

**UNAUDITED INTERIM
CONDENSED FINANCIAL
STATEMENTS
FOR THE NINE
MONTHS ENDED
31 MARCH 2025**

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MANAGEMENT'S DISCUSSION & ANALYSIS

AfrAsia Bank Limited (the "Bank") is pleased to present its unaudited interim condensed financial statements for the nine months ended 31 March 2025.

Financial Highlights

As at 31 March 2025

Key figures (compared to same period last year)

<p>MUR 76.0bn (Mar 2024 - MUR 58.2bn)</p> <p>31%</p>	<p>MUR 22.3bn (Mar 2024 - MUR 18.6bn)</p> <p>20%</p>	<p>MUR 258.9bn (Mar 2024 - MUR 238.5bn)</p> <p>9%</p>
Loans and advances	Total equity	Deposits

Nine months ended 31 March 2025

Key figures (compared to same period last year)

<p>MUR 1.6bn (Mar 2024 - MUR 1.4bn)</p> <p>15%</p>	<p>MUR 766.6m (Mar 2024 - MUR 682.8m)</p> <p>12%</p>	<p>MUR 5.4bn (Mar 2024 - MUR 5.3bn)</p> <p>1%</p>
Net trading income	Net fee and commission income	Net interest income

Results Overview

For the nine months ended 31 March 2025, the Bank recorded a net profit after tax ("NPAT") of **MUR 4.8bn**. This represents a **12%** decline compared to the corresponding period ended 31 March 2024 (MUR 5.4bn), primarily attributable to higher impairment losses, increased operating expenses and higher tax charges following the introduction of the Corporate Climate Responsibility Levy, which came into effect during the current period.

Net interest income increased marginally by **1%** to **MUR 5.4bn** for the nine months ended 31 March 2025, up from MUR 5.3bn for the same period in 2024. The slight uptick is mainly driven by the growth in the Bank's average interest-bearing assets and liabilities offsetting the current drop in overall yield levels.

Net trading income, a key contributor to the Bank's NPAT, increased by **15%** to **MUR 1.6bn** for the nine months ended 31 March 2025, up from MUR 1.4bn for the same period last year. This increase was largely supported by higher foreign currency flows across both domestic and international markets, as well as effective management of foreign currency exposures.

Net fee and commission income grew by **12%** from MUR 682.8m for the period ended 31 March 2024 to **MUR 766.6m** for the nine months ended 31 March 2025. This performance was underpinned mainly by increased transaction volume, enhancing commission income, higher fees on dealings and was further complemented by gains from our card business.

The Bank recorded a net impairment loss on financial assets of **MUR 333.3m**, compared to an impairment credit of MUR 165.6m for the same period last year, due to few exposures showing signs of deterioration in the current period. The Bank continues to closely monitor economic conditions to reassess its impairment provisions accordingly.

Operating income and operating expenses grew by **5%** and **25%** respectively, compared to the prior period. The cost-to-income ratio increased to reach **20%** as at 31 March 2025, up from 16% as at 31 March 2024.

The Bank's balance sheet remains strong, with total assets rising by **9%** to **MUR 282.9bn** as at 31 March 2025, compared to MUR 259.2bn as at 31 March 2024. Loans and advances saw a strong increase of **31%**, reaching **MUR 76.0bn** as at 31 March 2025 (31 March 2024: MUR 58.2bn), mainly resulting from multiple new disbursements during the current period. This growth contributed to an improvement in the loan-to-deposit ratio, which rose to **29%** from 24% in the same period last year.

MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)

On the liability side of the balance sheet, the Bank's deposit base increased by **9%**, rising from MUR 238.5bn as at 31 March 2024 to **MUR 258.9bn** as at 31 March 2025. This increase was primarily driven by volume growth reflecting the strong loyalty of our customers.

The Bank's total capital adequacy ratio stood at **19.22%** as at 31 March 2025, an increase from 18.96% as at 31 March 2024.

The Bank's shareholders' equity grew significantly by **20%** period-on-period, reaching **MUR 22.3bn** as at 31 March 2025 (March 2024: MUR 18.6bn).

Global Economy

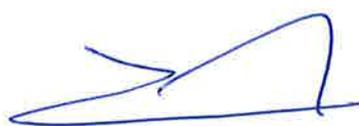
The IMF has provided a "reference forecast" with global growth expected to drop to 2.8% in 2025 and 3% in 2026, on the back of escalation of trade tensions and extremely high levels of policy uncertainty. On the U.S. side, the University of Michigan Consumer Sentiment Index also recorded a sharp decline by 30.6%, from 10th January 2025 to 11th April 2025, which reflects growing concerns over persistent inflation resulting from newly imposed tariffs. In response to persistent inflationary pressures and geopolitical risks, the Federal Reserve held interest rates steady in the 4.25% - 4.50% range at its May 2025 meeting. Meanwhile, the European Central Bank lowered its key interest rates to 2.40% through three successive cuts in January, March and April 2025 and the Bank of England lowered its interest rates by 25 basis points from 4.50% to 4.25% at its May 2025 meeting.

Source: International Monetary Fund ("IMF"), University of Michigan, FED, European Central Bank & Reuters.

Domestic Economy

Real GDP growth is projected to moderate from 4.7% in 2024 to a range of 3.0% to 3.5% in 2025, mainly resulting from a downward revision from the IMF to the growth outlook for some of the major trading partners of Mauritius that could negatively impact our domestic growth for 2025. On the demand side, economic activity continues to be supported by consumption and investment. Headline inflation over the 12-month period eased to 2.5% in March 2025, marking a sharp drop from 5.8% a year ago. However, inflationary risks remain tilted on the upside, both domestically and externally. To address these concerns, the Monetary Policy Committee of the Bank of Mauritius raised the Key Rate by 50 basis points from 4.00% to 4.50% at its February 2025 meeting, and maintained at 4.50% at its May 2025 meeting due to heightened uncertainty regarding future tariff hikes and trade wars. A corresponding upward shift in the yield curve was observed over the first quarter of 2025.

Source: Statistics Mauritius & Bank of Mauritius.



Olivier Emmanuel Jauffret
Chairperson



Thierry Vallet
Chief Executive Officer



Joan Jill Wan Bok Nale
Audit Committee Chairperson

Date: 14 May 2025

7 STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	THE GROUP			THE BANK		
	As at 31 March 2025 Unaudited MUR'000	As at 31 March 2024 Unaudited MUR'000	As at 30 June 2024 Audited MUR'000	As at 31 March 2025 Unaudited MUR'000	As at 31 March 2024 Unaudited MUR'000	As at 30 June 2024 Audited MUR'000
ASSETS						
Cash and balances with banks	23,534,912	23,571,020	18,847,227	23,534,912	23,571,020	18,847,227
Due from banks	50,487,517	37,668,245	38,511,567	50,487,517	37,668,245	38,511,567
Derivative financial instruments	148,287	396,201	366,664	148,287	396,201	366,664
Loans and advances to banks	20,355,696	13,839,679	14,647,416	20,355,696	13,839,679	14,647,416
Loans and advances to customers	55,665,890	44,375,915	47,857,486	55,665,890	44,375,915	47,857,486
Investment securities	124,574,012	132,675,473	134,697,387	124,574,012	132,675,473	134,697,387
Other assets	6,739,449	5,459,592	5,608,828	6,739,449	5,459,592	5,608,822
Property and equipment	719,515	514,055	604,442	719,515	514,055	604,442
Right of use assets	35,061	49,859	45,421	35,061	49,859	45,421
Intangible assets	255,768	379,084	265,545	255,768	379,084	265,545
Deferred tax assets	422,216	298,654	294,219	422,216	298,654	294,219
TOTAL ASSETS	282,938,323	259,227,777	261,746,202	282,938,323	259,227,777	261,746,196
EQUITY AND LIABILITIES						
LIABILITIES						
Due to banks	4,036	-	868	4,036	-	868
Deposits from banks	252,088	363,024	335,051	252,088	363,024	335,051
Deposits from customers	258,620,715	238,127,953	239,910,949	258,622,756	238,130,420	239,913,413
Borrowings from financial institution	146,035	163,894	167,183	146,035	163,894	167,183
Derivative financial instruments	84,174	239,312	224,771	84,174	239,312	224,771
Current tax liabilities	459,639	472,496	522,721	459,639	472,496	522,721
Lease liabilities	36,505	51,176	44,582	36,505	51,176	44,582
Other liabilities	848,187	1,075,992	1,082,422	847,271	1,075,121	1,081,555
Employee benefits	230,983	173,876	186,599	230,983	173,876	186,599
TOTAL LIABILITIES	260,682,362	240,667,723	242,475,146	260,683,487	240,669,319	242,476,743
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT						
Ordinary shares	3,641,049	3,641,049	3,641,049	3,641,049	3,641,049	3,641,049
Class A shares	1,385,768	1,385,768	1,385,768	1,385,768	1,385,768	1,385,768
Retained earnings	12,250,945	10,191,510	10,379,176	12,231,309	10,171,403	10,359,062
Other reserves	4,978,199	3,341,727	3,865,063	4,996,710	3,360,238	3,883,574
TOTAL EQUITY	22,255,961	18,560,054	19,271,056	22,254,836	18,558,458	19,269,453
TOTAL EQUITY AND LIABILITIES	282,938,323	259,227,777	261,746,202	282,938,323	259,227,777	261,746,196

7 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 31 MARCH 2025

	THE GROUP					THE BANK				
	Three months ended 31 March 2025 Unaudited MUR'000	Three months ended 31 March 2024 Unaudited MUR'000	Nine months ended 31 March 2025 Unaudited MUR'000	Nine months ended 31 March 2024 Unaudited MUR'000	Year ended 30 June 2024 Audited MUR'000	Three months ended 31 March 2025 Unaudited MUR'000	Three months ended 31 March 2024 Unaudited MUR'000	Nine months ended 31 March 2025 Unaudited MUR'000	Nine months ended 31 March 2024 Unaudited MUR'000	Year ended 30 June 2024 Audited MUR'000
Interest income	2,986,382	2,986,932	9,239,826	8,331,225	11,402,418	2,986,382	2,986,932	9,239,826	8,331,225	11,402,418
Interest expense	(1,208,948)	(1,119,033)	(3,834,374)	(2,994,749)	(4,258,025)	(1,208,948)	(1,119,033)	(3,834,374)	(2,994,749)	(4,258,025)
Net interest income, calculated using EIR method	1,777,434	1,867,899	5,405,452	5,336,476	7,144,393	1,777,434	1,867,899	5,405,452	5,336,476	7,144,393
Fee and commission income	379,165	328,879	1,157,301	1,029,085	1,412,811	379,165	328,879	1,157,301	1,029,085	1,412,811
Fee and commission expense	(136,904)	(118,343)	(390,684)	(346,252)	(476,540)	(136,904)	(118,342)	(390,684)	(346,251)	(476,539)
Net fee and commission income	242,261	210,536	766,617	682,833	936,271	242,261	210,537	766,617	682,834	936,272
Net trading income	456,044	475,470	1,554,989	1,351,900	1,829,991	456,049	475,463	1,554,995	1,351,898	1,829,986
Other (losses)/gains	(1,876)	662	(750)	983	1,187	(1,876)	662	(750)	983	1,187
Other operating income	-	1,010	1,031	1,010	4,069	-	1,010	1,031	1,010	4,069
Total operating income	2,473,863	2,555,577	7,727,339	7,373,202	9,915,911	2,473,868	2,555,571	7,727,345	7,373,201	9,915,907
Net impairment (loss)/credit on financial assets	(101,283)	59,588	(333,338)	165,555	49,315	(101,283)	59,588	(333,338)	165,555	49,315
Net operating income	2,372,580	2,615,165	7,394,001	7,538,757	9,965,226	2,372,585	2,615,159	7,394,007	7,538,756	9,965,222
Personnel expenses	(279,884)	(245,260)	(822,809)	(684,407)	(968,260)	(279,884)	(245,260)	(822,809)	(684,407)	(968,260)
Depreciation of property and equipment	(4,334)	(7,234)	(12,852)	(22,044)	(30,419)	(4,334)	(7,234)	(12,852)	(22,044)	(30,419)
Depreciation of right of use assets	(4,710)	(4,438)	(13,942)	(19,148)	(23,586)	(4,710)	(4,438)	(13,942)	(19,148)	(23,586)
Amortisation of intangible assets	(9,604)	(13,726)	(30,025)	(41,150)	(92,981)	(9,604)	(13,726)	(30,025)	(41,150)	(92,981)
Other operating expenses	(190,451)	(131,732)	(630,719)	(441,730)	(624,036)	(190,416)	(131,709)	(630,247)	(441,306)	(623,616)
Total operating expenses	(488,983)	(402,390)	(1,510,347)	(1,208,479)	(1,739,282)	(488,948)	(402,367)	(1,509,875)	(1,208,055)	(1,738,862)
Profit before tax	1,883,597	2,212,775	5,883,654	6,330,278	8,225,944	1,883,637	2,212,792	5,884,132	6,330,701	8,226,360
Tax expense	(324,519)	(319,088)	(1,120,860)	(931,632)	(1,201,419)	(324,519)	(319,088)	(1,120,860)	(931,632)	(1,201,419)
Profit for the period/year	1,559,078	1,893,687	4,762,794	5,398,646	7,024,525	1,559,118	1,893,704	4,763,272	5,399,069	7,024,941
Other comprehensive loss that will not be reclassified to profit or loss:										
Remeasurement of employee benefits	-	-	(29,045)	(93,476)	(97,115)	-	-	(29,045)	(93,476)	(97,115)
Deferred tax on remeasurement of employee benefits	-	-	7,456	12,456	13,151	-	-	7,456	12,456	13,151
Fair value gain on equity investments designated at fair value through other comprehensive income	-	-	10	8	631	-	-	10	8	631
Revaluation gain on equity investments designated at fair value through other comprehensive income	-	-	-	-	330	-	-	-	-	330
Other comprehensive loss for the period/year	-	-	(21,579)	(81,012)	(83,003)	-	-	(21,579)	(81,012)	(83,003)
Total comprehensive income for the period/year attributable to equity holders of the parent	1,559,078	1,893,687	4,741,215	5,317,634	6,941,522	1,559,118	1,893,704	4,741,693	5,318,057	6,941,938

7 STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 31 MARCH 2025

	THE GROUP				
	Ordinary shares	Class A shares	Retained earnings	Other reserves	Total
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
Attributable to equity holders of the parent					
At 1 July 2023	3,641,049	1,385,768	7,724,718	2,697,223	15,448,758
Profit for the period	-	-	5,398,646	-	5,398,646
Other comprehensive (loss)/income	-	-	(81,020)	8	(81,012)
Total comprehensive income for the period	-	-	5,317,626	8	5,317,634
Appropriation of reserves	-	-	(543,967)	543,967	-
Additional provision in relation to Bank of Mauritius Guideline	-	-	(100,529)	100,529	-
Dividends	-	-	(2,206,338)	-	(2,206,338)
At 31 March 2024	3,641,049	1,385,768	10,191,510	3,341,727	18,560,054
At 1 July 2023	3,641,049	1,385,768	7,724,718	2,697,223	15,448,758
Profit for the year	-	-	7,024,525	-	7,024,525
Other comprehensive (loss)/income	-	-	(83,964)	961	(83,003)
Total comprehensive income for the year	-	-	6,940,561	961	6,941,522
Appropriation of reserves	-	-	(1,087,670)	1,087,670	-
Additional provision in relation to Bank of Mauritius Guideline	-	-	(79,209)	79,209	-
Dividends	-	-	(3,119,224)	-	(3,119,224)
At 30 June 2024	3,641,049	1,385,768	10,379,176	3,865,063	19,271,056
At 1 July 2024	3,641,049	1,385,768	10,379,176	3,865,063	19,271,056
Profit for the period	-	-	4,762,794	-	4,762,794
Other comprehensive (loss)/income	-	-	(21,589)	10	(21,579)
Total comprehensive income for the period	-	-	4,741,205	10	4,741,215
Appropriation of reserves	-	-	(447,690)	447,690	-
Additional provision in relation to Bank of Mauritius Guideline	-	-	(665,436)	665,436	-
Dividends	-	-	(1,756,310)	-	(1,756,310)
At 31 March 2025	3,641,049	1,385,768	12,250,945	4,978,199	22,255,961

7 STATEMENTS OF CHANGES IN EQUITY (CONTINUED)
FOR THE NINE MONTHS ENDED 31 MARCH 2025

	THE BANK				
	Ordinary shares	Class A shares	Retained earnings	Other reserves	Total
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
At 1 July 2023	3,641,049	1,385,768	7,704,188	2,715,734	15,446,739
Profit for the period	-	-	5,399,069	-	5,399,069
Other comprehensive (loss)/income	-	-	(81,020)	8	(81,012)
Total comprehensive income for the period	-	-	5,318,049	8	5,318,057
Appropriation of reserves	-	-	(543,967)	543,967	-
Additional provision in relation to Bank of Mauritius Guideline	-	-	(100,529)	100,529	-
Dividends	-	-	(2,206,338)	-	(2,206,338)
At 31 March 2024	3,641,049	1,385,768	10,171,403	3,360,238	18,558,458
At 1 July 2023	3,641,049	1,385,768	7,704,188	2,715,734	15,446,739
Profit for the year	-	-	7,024,941	-	7,024,941
Other comprehensive (loss)/income	-	-	(83,964)	961	(83,003)
Total comprehensive income for the year	-	-	6,940,977	961	6,941,938
Appropriation of reserves	-	-	(1,087,670)	1,087,670	-
Additional provision in relation to Bank of Mauritius Guideline	-	-	(79,209)	79,209	-
Dividends	-	-	(3,119,224)	-	(3,119,224)
At 30 June 2024	3,641,049	1,385,768	10,359,062	3,883,574	19,269,453
At 1 July 2024	3,641,049	1,385,768	10,359,062	3,883,574	19,269,453
Profit for the period	-	-	4,763,272	-	4,763,272
Other comprehensive (loss)/income	-	-	(21,589)	10	(21,579)
Total comprehensive income for the period	-	-	4,741,683	10	4,741,693
Appropriation of reserves	-	-	(447,690)	447,690	-
Additional provision in relation to Bank of Mauritius Guideline	-	-	(665,436)	665,436	-
Dividends	-	-	(1,756,310)	-	(1,756,310)
At 31 March 2025	3,641,049	1,385,768	12,231,309	4,996,710	22,254,836

7 STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 31 MARCH 2025

	THE GROUP			THE BANK		
	Nine months ended 31 March 2025 Unaudited MUR'000	Nine months ended 31 March 2024 Unaudited MUR'000	Year ended 30 June 2024 Audited MUR'000	Nine months ended 31 March 2025 Unaudited MUR'000	Nine months ended 31 March 2024 Unaudited MUR'000	Year ended 30 June 2024 Audited MUR'000
Net cash flows generated from/(used in) operating activities	26,543,901	1,453,738	(4,269,943)	26,543,901	1,453,744	(4,269,936)
Net cash flows used in investing activities	(148,173)	(431,956)	(553,087)	(148,173)	(431,956)	(553,087)
Net cash flows used in financing activities	(1,767,922)	(2,223,136)	(3,142,813)	(1,767,922)	(2,223,136)	(3,142,813)
Net cash flows for the period/year	24,627,806	(1,201,354)	(7,965,843)	24,627,806	(1,201,348)	(7,965,836)
Movement in cash and cash equivalents						
Cash and cash equivalents at start of period/year	44,194,541	50,552,201	50,552,201	44,194,541	50,552,194	50,552,194
Net increase/(decrease) in cash and cash equivalents	24,627,806	(1,201,354)	(7,965,843)	24,627,806	(1,201,348)	(7,965,836)
Net foreign exchange difference	(808,707)	1,532,285	1,608,183	(808,707)	1,532,285	1,608,183
Cash and cash equivalents at end of period/year	68,013,640	50,883,132	44,194,541	68,013,640	50,883,131	44,194,541

By Order of the Board
Company Secretary
14 May 2025

AfrAsia Bank Limited is pleased to present its unaudited interim condensed financial statements for the period ended 31 March 2025. A copy of the said unaudited interim condensed financial statements has been published on the Bank's website www.afrasiabank.com.