	9,812
Cash Reserve Requirements*	411,655	1,294,791	2,637,955
Prepayments	117,726	156,293	100,346
<b>Non-financial assets</b>	<b>547,394</b>	<b>1,497,997</b>	<b>2,748,113</b>
<b>Total</b>	<b>923,762</b>	<b>4,633,305</b>	<b>6,545,291</b>

\* Balances to be maintained with Central Bank as cash reserve requirement

\*\* Other receivables include VAT and Deposits to Suppliers

## Notes to the financial statements

For the year ended 31 December 2025

### 13. Other assets (Cont'd)

#### Allowance for credit impairment

	2025	2024	2023
	USD	USD	USD
<b>Other assets</b>			
As at 01 January	32,554	33,634	18,322
(Reversal)/additional provision during the year	(32,554)	(1,080)	15,312
<b>As at 31 December</b>	<b>-</b>	<b>32,554</b>	<b>33,634</b>

(i) The receivables from the related parties are interest free, unsecured and receivable on demand. As at 31 December 2025, the allowance for credit impairment amounted to USD Nil (2024: USD 32,554 and 2023: USD 30,507).

(ii) The amount due from the shareholder was NIL.

	2025	2024	2023
	USD	USD	USD
At 01 January	-	-	3,361,343
Recharged during the year	26,302	14,429	65,808
Payment received during the year	(26,302)	(14,429)	(3,427,151)
At 31 December	-	-	-
Allowance for credit impairment	-	-	-
Net balance	-	-	-

(iii) As at 31 December 2025, the allowance for credit impairment for other receivables amounted to USD NIL (2024: NIL and 2023: 3,127), as all receivable amount were settled in full at reporting date.

(iv) The directors have assessed the expected credit losses on deposit margin and receivables from related parties and concluded that a minimum 12-month probability of default of 1.23% for related party receivables and 1.23%-1.31% for non-related party receivables is to be applied as it would be inappropriate to assume that no default will occur. For more details, refer to Note 4.2 which includes disclosure relating to credit risk exposures and analysis relating to the allowance for credit impairment.

(v) In 2024 the Directors have carried out an impairment assessment of the receivables from Warwyck Investments and Warwyck Investment Holdings Ltd. The Directors considers that the credit risk of the receivables from related parties and the amount due from shareholder have not increased significantly since initial recognition. As part of the impairment assessment, the Directors have relied on a share pledged provided by the main shareholder as a guarantee to ensure that Warwyck Investments meet their obligations towards the Bank.

## Notes to the financial statements

For the year ended 31 December 2025

### 14. Deposits from customers

	2025	2024	2023
	USD	USD	USD
<b>Retail customers:</b>			
Current accounts	44,626,182	38,212,127	15,227,717
Time deposits with remaining term to maturity:			
- Up to 3 months	26,188,206	68,867,056	7,270,909
- Over 3 months and up to 6 months	-	25,024,755	-
- Over 6 months and up to 12 months	31,857,288	-	-
- Over 1 year and up to 5 years	-	-	564,498
<b>Corporate customers:</b>			
Current accounts	55,015,014	57,577,472	59,073,285
Time deposits with remaining term to maturity:			
- Up to 3 months	20,185,143	12,105,685	78,689,113
- Over 3 months and up to 6 months	-	1,350,950	3,132,822
- Over 6 months and up to 12 months	-	607,239	-
- Over 1 year and up to 5 years	549,205	482,256	1,300,007
- Over 5 years	-	-	-
	<b>178,421,038</b>	<b>204,227,540</b>	<b>165,258,351</b>

### 15. Other liabilities

	2025	2024	2023
	USD	USD	USD
Other accruals	430,098	406,760	370,087
Other liabilities*	283,697	42,702	35,305
Deposit control account**	2,548,498	-	-
	<b>3,262,293</b>	<b>449,462</b>	<b>405,392</b>

\* Other liabilities consist mainly of statutory provision, prepaid cards and provision for performance bonus and provisions on potential fine/penalties.

\*\* Deposit control refers to deposit balances pending allocation to customers' deposit accounts at reporting date

### 16. Stated capital

	2025	2024	2023
	USD	USD	USD
<b>Authorised, issued and fully paid-up ordinary shares of no-par value:</b>			
At 31 December	13,200,000	13,200,000	13,200,000

Each ordinary share has one voting right, right to dividend and right to surplus of assets in a winding up.

Reconciliation of number of shares	2025	2024	2023
	No. of shares	No. of shares	No. of shares
At 01 January/31 December	13,200,000	13,200,000	13,200,000

Reconciliation of stated capital	2025	2024	2023
	USD	USD	USD
At 01 January/31 December	13,200,000	13,200,000	13,200,000

## Notes to the financial statements

For the year ended 31 December 2025

### 16. Stated capital (Cont'd)

- (i) As per Section 102 of the Banking Act 2004, the Bank shall maintain an amount paid as stated capital of not less than MUR 400 million as from June 2019. The Bank is in compliance with the required stated capital at 31 December 2025.

### 17. 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 in the year where the Bank reports a profit, until the balance in that reserve account is equal to the Bank's paid-up capital. This reserve is not distributable.

	2025	2024	2023
	USD	USD	USD
At 01 January	2,593,896	2,212,640	2,092,389
Transfer from retained earnings for the year	410,125	381,256	120,251
At 31 December	<b>3,004,021</b>	2,593,896	2,212,640

### 18. General Reserve

Based on the *Guideline on Classification, Provisioning and Write-off of Credit Exposures* issued by Bank of Mauritius in August 2024, financial institutions shall establish a comprehensive board-approved policy for Classification and Provisioning of Credit Exposures, either as a stand-alone document or integrated within relevant existing policies.

The policies shall include the following:

- criteria for classification of credit exposures based on their credit quality and for computation of accounting and prudential provisions;
- measures to ensure that provisions and write-offs are timely and reflect realistic repayment and recovery expectations, taking into account market and macroeconomic conditions;
- criteria for identifying eligible counterparties for granting moratorium and for restructuring of credit exposures;
- measures to ensure timely identification, classification provisioning and management of problem exposures;
- reporting lines for timely (at least quarterly) repo-provisioning under prudential norms consist of General provisions and Specific Provisions.

Provisioning under prudential norms consist both of General and Specific Provision. Specific Provision shall apply on the credit exposures which are less than the Net Realisable Value of the Security whilst General Provisions shall consist of provision on performing exposures.

All financial institutions shall, over and above the requirement to comply with IFRS 9, also independently assess provision for performing and non-performing exposures under the prudential norms.

As highlighted in the guideline, when accounting provisions are less than prescribed by Bank of Mauritius, the shortfall shall be met through:

- (i) additional accounting provisions; or
- (ii) appropriation of profits to separate 'reserves for performing exposures' and 'reserves for non-performing exposures' (**non-distributable reserve**) as relevant.

## Notes to the financial statements

For the year ended 31 December 2025

### 18. General Reserve (Cont'd)

#### Performing Credit Exposures

According to the new guideline, a financial institution shall maintain the following minimum level of general provisioning, on performing credit exposures:

Exposure type	Prudential General Provisions
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% All other performing exposures	0.5%
All other performing exposures	1.0%

In addition to General Provision for performing exposures, banks are also required to make provisioning for exposures to certain specific sectors, as a macroprudential measure as set out in the Guideline on Additional Macroprudential Measures for the Banking Sector (0.5% for Household-Housing, 0.75% for Household-other than Housing and 1% for Accommodation and Construction including commercial real estate).

#### Non-Performing Exposures (NPE)

Specific Provisions shall consist of:

##### (i) Provision on NPE

A financial institution shall maintain a minimum level of provisioning on NPEs with regard to the prudential classification categories as follows:

Classification category	Prudential Provisions
<b>Sub-standard</b>	25%
<b>Doubtful</b>	50%
<b>Loss</b>	
NPE less than 4 years	75%
NPE more than 4 years	100%

##### (ii) Provision on interest income recognised on NPEs but not received

Financial institutions shall maintain a prudential provision of 100 per cent on any amount of accrued interest on NPEs that is recognised as income but not actually received.

##### (iii) Provision for restructured exposures

While restructuring a credit exposure, the financial institution should, among others, estimate the impact of the restructuring on the present value of the exposure. Where the present value of the restructured exposure is lower than the book value, the difference should be written off. Where the financial institutions do not write off such difference, it shall maintain a provision for any diminution in fair value caused by the restructuring of the exposure.

## Notes to the financial statements

For the year ended 31 December 2025

### 18. General Reserve (Cont'd)

Furthermore, in line with the Guideline on Scope of Application of Basel III and Eligible Capital, provisions held by financial institutions for performing credit exposures shall be disclosed as General Provisions and will qualify for inclusion within Tier 2 capital, subject to a maximum of 1.25 percentage points of risk-weighted assets for credit risk calculated under the standardised approach. Both general provisions and macroprudential provision shall qualify for inclusion in Tier 2 Capital.

	<b>2025</b>	2024	2023
	<b>USD</b>	USD	USD
At 01 January	<b>963,230</b>	-	-
Transfer from retained earnings for the year	<b>12,036</b>	963,230	-
At 31 December	<b>975,266</b>	963,230	-

### 19. Personnel expenses

	<b>2025</b>	2024	2023
	<b>USD</b>	USD	USD
Salaries	<b>1,425,196</b>	1,127,167	981,525
Compulsory social security contributions	<b>94,939</b>	74,299	62,345
Pension	<b>119,429</b>	105,650	55,707
Other personnel expenses	<b>426,076</b>	247,040	118,514
	<b>2,065,640</b>	1,554,156	1,218,091
Number of employees	<b>42</b>	41	34

### 20. Other expenses

	<b>2025</b>	2024	2023
	<b>USD</b>	USD	USD
Legal and professional fees	<b>241,462</b>	199,079	137,180
Licence fees	<b>270,523</b>	254,822	317,482
General administration expenses	<b>38,578</b>	24,670	23,450
Utilities	<b>273,581</b>	241,599	219,343
Travel expenses	<b>34,507</b>	50,173	28,929
Bank charges	<b>399,857</b>	495,650	371,406
Stationeries	<b>5,021</b>	5,685	4,956
Swift expenses	<b>40,023</b>	43,908	56,181
Repairs and maintenance	<b>269,281</b>	273,389	220,392
Directors' fees	<b>134,000</b>	204,608	230,884
Business promotion and marketing expenses	<b>42,146</b>	51,081	9,088
Loss on disposal of property, plant and equipment	-	-	9,146
Others	<b>145,924</b>	43,350	39,612
	<b>1,894,903</b>	1,888,014	1,668,049

## Notes to the financial statements

For the year ended 31 December 2025

### 21. Taxation

#### (a) Income tax

The applicable tax rate in the Republic of Mauritius for the Bank is 5% for the first Rs 1.5 billion of chargeable income and 15% for the remaining amount for the year ended 31 December 2025. Foreign tax credit cannot be claimed on foreign source income which has been subject to tax at the rate of 5%.

As at 31 December 2025, the Bank has a current tax liability of USD 148,392 (Current tax assets - 2024: USD 24,048 and 2023: USD 18,321).

#### (i) Statement of profit or loss and other comprehensive income

	2025	2024	2023
	USD	USD	USD
<b>Profit or loss:</b>			
Movement in deferred taxation (Note 21(b)(ii))	(86,571)	(77,119)	(60,444)
Income tax (charged)/credit	(86,571)	(77,119)	(60,444)
<b>Other comprehensive income:</b>			
Deferred tax on remeasurements of post-employment benefit obligations	(4,355)	(1,040)	4,235

#### (ii) Statement of financial position

	2025	2024	2023
	USD	USD	USD
<b>Current tax liabilities</b>			
At 01 January	-	-	-
Tax charged during the year (5%)	62,391	-	-
Tax deducted at source	(16,932)	-	-
Special levy	77,976	-	-
Climate Change Responsibility Levy (2%)	24,957	-	-
At 31 December	148,392	-	-

	2025	2024	2023
	USD	USD	USD
<b>Current tax assets</b>			
At 01 January	(24,048)	(18,321)	(8,775)
Tax refunded during the year	10,238	7,606	-
TDS claimed	(13,626)	(13,333)	(9,546)
TDS written off	4,515	-	-
At 31 December	(22,921)	(24,048)	(18,321)

	2025	2024	2023
	USD	USD	USD
<b>Net tax liabilities/(assets)</b>	125,471	(24,048)	(18,321)

## Notes to the financial statements

For the year ended 31 December 2025

### 21. Taxation (Cont'd)

#### (iii) Income tax reconciliation

The tax on the Bank's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Bank as follows:

	<b>2025</b>	2024	2023
	<b>USD</b>	USD	USD
Profit/(Loss) before tax	<b>2,973,643</b>	2,618,826	862,120
Tax at 5%	<b>148,682</b>	130,941	43,106
Non-allowable items	<b>79,850</b>	52,946	25,188
Exempt income	<b>(57,033)</b>	(89,740)	(30,146)
Capital allowance	<b>(15,614)</b>	(17,922)	(22,900)
Deferred taxation (Note 21(b)(ii))	<b>86,571</b>	77,119	60,444
Tax credit cumulated	<b>(93,494)</b>	(76,226)	(15,248)
Tax payable at 5%	<b>148,962</b>	77,118	60,444
Less : Tax deducted at Source on rental income	<b>(16,932)</b>	-	-
CCR Levy (2%)	<b>24,957</b>	-	-
Special Levy	<b>77,976</b>	-	-
TDS expensed	<b>4,515</b>	-	-
Income tax expense/(credit)	<b>239,478</b>	77,118	60,444

The Bank did not incur any Corporate Social Responsibility charge as it did not had any chargeable income in the preceding year.

#### (b) Deferred Taxation

- (i) There is a legally enforceable right to offset current tax assets against current tax liabilities and deferred income tax assets and liabilities when the deferred income taxes relate to the same fiscal authority on the same entity. The following amounts are shown in the statement of financial position:

	<b>2025</b>	2024	2023
	<b>USD</b>	USD	USD
Deferred tax assets	<b>2,414</b>	101,423	188,041
Deferred tax liabilities	<b>(35,552)</b>	(43,635)	(52,094)
<b>Net deferred income tax (liabilities)/ assets</b>	<b>(33,138)</b>	57,788	135,947

At the end of the reporting period, the Bank had tax losses of USD 1,869,870 which was offset against the chargeable income (2024: USD 1,869,870 and 2023: USD 3,572,113). There was no deferred tax asset for the year (2024: 93,484 and 2023: 178,606).

In year 2025, no loss was lapsed (2024: USD 177,728 and 2023: USD 766,648).

## Notes to the financial statements

For the year ended 31 December 2025

### 21. Taxation (Cont'd)

#### (b) Deferred Taxation (Cont'd)

(ii) The movement on the deferred income tax account is as follows:

	<b>2025</b>	2024	2023
	<b>USD</b>	USD	USD
At 01 January	<b>(57,788)</b>	(135,947)	(192,156)
Charged to profit or loss (Note 21(a)(i))	<b>86,571</b>	77,119	60,444
Charged/(credited) to other comprehensive income	<b>4,355</b>	1,040	(4,235)
<b>At 31 December</b>	<b>33,138</b>	(57,788)	(135,947)

(iii) The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same fiscal authority, is as follows:

<b>Deferred tax liabilities</b>	<b>Accelerated tax depreciation</b>	<b>Right of use of assets</b>	<b>Total</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>
At 01 January 2023	46,895	278	47,173
(Credited)/ charged to profit or loss	5,199	(278)	4,921
At 31 December 2023	52,094	-	52,094
(Credited) to profit or loss	(8,459)	-	(8,459)
At 31 December 2024	43,635	-	43,635
(Credited) to profit or loss	(8,083)	-	(8,083)
<b>At 31 December 2025</b>	<b>35,552</b>	-	<b>35,552</b>

<b>Deferred tax assets</b>	<b>Impairment losses</b>	<b>Tax losses</b>	<b>Retirement benefit obligations</b>	<b>Lease liabilities</b>	<b>Total</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
At 31 December, 2022	(5,761)	(232,187)	(1,081)	(300)	(239,329)
Charged to profit or loss	562	53,581	1,080	300	55,523
Credited to other comprehensive income	-	-	(4,235)	-	(4,235)
At 31 December, 2023	(5,199)	(178,606)	(4,236)	-	(188,041)
Charged / (Credited) to profit or loss (Note 21(a)(i))	1,098	85,112	(632)	-	85,578
Charged to other comprehensive income	-	-	1,040	-	1,040
At 31 December 2024	(4,101)	(93,494)	(3,828)	-	(101,423)
Charged / (Credited) to profit or loss (Note 21(a)(i))	2,562	93,494	(362)	-	95,694
Charged to other comprehensive income	-	-	3,315	-	3,315
<b>At 31 December 2025</b>	<b>(1,539)</b>	-	<b>(875)</b>	-	<b>(2,414)</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 22. Net interest income

	2025	2024	2023
	USD	USD	USD
<b>Interest income</b>			
Loans and advances	579,985	1,000,677	1,000,742
Treasury Bills (Note 12)	160,935	225,167	2,842
Placement and others	5,685,836	3,698,125	1,587,980
	<b>6,426,756</b>	<b>4,923,969</b>	<b>2,591,564</b>
<b>Interest expense</b>			
Deposits from customers	(2,257,531)	(1,902,318)	(428,903)
Lease liabilities	-	-	(50)
Cash at Bank (Note22(i))	-	(158)	(2,668)
	<b>(2,257,531)</b>	<b>(1,902,476)</b>	<b>(431,621)</b>
<b>Net interest income</b>	<b>4,169,225</b>	<b>3,021,493</b>	<b>2,159,943</b>

- (i) Interest expense on cash at bank represents the interest paid on nostro accounts which is mainly on EUR denominated currency.

### 23. Net fee and commission income

	2025	2024	2023
	USD	USD	USD
<b>Fee and commission income</b>			
Account service fees	1,269,629	789,241	591,493
Advisory fees	104,655	148,605	144,772
Commission on card	102,897	84,711	46,866
Other fees	420,242	533,227	80,237
	<b>1,897,423</b>	<b>1,555,784</b>	<b>863,368</b>
<b>Fee and commission expense</b>			
Administration fee expense	(74,018)	(45,014)	(41,623)
Retrocession	(266,845)	(114,283)	(49,415)
Card expenses	(145,716)	(125,436)	(178,587)
Brokerage fees	(73,316)	-	-
Other Fees	-	(6,156)	(11,276)
	<b>(559,895)</b>	<b>(290,889)</b>	<b>(280,901)</b>
<b>Net fee and commission income</b>	<b>1,337,528</b>	<b>1,264,895</b>	<b>582,467</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 24. Other income

	2025	2024	2023
	USD	USD	USD
Costs recharged to the related companies (Note 27)	728,436	722,700	687,700
Realised gain on disposal of securities (Note 12)	671,416	1,286,754	83,392
Unrealised (loss)/gain on fair value of securities (Note 12)	(284,097)	-	460,099
Net FX option income (Note 6.1)	87,255	-	-
Gain on disposal of PPE and motor vehicle	6,092	-	-
Other	-	5,669	3,778
<b>Total</b>	<b>1,209,102</b>	<b>2,015,123</b>	<b>1,234,969</b>

Pursuant to a Service Level Agreement (“SLA”) between the Bank and its two related companies, a monthly cost is charged to them for services rendered during the year such as compliance review, preparation of accounts IT support and internal audit. During 2025, the SLA remained the same as last year. There expenses which were paid on behalf of the related company which were recharged at cost.

### 25. Retirement Benefit Obligations

	2025	2024	2023
	USD	USD	USD
<b>Amount recognised in the statement of financial position</b>			
- Other post-retirement benefits (Note 25(a)(i))	17,481	76,560	84,727

	2025	2024	2023
	USD	USD	USD
<b>Amount charged to profit or loss</b>			
- Other post-retirement benefits (Note 25(a)(iv))	28,029	12,630	(24,997)

	2025	2024	2023
	USD	USD	USD
<b>Amount charged to other comprehensive income</b>			
- Other post-retirement benefits (Note 25(a)(v))	(87,108)	(20,797)	88,118

#### Other post-retirement benefits

Other post-retirement benefits comprise mainly of gratuity on retirement payable under the Workers' Rights Act 2019 and other benefits.

(i) The amount recognised in the statement of financial position are as follows:

	2025	2024	2023
	USD	USD	USD
Present value of unfunded defined benefit obligations	17,481	76,560	84,727

## Notes to the financial statements

For the year ended 31 December 2025

### 25. Retirement Benefit Obligations (Cont'd)

#### Other post-retirement benefits (Cont'd)

(ii) The reconciliation of the opening balances to the closing balances is as follows:

	2025	2024	2023
	USD	USD	USD
At January 01	76,560	84,727	21,606
Charged to profit or loss	28,349	17,670	3,705
Past service cost	(1,360)	-	(28,590)
Effect of foreign exchange translation	1,040	(5,040)	(112)
Charged to other comprehensive income	(87,108)	(20,797)	88,118
<b>At December 31</b>	<b>17,481</b>	<b>76,560</b>	<b>84,727</b>

(iii) The movement over the year is as follows:

	2025	2024	2023
	USD	USD	USD
At January 01	76,560	84,727	21,606
Current service cost	24,359	13,208	2,222
Interest Expense	3,990	4,462	1,483
Effect of foreign exchange translation	1,040	(5,040)	(112)
Past service cost	(1,360)	-	(28,590)
	<b>104,589</b>	<b>97,357</b>	<b>(3,391)</b>
<b>Remeasurements:</b>			
<i>Actuarial loss/(gain) arising from:</i>			
Experience adjustments	2,003	(31,286)	2,030
Changes in assumptions	(89,111)	10,489	86,088
	<b>(87,108)</b>	<b>(20,797)</b>	<b>88,118</b>
<b>At December 31</b>	<b>17,481</b>	<b>76,560</b>	<b>84,727</b>

(iv) The amounts recognised in statement of profit or loss are as follows:

	2025	2024	2023
	USD	USD	USD
Current service cost	24,359	13,208	2,222
Net interest cost	3,990	4,462	1,483
Effect of foreign exchange translation	1,040	(5,040)	(112)
Past service cost	(1,360)	-	(28,590)
<b>Total</b>	<b>28,029</b>	<b>12,630</b>	<b>(24,997)</b>

(v) The amounts recognised in other comprehensive income are as follows:

	2025	2024	2023
	USD	USD	USD
Liability experience gain	2,003	(31,286)	2,030
Actuarial (gains)/losses arising from changes in assumptions	(89,111)	10,489	86,088
<b>Total</b>	<b>(87,108)</b>	<b>(20,797)</b>	<b>88,118</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 25. Retirement Benefit Obligations (Cont'd)

#### Other post-retirement benefits (Cont'd)

(vi) The principal actuarial assumptions used for the purposes of the actuarial valuations were:

	<b>2025</b>	2024	2023
	<b>USD</b>	USD	USD
Discount rate	<b>5.90%</b>	5.20%	5.60%
Future salary increases	<b>4.00%</b>	7.00%	7.00%
Average retirement age (ARA)	<b>65</b>	65	65

(vii) Sensitivity analysis on defined benefit obligation at end of period:

	<b>2025</b>	2024	2023
	<b>USD</b>	USD	USD
- Increase due to 1% decrease in discount rate	<b>16,840</b>	31,431	36,646
- Decrease due to 1% increase in discount rate	<b>11,091</b>	24,365	28,760
- Increase due to 1% increase in future long-term salary assumption	<b>17,004</b>	30,509	35,729
- Decrease due to 1% decrease in future long-term salary assumption	<b>11,222</b>	24,203	28,664

An increase/decrease of 1% in other principal actuarial assumptions would not have a material impact on defined benefit obligations at the end of the reporting period.

The sensitivity analysis above has 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.

(viii) The plans expose the Bank to actuarial risks, such as interest rate risk, salary risk, withdrawal risk and liquidity risk.

#### Interest Rate Risk

If the bond/bill yields decrease, the liabilities would be calculated using a lower discount rate and would therefore increase.

#### Salary Risk

If salary increases are higher than assumed in our basis, the liabilities would increase giving rise to actuarial losses.

#### Withdrawal Risk

Lower than expected withdrawal will have the same impact as longevity risk.

#### Liquidity Risk

This risk arises if the employer's actual net cash flows are not sufficient to pay for the gratuity benefit when it becomes due.

(ix) The weighted average duration of the defined benefit obligation is 24 years (2024: 24 years and 2023: 17 years) at the end of the reporting period.

## Notes to the financial statements

For the year ended 31 December 2025

### 26. Dividends

	2025 USD	2024 USD	2023 USD
<b>Dividend paid</b>	<b>1,900,000</b>	-	-
<b>Dividend per share</b>	<b>0.19</b>	-	-

### 27. Notes to the statement of cash flows

#### (a) Cash and cash equivalents

To statement of cash flows, cash and cash equivalents are made up of:

	2025 USD	2024 USD	2023 USD
Cash in hand and at banks (Note 7)	<b>101,284,860</b>	158,702,306	65,735,229
<b>Cash and cash equivalents</b>	<b>101,284,860</b>	158,702,306	65,735,229

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was insignificant as these balances are maintained with reputable institutions. Provision of 0.5% was allocated to rated banks and 1% for unrated banks.

## Notes to the financial statements

For the year ended 31 December 2025

### 28. Related party transactions

Balances and transactions between the Bank and its related parties are as follows:

	2025	2024	2023
	USD	USD	USD
<b>Loans and advances (Note 27(iv))</b>			
Related parties with common shareholders /promoters	<b>6,285,512</b>	7,112,381	10,178,017
<b>Deposits from customers</b>			
Directors and key management personnel	<b>143,510</b>	293,012	1,450,095
Parent	<b>455,470</b>	427,542	402,567
Entities holding at least 10% interest in the Bank	-	-	250,729
Related parties with common shareholders /promoters	<b>12,162,389</b>	16,306,065	7,377,797
	<b>12,761,369</b>	17,026,619	9,481,188
<b>Other assets</b>			
Related parties with common shareholders /promoters	<b>71</b>	2,900,216	3,114,563
<b>Other liabilities</b>			
Directors and key management personnel	<b>99,754</b>	-	-
Related parties with common shareholders /promoters	<b>2,976</b>	-	-
	<b>102,730</b>	-	-
<b>Interest income</b>			
Entities holding at least 10% interest in the Bank	-	-	6
Related parties with common shareholders /promoters	<b>283,830</b>	545,517	486,339
	<b>283,830</b>	545,517	486,345
<b>Interest expense</b>			
Directors and key management personnel	-	-	9,905
Entities holding at least 10% interest in the Bank	-	-	4,086
Related parties with common shareholders /promoters	<b>50,659</b>	72,936	67,312
	<b>50,659</b>	72,936	81,303
<b>Management fees and other income</b>			
Directors and key management personnel	<b>5,214</b>	1,695	7,495
Parent	<b>4,043</b>	8,911	2,369
Entities holding at least 10% interest in the Bank	-	-	16,777
Related parties with common shareholders /promoters	<b>268,019</b>	201,576	272,178
	<b>277,276</b>	212,182	298,819
<b>Salaries and emoluments (short-term benefits)</b>			
Directors and key management personnel	<b>494,240</b>	656,069	652,432
<i>*The amount includes the salaries and emoluments of the Acting Chief Executive Officer of USD 163,118.</i>			
<b>Costs recharged</b>			
Related parties with common shareholders /promoters	<b>728,436</b>	722,700	687,700

**Notes to the financial statements**

For the year ended 31 December 2025

**28. Related party transactions (Cont'd)**

- (i) The loans and advances are secured by either cash or portfolio collaterals (consisting of quoted and unquoted shares), bearing fixed interest rates and receivable as per the terms and conditions defined in their respective agreements with the Bank.
- (ii) The terms and conditions of the deposits are defined in their respective agreements with the Bank.
- (iii) All the transactions with the related parties are at arm's length and are priced at prevailing market rates.
- (iv) As at 31 December 2025, the Bank had no impairment of loans and receivables (2024: USD 36,105 and 2023: USD 42,902) relating to amounts owed by related parties.
- (v) There were no net impairment gain on related party loans and receivables for the year ended 31 December 2025 (2024: Gain USD 6,797 and 2023: Gain USD 3,473).

**29. Guarantees**

At 31 December 2025, the Bank had no bank guarantees (2024: CHF 1,400,000 and 2023: NIL).

**30. Contingent liabilities**

At 31 December 2025, the Bank had an on-going negotiation for a claim amounting to USD 95,577. The Bank had made a counteroffer of the claim of USD 39,100 which was recognised as a provision in notes 20.

As at reporting date, there was no response of the counteroffer.

## Notes to the financial statements

For the year ended 31 December 2025

### 31. Resident and Non-Resident Activities

#### (a) Stand-alone Balance Sheet

	2025			2024			2023		
	Total	Resident	Non-Resident	Total	Resident	Non-Resident	Total	Resident	Non-Resident
	USD	USD	USD	USD	USD	USD	USD	USD	USD
<b>ASSETS</b>									
Cash and cash equivalents	101,284,860	69,344,305	31,940,555	158,702,306	133,040,616	25,661,690	65,735,229	44,266,775	21,468,454
Placements with other banks	74,217,044	53,452,416	20,764,628	33,998,999	33,998,999	-	1,606,720	1,606,720	-
Derivative financial assets	35,240	-	35,240	-	-	-	-	-	-
Loans and advances	10,563,786	3,261,210	7,302,576	13,837,658	7,252,825	6,584,833	20,160,840	7,659,700	12,501,140
Investment securities	9,479,410	-	9,479,410	6,908,628	-	6,908,628	82,143,816	-	82,143,816
Property, plant and equipment	4,941,905	4,941,905	-	4,941,514	4,941,514	-	4,797,866	4,797,866	-
Intangible assets	-	-	-	308,468	308,468	-	702,128	702,128	-
Deferred tax assets	-	-	-	57,788	57,788	-	135,947	135,947	-
Current tax assets	-	-	-	24,048	24,048	-	18,321	18,321	-
Other assets	923,762	632,165	291,597	4,633,305	4,633,305	-	6,545,291	6,545,291	-
<b>Total assets</b>	<b>201,446,007</b>	<b>131,632,001</b>	<b>69,814,006</b>	<b>223,412,714</b>	<b>184,257,563</b>	<b>39,155,151</b>	<b>181,846,158</b>	<b>65,732,748</b>	<b>116,113,410</b>
<b>LIABILITIES</b>									
Deposits from customers	178,421,038	17,095,815	161,325,223	204,227,540	24,117,712	180,109,828	165,258,351	44,234,739	121,023,613
Derivative financial liabilities	10,516	-	10,516	-	-	-	-	-	-
Retirement benefit obligations	17,481	17,481	-	76,560	76,560	-	84,727	84,727	-
Deferred tax liabilities	33,138	33,138	-	-	-	-	-	-	-
Current tax liabilities	125,471	125,471	-	-	-	-	-	-	-
Other liabilities	3,262,292	911,900	2,350,392	449,462	449,462	-	405,392	405,392	-
<b>Total liabilities</b>	<b>181,869,936</b>	<b>18,183,805</b>	<b>163,686,131</b>	<b>204,753,562</b>	<b>24,643,734</b>	<b>180,109,828</b>	<b>165,748,470</b>	<b>44,724,858</b>	<b>121,023,613</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 30. Resident and Non-Resident Activities (Cont'd)

#### (a) Stand-alone Balance Sheet (Cont'd)

	2025			2024			2023		
	Total USD	Resident USD	Non-Resident USD	Total USD	Resident USD	Non-Resident USD	Total USD	Resident USD	Non-Resident USD
<b>SHAREHOLDER'S EQUITY</b>									
Stated capital	13,200,000	13,200,000	-	13,200,000	13,200,000	-	13,200,000	13,200,000	-
Statutory reserve	3,004,021	3,004,021	-	2,593,896	2,593,896	-	2,212,640	2,212,640	-
General Reserve	975,266	975,266	-	963,230	963,230	-	-	-	-
Retained earnings	2,396,784	2,396,784	-	1,902,026	1,902,026	-	685,048	685,048	-
<b>Total equity</b>	<b>19,576,071</b>	<b>19,576,071</b>	<b>-</b>	<b>18,659,152</b>	<b>18,659,152</b>	<b>-</b>	<b>16,097,688</b>	<b>16,097,688</b>	<b>-</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>201,446,007</b>	<b>37,759,876</b>	<b>163,686,131</b>	<b>223,412,714</b>	<b>43,302,886</b>	<b>180,109,828</b>	<b>181,846,158</b>	<b>60,822,546</b>	<b>121,023,613</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 30. Resident and Non-Resident Activities (Cont'd)

#### (b) Breakdown of Operating Income (Figures reported in Million)

	Yr 2025			Yr 2024			Yr 2023		
	USD Total	USD Resident	USD Non-Resident	USD Total	USD Resident	USD Non-Resident	USD Total	USD Resident	USD Non-Resident
Interest Income	6	4	2	5	3	2	3	-	3
Interest Expense	2	-	2	2	-	2	-	-	-
<b>Net Interest Income</b>	<b>4</b>	<b>4</b>	<b>-</b>	<b>3</b>	<b>3</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>
Fee and commission income	2	-	2	2	-	2	1	-	1
Fee and commission expense	1	-	1	-	-	-	-	-	-
<b>Net fee and commission Income</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>1</b>	<b>-</b>	<b>1</b>
Dividend Income	-	-	-	-	-	-	-	-	-
Net trading income	1	-	1	-	-	-	-	-	-
Net income from other financial instruments carried at fair value	-	-	-	-	-	-	-	-	-
Other operating income	1	-	1	2	-	2	1	-	1
	<b>2</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>1</b>	<b>-</b>	<b>1</b>
<b>Operating Income</b>	<b>7</b>	<b>4</b>	<b>3</b>	<b>6</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>-</b>	<b>4</b>

#### (c) Breakdown of Deposits from Customers (Figures reported in Million)

	Yr 2025			Yr 2024			Yr 2023		
	USD Total	USD Resident	USD Non-Resident	USD Total	USD Resident	USD Non-Resident	USD Total	USD Resident	USD Non-Resident
<b>Retail Customers</b>	<b>103</b>	<b>-</b>	<b>103</b>	132	-	132	23	-	23
Current Accounts	45	-	45	38	-	38	15	-	15
Savings Accounts	-	-	-	-	-	-	-	-	-
Time Deposits	58	-	58	94	-	94	8	-	8
<b>Corporate Customers</b>	<b>75</b>	<b>15</b>	<b>60</b>	72	24	48	142	44	98
Current Accounts	54	14	40	58	20	37	59	16	43
Savings Accounts	-	-	-	-	-	-	-	-	-
Time Deposits	21	1	20	15	4	11	83	28	55
<b>Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	-	-	-	-	-	-
Current Accounts	-	-	-	-	-	-	-	-	-
Savings Accounts	-	-	-	-	-	-	-	-	-
Time Deposits	-	-	-	-	-	-	-	-	-
	<b>178</b>	<b>15</b>	<b>163</b>	204	24	180	165	44	121

## Notes to the financial statements

For the year ended 31 December 2025

### 30. Resident and Non-Resident Activities (Cont'd)

#### (d) Sectorwise Distribution of Loans and Advances *(Figures reported in Million)*

	Yr 2025			Yr 2024			Yr 2023		
	USD Total	USD Resident	USD Non-Resident	USD Total	USD Resident	USD Non-Resident	USD Total	USD Resident	USD Non-Resident
<b>Other Non-Financial Corporations</b>	-	-	-	-	-	-	-	-	-
A - Agriculture, forestry and fishing	-	-	-	-	-	-	-	-	-
B - Mining and quarrying	-	-	-	-	-	-	-	-	-
C - Manufacturing	-	-	-	-	-	-	-	-	-
D - Electricity, gas, steam, and, air conditioning supply	-	-	-	-	-	-	-	-	-
E - Water supply; sewerage, waste management and remediation activities	-	-	-	-	-	-	-	-	-
F - Construction	-	-	-	1	-	1	2	-	2
G - Wholesale and retail; and repair of motor vehicles and motorcycles	-	-	-	-	-	-	1	-	1
H - Transportation and storage	-	-	-	-	-	-	-	-	-
I - Accommodation and food service activities	-	-	-	-	-	-	-	-	-
J - Information and communication	-	-	-	-	-	-	-	-	-
L - Real estate activities	1	-	1	-	-	-	-	-	-
M - Professional, scientific and technical activities	-	-	-	-	-	-	-	-	-
N - Administrative and support services activities	-	-	-	-	-	-	-	-	-
P - Education	-	-	-	-	-	-	-	-	-
Q - Human health and social work activities	-	-	-	-	-	-	-	-	-
R - Arts, entertainment and recreation	-	-	-	-	-	-	-	-	-
S - Other service activities	-	-	-	-	-	-	-	-	-
<b>Households</b>	1	-	1	2	-	2	2	-	2
<b>Central Bank</b>	-	-	-	-	-	-	-	-	-
<b>Banks</b>	-	-	-	-	-	-	-	-	-
<b>Non-Bank Deposit Taking Institutions</b>	6	-	6	4	-	4	7	-	7
<b>Central Government</b>	-	-	-	-	-	-	-	-	-
<b>State and Local Government</b>	-	-	-	-	-	-	-	-	-
<b>Public Non-Financial Corporations</b>	-	-	-	-	-	-	-	-	-
<b>Global Business Corporations (GBCs)</b>	3	3	-	7	-	7	8	-	8
<b>Non-Profit Institutions</b>	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
	<b>11</b>	<b>3</b>	<b>8</b>	<b>14</b>	<b>-</b>	<b>14</b>	<b>20</b>	<b>-</b>	<b>20</b>

## Notes to the financial statements

For the year ended 31 December 2025

### 31. Holding company

The directors regard Warwyck Investment Holdings Ltd, a company incorporated in Republic of Mauritius, as the holding company (Parent).

### 32. Event after reporting date

There were no other material events after the end of the reporting date which would require disclosures of adjustments to the financial statements for the year ended 31 December 2025.

### 33. (a) Climate-related and Environmental Financial Risks

The Bank of Mauritius (BoM) had issued a guideline on Climate-related and Environmental Financial Risk Management in April 2022. A transitional period up to 31st December 2023 was provided by BoM to be fully compliant with the requirements of the guideline.

The risks associated with climate change have both physical impact arising from more frequent and severe weather changes and transitional impact that may entail extensive policy, legal and technological changes to reduce ecological footprint of the households and businesses.

For Warwyck Private Bank Ltd, both of these risks can materialise through the impairment of asset values and deteriorating creditworthiness of its customers, which could result in reduction of the bank's profitability. The bank may also become exposed to reputational risks as a result of its lending to or other business operations with the customers deemed to be impacted by climate change.

The board has delegated the responsibilities to manage the risks and opportunities linked to climate-related and environmental financial risk management under the Risk Management Committee (RMC). The bank's objective is to act responsibly and manage the climate-related and environmental financial risks associated with its operations. This approach enables the bank to reduce its exposures and at the same time promoting environmentally friendly measures in order to mitigate the financial risks associated with climate change.

In order to identify, assess and manage the risks associated with climate change, the bank performed a general analysis of the exposure and riskiness of its own activities, its client base as well as of the markets in which its financial investments are traded in.

Furthermore, the analysis considered various international standards and reports about climate change and relevant expert papers. Based on the analysis, the bank revisited its risk exposure, risk appetite and overall risk management framework. The main steps of the framework were as follows:

- Assessing the transition risk of the credit portfolio and their related collaterals;
- Analysing the client base (i.e. their sectors and geographical concentration);
- Analysing the bank's economic activities and operations; and
- Concluding on the impact of the risks associated with climate change on the bank.

#### (i) Climate change transition risk: credit quality of exposures by sector, emissions and residual maturity

These risks can include policy and regulatory risks, technological risks, market risks, reputational risks, and legal risks. As at 31 December 2025, the bank was mostly exposed to financial GBCs and financial investment sectors, both amounting to 80% of its overall credit exposure, thus low risk. The risk is further mitigated since most of the credit exposures had a short-term residual maturity of up to one year.

## Notes to the financial statements

For the year ended 31 December 2025

### 33. (a) Climate-related and Environmental Financial Risks (Cont'd)

#### (ii) Climate change transition risk: loans collaterals – efficiency of the collateral

In general, banks face the increased risk of collateral devaluations. There is also the risk of public policy intervening that could cause prejudice against less energy-efficient collaterals, resulting in a decrease in their value. It should also be noted that the physical hazards associated with climate change, such as increased flooding and heat stress, may result in additional financial costs and value depreciation. The risk associated with the collaterals and the sectors/geographical location of the guarantors are relatively low since most of them are involved in activities that are not prone to climate change.

#### (iii) Exposures to the carbon-intensive firms in the world

Industries such as energy (electricity), oil mining, metal mining, concrete, chemicals, aviation, marine shipping, and heavy trucking account for more than 30 percent of global greenhouse gas emissions. These carbon-intensive industries provide crucial goods and services and they are key to winning the war on climate change. Given the bank's business model, its client base is mostly categorised in the financial investment (21%), household (58%) and financial GBCs (7%), suggesting minimal exposure to the risks associated with carbon emissions.

#### (iv) Climate change physical risk: exposures subject to physical risk

Physical climate risks are either acute or chronic. Acute risks include droughts, floods, extreme precipitation and wildfires. Chronic risks include rising temperatures, the expansion of tropical pests and diseases into temperate zones, and an accelerating loss of biodiversity. The sectors in which the bank's clients are mostly involved are not vulnerable to climate change.

#### (v) Other climate change mitigating actions

To align climate-risk exposure with risk appetite and the business and credit strategy, the bank will inject climate-risk considerations into all risk-management processes, including client's review, capital allocations, loan approvals, portfolio monitoring, and reporting.

Based on an overall analysis made on the financial year 2025, it can be concluded that Warwyck Private Bank Ltd is not exposed to any significant risks that would require a material adjustment to the nature and the carrying amounts of its assets and liabilities. The bank has analysed the balance sheet components and the sectors in which it is exposed to, its client base, the markets in which its existing financial investment lies and its future cash flows. It is therefore resolved that at present, the bank's exposure to climate-related and environmental financial risk is relatively low.

### 33. (b) On going war and Financial Risk

Subsequent to 31 December 2025, ongoing geopolitical tensions and armed conflicts in certain regions continue to create global economic uncertainty. These developments have contributed to volatility in financial markets, disruptions in global supply chains, fluctuations in commodity and energy prices, and changes in macroeconomic conditions, including inflation and interest rate movements.

While the Bank does not have direct operational presence in conflict-affected regions, geopolitical developments may give rise to indirect financial risks through their impact on global markets and economic stability.

## Notes to the financial statements

For the year ended 31 December 2025

### 33. (b) On going war and Financial Risk

The risks arising from ongoing geopolitical conflicts may include:

- Market volatility risk;
- Credit deterioration risk due to macroeconomic stress;
- Liquidity and funding market disruptions;
- Counterparty risk;
- Sanctions and regulatory compliance risk; and
- Reputational risk.

The Board has delegated oversight of geopolitical and macroeconomic risk monitoring to the Risk Management Committee (RMC). The Bank continuously monitors developments and assesses potential implications on its capital, liquidity, profitability, and risk profile.

#### (i) Credit Risk: Exposure by Sector and Geography

Geopolitical conflicts may affect certain sectors more significantly, particularly those dependent on global trade, energy markets, or international supply chains.

As at 31 December 2025, the Bank's credit portfolio remains primarily concentrated in financial GBCs, financial investment entities, and household exposures. The Bank does not maintain material direct credit exposure to high-risk jurisdictions directly impacted by ongoing conflicts.

Given the short-term residual maturity profile of the majority of the Bank's credit exposures, the immediate impact of geopolitical risk on credit quality is considered manageable.

#### (ii) Market and Investment Risk

Geopolitical tensions have contributed to fluctuations in global equity, bond, and foreign exchange markets.

The Bank has reviewed its investment portfolio and treasury exposures to assess sensitivity to market volatility. As at the reporting date and up to the date of approval of the financial statements, no material impairment or valuation adjustment has been identified that would require adjustment to the carrying amounts of financial assets.

#### (iii) Liquidity and Funding Risk

Periods of geopolitical instability may affect global liquidity conditions and funding markets.

The Bank continues to maintain strong liquidity buffers and monitors its liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) in line with regulatory requirements. No material funding stress has been observed as at the date of approval of the financial statements.

#### (iv) Sanctions and Compliance Risk

Geopolitical conflicts may result in expanded sanctions regimes and regulatory measures affecting financial institutions.

The Bank maintains robust compliance and screening procedures to ensure adherence to applicable international sanctions and regulatory requirements. Ongoing monitoring mechanisms are in place to mitigate compliance risks associated with geopolitical developments.

## Management Discussion and Analysis

### 2025 Financial Review

#### Key Financial Indicators

	Year ended 31 December 2025 USD	Year ended 31 December 2024 USD	Year ended 31 December 2023 USD	Change %
<b>Key financial highlights</b>				
Interest income	<b>6,426,756</b>	4,923,969	2,591,564	31%
Interest expense	<b>(2,257,531)</b>	(1,902,476)	(431,621)	19%
Net interest income	<b>4,169,225</b>	3,021,493	2,159,943	38%
Net commission and other income	<b>2,546,630</b>	3,280,018	1,817,436	-22%
Total operating income	<b>6,715,855</b>	6,301,511	3,977,379	7%
Operating expenses	<b>(3,742,212)</b>	(3,682,685)	(3,115,259)	2%
Income tax expense	<b>(239,478)</b>	(77,119)	(60,444)	211%
Profit for the year	<b>2,734,165</b>	2,541,707	801,676	8%
Total assets	<b>201,446,007</b>	223,412,714	181,846,158	-10%
Total loans and advances	<b>10,563,786</b>	13,837,658	20,160,840	-31%
Total interest earnings assets	<b>195,545,100</b>	213,447,591	169,646,605	-8%
Average total assets	<b>212,429,361</b>	202,629,436	124,178,860	5%
Average total interest earnings assets	<b>204,496,346</b>	191,547,098	111,478,088	7%
Total liabilities	<b>181,869,937</b>	204,753,562	165,748,470	-11%
Total deposits	<b>178,421,038</b>	204,227,540	165,258,351	-13%
Shareholder's equity	<b>19,576,070</b>	18,659,151	16,097,688	5%
Total regulatory capital	<b>19,397,156</b>	18,374,913	15,363,594	6%
Allowance for credit impairment	<b>(30,788)</b>	(49,464)	(70,347)	-38%
<b>Ratios</b>				
Operating expenses/Total income	<b>55.7%</b>	43.4%	49.8%	
Return on equity	<b>14.0%</b>	13.6%	5.0%	
Return on total assets	<b>1.4%</b>	1.1%	0.4%	
Return on average assets	<b>1.3%</b>	1.3%	0.6%	
Loans/Deposits ratio	<b>5.9%</b>	6.8%	12.2%	
Earnings per share	<b>0.21</b>	0.19	0.06	
Net interest income to average total assets	<b>2.0%</b>	1.5%	1.7%	
Net interest income to average total interest earnings assets	<b>1.3%</b>	1.6%	1.9%	
Productivity ratio	<b>68.8%</b>	69.2%	81.6%	
Credit impairment over total loans	<b>(0.3%)</b>	(0.4%)	(0.3%)	

The bank delivered a strong financial performance for the financial performance for the financial year ended December 2025, recording a profit after tax of USD 2.73m. This represented a year-on-year growth of USD 0.19m, driven primarily by a substantial rise in operating income.

As a result of this performance, the bank's return on equity improved remarkably, increasing from 13.6% as at end December 2023 to 14.0% as at end December 2025.

The income comprised mainly of interest income, fee and commission and other income whereas expenses comprised mainly of interest expenses, personnel expenses, licenses and permits and depreciation and amortisation.

## Management Discussion and Analysis

### 2025 Financial Review

#### Key Financial Indicators

##### Operating Income

The bank's income stemmed mainly from interest income, fee and commission, and other income which comprised largely of fair value gains on investments. Total income surged by an impressive USD 0.4m, reflecting improved performance across all its major revenue streams.

##### Net interest income

The bank's net interest income reached USD 4.2 million, reflecting an increase of USD 1.15m compared to the USD 3.02m recorded in the previous financial year. This improvement occurred because the rise in interest income was relatively higher than the increase in interest expenses.

The increase in interest income was predominantly caused by the rise of USD 2.1m in interest on placement which reached USD 5.6m as at end December 2025. This growth was supported by higher deposit inflows that were largely channeled into the form of placements. Interest on loans and advances fell by USD 0.4m, while interest income from T-bills and T-bonds recorded a moderate decrease of USD 0.11m.

Interest expense which comprised exclusively of interest on fixed deposits, rose by USD 0.36m and amounted to USD 2.26m at 31 December 2025.

Overall, the rise in net interest income can be attributed to both the expanded placement base and the impact of elevated interest rate in the global market environment.

##### Net Fees and Commission Income

Net fee and commission stood at USD 1.34m, reflecting a year-on-year increase of USD 0.07m. This growth was driven by higher fee and commission income earned which stood at USD 2.6m as at end December 2025 while fee and commission expenses also increased to USD 0.56m.

The rise in fees and commission income can be explained mainly by the increase of USD 0.48m in admin fees, and rise in fees and commission expense can be explained mainly by the increase of USD 0.15m in retrocession fees.

##### Other income

Other income decreased by USD 0.81m to USD 1.12m as at end December 2025. Other income included the fair value gains on investment securities to the tune of USD 0.39m and USD 0.73m as shared expenses from the bank's sister companies made during the financial year.

##### Operating Expense

The bank's total operating expenses, which amounted to USD 3.74m as at end December 2025, rose by USD 0.51m in personnel expenses, USD 0.03m in utilities, and USD 0.17m in other expenses during the financial year.

Other expenses comprised mainly of bank charges amounting to USD 0.40m, professional fees of 0.38m, license and permits fees of USD 0.27m and utility costs of USD 0.24m as at end December 2025.

As a result of the moderate increase in operating expenses relative to the rise in operating income, the bank's operating expenses to total income ratio rose, increased from 43.4% as at end December 2024 to 55.7% as at end December 2025.

## Management Discussion and Analysis

### 2025 Financial Review

#### Key Financial Indicators

##### Assets

As at end December 2025, the bank's total assets fell by USD 21.97m reaching USD 181.85m. This fall is attributed to a significant decrease of USD 57.42m in cash and cash equivalents, as well as an increase USD 40.22m in placements with banks, and investment in securities rose by USD 3.66m. In contrast loans and advances declined by USD 4.36m, respectively, with these funds being reallocated to cash and cash equivalents.

The bank's asset composition as at end December 2025 was primarily concentrated in cash and cash equivalents (50.3%), placements with banks (36.8%), loans and advances (4.7%) and investment securities (5.2%).

##### Loans and advances

Loan and advances continued to exhibit a downward trend amounted to USD 10.56m as at end December 2025. This represented a year-on-year decline of USD 3.27m. Consequently, with the decrease in loans and advances alongside the decrease in deposits, the bank's loan to deposit ratio further declined to 5.9%.

##### Liabilities

The bank's total liabilities which comprised predominantly of deposits from customers, decreased by USD 22.9m during the financial year December 2025 to close at USD 181.87m.

##### Deposits

Deposits from customers decreased by USD 25.8m, from USD 204.23m as at end December 2025 to USD 178.42m as at end December 2025. The decrease was driven by a rise of USD 3.85m in current deposits and a significant fall of USD 29.71m in term deposits.

As such, term deposits and current deposits accounted for 44.15% and 55.85% of total deposits, respectively, as at end December 2025.

##### Shareholder's Equity

Shareholder's equity rose by USD 0.92m, from USD 18.66m at end December 2024 to USD 19.58m as at end December 2025, on account of profits made during financial year.

##### Capital Adequacy Ratio

The bank's capital adequacy ratio declined from 32.0% as at end December 2024 to 30.5% as at end December 2025 and continued to be well above the minimum requirement of 12.5%.

##### Credit Exposure and Credit Quality

Credit Exposure and Credit Quality are as disclosed in Note 4 of the financial statements.

No restructuring of loans and advances was made during the year ended December 2025.

The breakdown for loans and advances categorised by domestic and international clients is set out in Note 10.

## Management Discussion and Analysis

### 2025 Financial Review

#### Risk management policies and controls

The related risk management policies and controls are disclosed in Note 4 to these financial statements.

#### Concentration of risk policy

Credit concentration risk is disclosed in Note 4 to these financial statements as per the Guideline on Credit Concentration. The three most significant exposures of the Bank represent 32.2% of the capital base.

#### Credit Impairment Measurement and Income Recognition

Credit impairment is disclosed in Note 2 to these financial statements.

#### Related party transaction policies and procedures.

Related party transaction policies and procedures are as disclosed on page 33 of the annual report and are as per Guideline on Related Party Transactions. The exposure to the four related parties represented 33.74% of Tier 1 Capital.

#### Statement of Corporate Governance Practices

The Bank is fully committed to abide to the requirements and provisions set out in the Bank of Mauritius Guideline on Corporate Governance and has applied the eight principles set out in the Code and has explained how these have been applied which are disclosed as from page 9 of the Corporate Governance Report.

The Board is committed to upholding open and trusted relationships with the shareholder. Communication to shareholder is disclosed on page 42 of the Corporate Governance Report.

#### Risk Management

##### 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.

As per Basel III framework, banks are required to hold capital for the following three risk areas:

- Credit Risk – Standardised Approach
- Market Risk - Standardised Approach
- Operational Risk – Basic Indicator Approach

The capital adequacy ratio is the ratio which determines the capacity of the Bank in terms of meeting the time liabilities and other risks such as credit risk, market risk and operational risk.

As at 31 December 2025, the Bank had a capital base of USD 19.4 m based on the audited figures and the Bank's capital adequacy ratio stood at 30.5% (Dec 2024: 32.0% and Dec 2023: 28.1%).

Note 5 to the financial statements summarises the composition of regulatory capital and Capital Adequacy Ratio (CAR) of the Bank for the years ended 31 December 2025, 31 December 2024 and 31 December 2023.