



# **Bank of India (New Zealand) Limited**

Registered Bank Disclosure Statement

**FOR THE SIX MONTHS ENDED 30 September 2025**

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**General Disclosures**  
**For the six months ended 30 September 2025**

**1. Reporting Directive:**

This Disclosure Statement of the Bank as at and of the six months ended 30 September 2025 has been prepared under the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended).

**2. Registered Bank:**

Name : Bank of India (New Zealand) Limited  
Address : 10 Manukau Road  
Epsom  
Auckland 1023

Bank of India (New Zealand) Limited (the "Bank") was incorporated on 9 October 2008. It became a registered bank on 31 March 2011.

For the purposes of the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended), the Bank is currently the only entity within the Registered Bank's Banking Group in New Zealand and accordingly the term "Bank" has the same meaning as the Bank's Banking Group throughout this Disclosure Statement.

**3. Ultimate Parent Bank and Ultimate Holding Company:**

Name : Bank of India  
Address: Star House C-5, G Block  
Bandra Kurla Complex  
Post Box No. 8135  
Bandra (East)  
Mumbai 400051(India)

The obligations of the Bank are guaranteed by its ultimate parent, Bank of India (refer to section 6 below for further details on the guarantee arrangement). There has been no change to the ultimate parent bank or ultimate holding company since 31 March 2025.

There are no known regulations, legislation or other restrictions of a legally enforceable nature which may materially inhibit the legal ability of Bank of India to provide material financial support to Bank of India (New Zealand) Limited.

**4. Interests in 5% or more of voting securities of registered bank:**

Bank of India (New Zealand) Limited is 100% owned by Bank of India. Therefore, Bank of India has the ability to directly appoint 100% of the board of directors of Bank of India (New Zealand) Limited.

**5. Priority of creditors' claims:**

As at 30 September 2025, all creditors of the Bank have equal priority of claims over the Bank's assets in the event that the Bank is liquidated or ceases to trade.

**6. Guarantee Arrangements:**

The obligations of Bank of India (New Zealand) Limited are guaranteed under a deed of guarantee dated 14 January 2011 given by its ultimate parent bank, Bank of India, in favour of the creditors of Bank of India (New Zealand) Limited ("the Guarantee").

Copies of the Guarantee are attached as Appendix 3.

The name and address for service of the Guarantor is:

Bank of India, Star House, C-5, G Block, Bandra Kurla Complex, Post Box No.8135, Bandra (East), Mumbai 400051, India.

Bank of India is the Bank's ultimate parent and ultimate holding company. Bank of India is not a member of the Banking Group.

Details of the capital adequacy for the Bank of India as at 30 September 2025 are as follows:

Capital	: INR 795,660,000,000
Capital/Risk Weighted Exposures (%)	: 16.69%

The Bank of India has the following credit rating with respect to its long term senior unsecured obligations payable in any country or currency including obligations payable in New Zealand in New Zealand dollars:

Rating Agency	: Fitch Ratings
Current Credit Rating	: BBB- /Stable/F3

On 11 March 2025, Fitch Ratings has reaffirmed the rating and outlook on the long-term counterparty credit ratings on the Bank of India at BBB-/Stable.

Descriptions of credit rating scales are contained in Appendix 1.



**General Disclosures**  
**For the six months ended 30 September 2025**

**Details of Guaranteed Obligations:**

Bank of India unconditionally guarantees for the benefit of each creditor the due and punctual payment by Bank of India (New Zealand) Limited of each and every obligation (whether at stated maturity, upon acceleration or otherwise) now or hereafter owing or to become owing by Bank of India (New Zealand) Limited to the creditor during the term of the guarantee.

There are no limits on the amount of the obligations guaranteed under the Guarantee. There are no material conditions applicable to the Guarantee other than non-performance by the principal obligor.

There are no material legislative or regulatory restrictions in India which would have the effect of subordinating the claims under the Guarantee of any of the creditors of Bank of India (New Zealand) Limited on the assets of the guarantor, to other claims on the guarantor, in a winding up of that guarantor.

The deed of guarantee does not have an expiry date.

**Material Cross Guarantees:**

There are no material cross guarantees.

**7. Directors:**

There is no change in the composition of the Bank's board of directors since the most recent full year Disclosure Statement dated 31 March 2025.

At present, the Bank has the following directors:

- Sameer HANDA, Chairman and Independent Director (appointed on 12 July 2013)
- Dhananjay Raghavendra BASRUR, independent director (appointed 23 July 2023)
- Sarah Margaret MURRAY, independent director (appointed 17 August 2023)
- Edward Peter CHRISTIAN, independent director (appointed 21 January 2024)
- Tapan VERMA, Managing Director (appointed on 13 July 2022)
- Sanjay SRIVASTAVA (appointed 4 April 2024)

Communications to the directors should be addressed to:

10 Manukau Road, Epsom, Auckland 1023, New Zealand

Sameer HANDA, Dhananjay Raghavendra BASRUR, Sarah Margaret MURRAY and Edward Peter CHRISTIAN are independent directors who are not employees of the Bank of India (New Zealand) Limited or of any other entity able to control or significantly influence the Bank. The Chairman of the Board is therefore independent. Sameer HANDA, Dhananjay Raghavendra BASRUR, Sarah Margaret MURRAY and Edward Peter CHRISTIAN are residents in New Zealand.

Tapan Verma, Managing Director is resident in New Zealand. He is effectively the sole executive director of the Bank and all other directors are non-executive directors.

**General Disclosures**  
**For the six months ended 30 September 2025**

**Qualifications and other directorship:**

	<b>Qualifications</b>	<b>Details of other directorships</b>
Sameer HANDA, MNZM <b>Primary Occupation</b> Managing Director- Glowbal NZ Ltd	Bachelor of Engineering (B.E. Mechanical); Master of Business Administration (MBA)	Asahi Limited; Asahi Properties Limited; Buildex NZ Limited; Doncaster Properties Limited; Ecolife Lighting Limited; Export Depot Limited Glowbal NZ Limited; Gray Investments Limited; Hobsonville Point Limited; Hotunui Investments Limited; Mynzuni.Com Limited Randwick Properties Limited; S V M Holdings Limited; Three 60 Construction Limited; Uniqway Limited. Auckland Health Foundation-Trustee; India NZ Business Council- Executive member; Trust for the destruction of synthetic refrigerants-Trustee; NZ Asian Leaders Incorporated Society-Co-Chair
Dhananjay Rahavendra BASRUR <b>Primary Occupation:</b> Corporate finance and strategy advisor.	B.SC (Hons), MBA (Finance), FCMA/CGMA (UK), FCPA (Aus.), MI Institute of Directors	Basrur Consulting Limited CGB Consulting Limited Lakshmi Investments Limited
Sarah Margaret MURRAY <b>Primary Occupation:</b> Consultant and Chartered Accountant	Bachelor of Arts Bachelor of Commerce Chartered accountant of Australia and New Zealand. MI Institute of Directors	Nil
Edward Peter CHRISTIAN <b>Primary Occupation:</b> Banker	Bachelor of Engineering (B.E. Electronics & Telecommunication); Master of Business Administration (Finance) Member-Institute of Directors, New Zealand	Change Capital Limited Killick Investments Limited Work-The Recruitment Co. Limited
Tapan VERMA <b>Primary Occupation:</b> Banker	MA; MBA Certified Associate of the Indian Institute of Bankers (CAIIB) Member-Institute of Directors, New Zealand	Nil
Sanjay SRIVASTAVA <b>Primary Occupation:</b> Banker	M.Sc. Certified Associate of the Indian Institute of Bankers (CAIIB)	BOI Merchant Bankers Limited

The directors, their immediate relatives and close business associates have not entered into any transactions with the Bank, which either has been entered into on terms other than those under the ordinary course of business of the Bank, or which could otherwise be reasonably likely to influence materially the exercise of that director's duties.

The members of the combined **Audit and Risk Committees** are:

Dhananjay Raghavendra BASRUR, independent director	Chairperson
Sameer HANDA , Independent Director	Member
Sarah Margaret MURRAY, Independent Director	Member
Edward Peter CHRISTIAN, Independent Director	Member

## General Disclosures

### For the six months ended 30 September 2025

The responsible persons authorised to sign this Disclosure Statement on behalf of the Board in accordance with sec 82 of the Reserve Bank of New Zealand Act 1989 are Mr. Sameer HANDA and Mr. Tapan VERMA.

The Bank's code of conduct states: Members of core management are expected to devote their total attention to the business interests of the Bank. They are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Bank or otherwise is in conflict with or prejudicial to the Bank. If any member of the core management considers investing in securities issued by the Bank's customers, suppliers or competitors they should ensure that these investments do not compromise their responsibilities to the Bank. Many factors including the size and nature of the investment; their ability to influence the Bank's decisions; their access to confidential information of the Bank or any other entity, and the nature of the relationship between the Bank and the counterparty should be considered in determining whether a conflict exists.

Additionally, they should disclose to the Bank any interest which they have which may conflict with the business of the Bank. As a general rule, the members of the core management should avoid conducting the Bank's business with a relative or any other entity in which the relative is associated in any significant role. If such a related party transaction is unavoidable, they must fully disclose the nature of the transaction to the appropriate authority.

Any dealings with a related party must be conducted in such a way that no preferential treatment is given to that party. In the case of any other transaction or situation giving rise to conflicts of interests, the appropriate authority should, after due deliberations, decide on its impact.

#### 8. Auditor

The name and address of the Bank's independent auditor is:

KPMG  
18 Viaduct Harbour Avenue  
P.O. Box 1584, Shortland Street  
Auckland 1140, New Zealand

#### 9. Conditions of Registration

The Conditions of Registration is revised since last reporting date of 31 March 2025.

Effective 1 July 2025, the Bank's Conditions of Registration have been revised to incorporate adjustments necessary to:

\* implement changes to the PCB ratio requirement from 1 July 2025, in line with decisions announced by the Reserve Bank in the 2019 Capital Review, and to update Conditions with effect from 1 July 2025.

#### 10. Pending Proceedings or Arbitration

As of the date of this Disclosure Statement, there are no pending legal proceedings or arbitration concerning any member of the Bank in New Zealand or elsewhere that may have a material effect on the Bank.

#### 11. Credit Ratings

Bank of India (New Zealand) Limited has the following general credit rating applicable to its long term senior unsecured obligations payable in New Zealand in New Zealand dollars.

Rating Agency	: Fitch Ratings
Current Credit Rating	: BBB-/Stable

On 31 August 2023, Fitch Ratings has reaffirmed the rating and outlook on the long-term counterparty credit ratings on the Bank of India at BBB-/Stable.

On 16 April 2024, Fitch Ratings has affirmed the rating and outlook on the long-term Issuer default rating on the Bank of India (New Zealand) at BBB-/Stable/.

On 11 March 2025, Fitch Ratings has affirmed the rating and outlook on the long-term Issuer default rating on the Bank of India (New Zealand) at BBB-/Stable/.

Descriptions of credit rating scales are contained in Appendix 1.

**General Disclosures**  
**For the six months ended 30 September 2025**

**12. Other material matters**

**Impairment of Loans and advances**

Bank of India (NZ) Limited, is required to estimate Expected Credit Loss (ECL) in accordance with NZ IFRS 9 *Financial Instruments*. Under this accounting standard, the allowance for Expected Credit Loss (ECL) would be recognised on certain financial assets from the date of origination depending on the credit quality of the asset. As per the accounting requirement, the following are the assets which shall carry a loss allowance under NZ IFRS 9. The instruments covered under NZ IFRS 9 impairment model for the Bank are:

- 1) Loans & advances measured at amortized cost
- 2) Loan commitments including undrawn commitments issued that are not measured at FVTPL. The instruments out of scope of ECL computation are listed below:
  - Loan commitments and other financial instruments issued that are measured at FVTPL

The general approach to impairment determines a probability-weighted ECL amount. The key risk parameters required for the calculation of probability-weighted ECL. These include:

- a) Point in Time (PiT) Probability of Default
- b) Loss Given Default
- c) Exposure at Default
- d) Exposure Lifetime
- e) Economic Scenarios and Probability Weights Assigned to the Scenarios
- f) 12-Month and Lifetime Expected Credit Loss

NZ IFRS9 5.5.17 (c) outlines that an entity shall measure expected credit losses of a financial instrument in a way that reflects reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic condition.

To compute forward-looking PDs, the model requires a future forecast of the macroeconomic factors. The Bank has sourced this from RBNZ, Treasury, Big 4 banks' and NZIER economic forecast reports. These forecasts were then converted to three scenarios: 1) "Upside", 2) "Central" and 3) "Downside" case scenarios, using the minimum, average and maximum value of the forecast available from the industry sources, respectively.

The Bank does not currently have an economics team to forecast economic factors. Hence, has used external forecast data available from RBNZ, Treasury, Big4 banks, and NZIER to produce the macroeconomic forecast scenarios.

**Historical Economic Factors:** The historical values of the key economic factors such as GDP, CPI, HPI, OCR and the unemployment rate were sourced from RBNZ's monetary policy statement data.

**Univariate Regression Analysis:** The Bank performs regression analysis between historical default rate and economic factors such as GDP, CPI, OCR, HPI, and the unemployment rate. A univariate analysis is performed when a single economic factor is regressed with default rates.

**Multi-variate Analysis:** In a scenario where multiple economic factors are significant; the Bank performs a multi-variate regression analysis.

There are no other material matters relating to the business or affairs of the Bank that are not disclosed in this Disclosure Statement.

**Directors' Statement**  
**For the six months ended 30 September 2025**

1. Each director of the Bank of India (New Zealand) Limited, believes, after due enquiry, that as at the date on which this Disclosure Statement is signed:

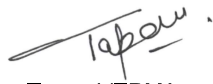
- The Disclosure Statement is not false or misleading; and
- The Disclosure Statement contains all information that is required by the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended).

Furthermore, each director believes, after due enquiry that over the period ended 30 September 2025:

- The Bank has complied in all material respects with each condition of registration that applied during the accounting period;
- Credit exposure to connected persons were not contrary to the interests of the Bank; and
- The Bank had systems in place to monitor and control adequately the material risks of the Bank including credit risk, concentration of credit risk, interest rate risk, currency risk, equity risk, liquidity risk, operational risk and other business risks, and that those systems were being properly applied.

Signed by Tapan VERMA and Sameer HANDA as directors and responsible persons on behalf of all the directors:

(The directors of the Bank were Sameer HANDA, Dhananjay Raghavendra BASRUR, Sarah Margaret MURRAY, Edward Peter CHRISTIAN, Tapan VERMA and Sanjay SRIVASTAVA).



Tapan VERMA  
Managing Director  
27 November 2025



Sameer HANDA  
Chairman and Independent Director

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**Statement of Comprehensive Income (For the six months ended 30 September 2025):**

(in NZ \$ '000)

	Note	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Interest income	2	6,089	12,190	6,485
Interest expense	2	(2,840)	(4,908)	(2,291)
<b>Net interest income</b>		<b>3,249</b>	<b>7,282</b>	<b>4,194</b>
Banking and lending fee income and commission income		117	354	207
<b>Total Revenue</b>		<b>3,366</b>	<b>7,636</b>	<b>4,401</b>
Other income	3	55	118	59
Operating expenses	4	(1,631)	(3,196)	(1,419)
Impairment losses on loans and advances	16	(626)	(2,572)	(783)
<b>Profit before income tax</b>		<b>1,164</b>	<b>1,986</b>	<b>2,258</b>
Taxation expense		(326)	(559)	(633)
<b>Net Profit after tax</b>		<b>838</b>	<b>1,427</b>	<b>1,625</b>
Other comprehensive income		-	-	-
<b>Total Comprehensive income</b>		<b>838</b>	<b>1,427</b>	<b>1,625</b>

**Statement of Changes in Equity (For the six months ended 30 September 2025):**

(in NZ \$ '000)

	Note	Share Capital	Retained Earnings	Total
<b>Balance as at 1 April 2024</b>		50,000	12,484	62,484
Total comprehensive income for the period		-	1,625	1,625
Dividend paid		-	(200)	(200)
<b>Balance as at 30 September 2024 (Unaudited)</b>		<b>50,000</b>	<b>13,909</b>	<b>63,909</b>
<b>Balance as at 1 April 2024</b>		50,000	12,484	62,484
Total comprehensive income for the year		-	1,427	1,427
Dividend paid		-	(200)	(200)
<b>Balance as at 31 March 2025 (Audited)</b>		<b>50,000</b>	<b>13,711</b>	<b>63,711</b>
<b>Balance as at 1 April 2025</b>		<b>50,000</b>	<b>13,711</b>	<b>63,711</b>
Total comprehensive income for the period		-	838	838
Dividend paid/declared	13	-	(250)	(250)
<b>Balance as at 30 September 2025 (Unaudited)</b>		<b>50,000</b>	<b>14,299</b>	<b>64,299</b>

The accompanying notes on pages 11 to 40 form an integral part of these interim financial statements and should be read in conjunction with the interim financial statements.

**Statement of Financial Position as at 30 September 2025:**

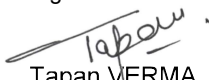
(in NZ \$'000)

	Note	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	((Unaudited) 30.09.2024
<b>ASSETS</b>				
Cash	7	45	34	48
Due from other financial institutions	11	40,110	34,567	24,637
Balance due from related parties	12	137	240	281
Loans and advances	5,16	141,246	141,317	138,396
GST Refundable		18	35	25
Other assets	10	512	252	159
Current tax assets		36	-	-
Property and equipment	9	121	153	182
Right of use assets	27	1,802	1,575	1,687
Deferred tax assets	6	1,740	1,561	1,057
<b>Total assets</b>		<b>185,767</b>	<b>179,734</b>	<b>166,472</b>
<b>LIABILITIES</b>				
Balance due to related parties	12	95,939	91,242	77,961
Deposits and other borrowings	8	22,609	21,971	21,756
Other liabilities	10	664	900	672
Lease liabilities	27	2,006	1,717	1,810
Current tax liabilities		-	193	364
Dividend payable	13	250	-	-
<b>Total liabilities</b>		<b>121,468</b>	<b>116,023</b>	<b>102,563</b>
<b>NET ASSETS</b>		<b>64,299</b>	<b>63,711</b>	<b>63,909</b>
<b>EQUITY</b>				
Share capital	13	50,000	50,000	50,000
Retained earnings		14,299	13,711	13,909
<b>Total shareholder's equity</b>		<b>64,299</b>	<b>63,711</b>	<b>63,909</b>
<b>Total Interest Earning and Discount Bearing Assets</b>		<b>181,212</b>	<b>175,816</b>	<b>166,375</b>
<b>Total Interest and Discount Bearing Liabilities</b>		<b>116,933</b>	<b>111,765</b>	<b>97,847</b>

No financial assets presented in the statement of financial position have been pledged as collateral for liabilities or contingent liabilities.

The board of directors of Bank of India (New Zealand) Limited authorised these interim financial statements for issue on 27 November 2025

Signed for and on behalf of the board of directors

  
Tapan VERMA  
Managing Director  
27 November 2025

  
Sameer HANDA  
Chairman and Independent director

The accompanying notes on pages 11 to 40 form an integral part of these interim financial statements and should be read in conjunction with the interim financial statements.

**Statement of Cash Flows (For the six months ended 30 September 2025):**

(in NZ \$'000)

	Note	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
<b>Cash flows from operating activities</b>				
Interest received		6,153	12,139	6,453
Fees and other income		172	414	214
Operating expenses paid		(2,006)	(3,366)	(1,647)
GST refund received		17	(9)	1
Interest paid		(2,590)	(4,881)	(2,486)
Income tax paid		(734)	(1,476)	(876)
(Increase)/Decrease in advances to customers		(848)	3,044	7,727
Decrease in balance due from related parties		103	6,845	6,804
Increase/(Decrease) in balance due to related parties		4,697	9,068	(4,213)
Increase/(Decrease) in deposits from customers		638	(1,789)	(2,004)
<b>Net cash flow from operating activities</b>	<b>14</b>	<b>5,602</b>	<b>19,989</b>	<b>9,973</b>
<b>Cash flows from investing activities</b>				
Increase in balances with other financial institutions		(237)	(488)	(528)
Purchase of property and equipment		(3)	(23)	(16)
<b>Net cash flow from investing activities</b>		<b>(240)</b>	<b>(511)</b>	<b>(544)</b>
<b>Cash flows from financing activities</b>				
Principal part of lease payments	<b>27</b>	(45)	(179)	(86)
Dividend paid		-	(200)	(200)
<b>Net cash flow used in financing activities</b>		<b>(45)</b>	<b>(379)</b>	<b>(286)</b>
<b>Net increase in cash and cash equivalents</b>		<b>5,317</b>	<b>19,099</b>	<b>9,143</b>
Cash and cash equivalents at the beginning of the period		33,643	14,544	14,544
<b>Cash and cash equivalents at the end of the period</b>		<b>38,960</b>	<b>33,643</b>	<b>23,687</b>
Cash and cash equivalents are made up of:				
Cash	<b>7</b>	45	34	48
Cash equivalent due from other financial institutions at call	<b>11</b>	38,915	33,609	23,639
<b>Total cash and cash equivalents</b>		<b>38,960</b>	<b>33,643</b>	<b>23,687</b>

The accompanying notes on pages 11 to 40 form an integral part of these interim financial statements and should be read in conjunction with the interim financial statements.

**Notes to financial statements**  
**For the six months ended 30 September 2025**

**1. SUMMARY OF ACCOUNTING POLICIES:**

**1.1. Statement of Compliance:**

Bank of India (New Zealand) Limited (the "Bank") is a profit-oriented entity incorporated under the Companies Act 1993 and domiciled in New Zealand. Its principal activity is the provision of banking services. Bank of India (New Zealand) Limited was incorporated on 9 October 2008. It became a registered bank on 31 March 2011 under the Reserve Bank of New Zealand Act 1989.

The Bank is an FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013 (FMCA 2013). Its financial statements comply with the requirements of the Financial Market Conduct Act 2013 (FMCA 2013) and the requirements of Registered Bank Disclosure Statement (New Zealand Incorporated Registered Banks) Order 2014 (as amended).

These interim financial statements have been prepared and presented in accordance with the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended).

These interim financial statements have also been prepared in accordance with Generally Accepted Accounting Practice in New Zealand as appropriate for the interim financial statements for Tier 1 for profit-oriented entities, and in accordance with the New Zealand equivalent to International Financial Reporting Standards ("NZ IFRS"). These interim financial statements also comply with the International Financial Reporting Standards ("IFRS").

The interim financial statements were authorised for issue by the directors on 27 November 2025.

**1.2. Basis of preparation:**

The interim financial statements have been prepared on a going concern basis in accordance with historical cost concepts.

The functional and presentation currency is New Zealand Dollars (NZD). The amounts in the Disclosure Statement have been rounded to the nearest thousand dollars, except where otherwise stated.

The same accounting policies and methods of computation have been followed in preparing these interim financial statements as were used in preparing the financial statements for the year ended 31 March 2025.

**1.3. Comparatives:**

When the presentation or classification of items is changed, comparative amounts are reclassified unless the reclassification is impracticable.

**1.4. Accounting judgments and major sources of estimation uncertainty:**

In the application of the Bank's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Bank takes into consideration historical data, the quality of the securities held as collateral and current market conditions in determining ECL.

**NZ IFRS 16- Leases:**

The Bank leases office premises. Under NZ IFRS 16, the Bank recognises right-of-use assets and lease liabilities for the leases on balance sheet.

The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments at the commencement date, discounted using the interest rate implicit in the lease or if that cannot be readily determined, the Bank's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability, and decreased by lease payment made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Notes to financial statements  
For the six months ended 30 September 2025

**2. INTEREST:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
<b>Interest income</b>			
Loans and advances	5,570	11,063	5,956
From other financial institutions	519	1,127	529
Others	-	-	-
<b>Total interest income</b>	<b>6,089</b>	<b>12,190</b>	<b>6,485</b>
<b>Interest expenses</b>			
Deposits by customers	623	954	481
Deposits by related parties	1,894	3,477	1,621
Borrowings from related parties	258	353	127
Interest on lease liability	65	124	62
<b>Total interest expenses</b>	<b>2,840</b>	<b>4,908</b>	<b>2,291</b>

**3. OTHER INCOME:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Net foreign exchange gains	42	102	48
Other revenue	13	16	11
<b>Total other income</b>	<b>55</b>	<b>118</b>	<b>59</b>

**4. OPERATING EXPENSES:**

Operating expenses include

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Auditors remuneration			
- Audit of Disclosure Statements	-	190	-
- Review of Disclosure Statements	81	76	76
- Overrun of audit fee for previous year	29	45	45
<b>Directors' fees</b>	<b>42</b>	<b>83</b>	<b>42</b>
<b>Depreciation- owned assets</b>			
Leasehold improvements	24	47	23
Computer equipment	3	5	3
Office equipment	5	13	7
Furniture	3	7	3
<b>Total depreciation</b>	<b>35</b>	<b>72</b>	<b>36</b>
Depreciation on Right of use assets	107	218	107
Employee benefit expenses	897	1,623	754
Other expenses	440	889	359
<b>Total Operating Expenses</b>	<b>1,631</b>	<b>3,196</b>	<b>1,419</b>

**5. LOANS AND ADVANCES:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
<b>Residential mortgages loans</b>			
<b>Standard residential mortgage loan</b>			
Non-property investment residential mortgage loan	11,461	17,360	17,242
Property investment residential mortgage loan	25,866	25,941	20,392
<b>Total</b>	<b>37,327</b>	<b>43,301</b>	<b>37,634</b>
Corporate loans	106,084	103,164	104,170
Unsecured loans	3,906	-	-
Other loans	115	119	97
Interest receivable	95	440	419
<b>Gross Loans and advances</b>	<b>147,527</b>	<b>147,024</b>	<b>142,320</b>
Allowance for expected credit loss	(5,951)	(5,325)	(3,536)
Amortisation of loan processing charges	(330)	(382)	(388)
<b>Net loans and advances</b>	<b>141,246</b>	<b>141,317</b>	<b>138,396</b>
Amounts due for settlement within 12 months	28,904	24,633	35,133
Amounts due for settlement after 12 months	112,342	116,684	103,263
<b>Net loans and advances</b>	<b>141,246</b>	<b>141,317</b>	<b>138,396</b>

Note: As at 30 September 2025, No amount was loaned to a director and other senior management. (As at 31 March 2025: NZD 2,434. As at 30 September 2024: NZD 5,343).

Notes to financial statements  
For the six months ended 30 September 2025

6. TAXATION:

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
<b>Tax expense comprises:</b>			
Current tax expense in respect of the current year	505	1,281	853
Deferred tax expense relating to the origination and reversal of temporary differences	(179)	(725)	(221)
Expense relating to origination of permanent difference	-	4	-
Excess provision of tax in prior period	-	(1)	-
<b>Total tax expense</b>	<b>326</b>	<b>559</b>	<b>632</b>
The total charge for the period can be reconciled to the accounting profit as follows:			
Profit before income tax expense	1,164	1,986	2,258
Income tax expense calculated at 28% (2024: 28%)	326	556	632
Expense relating to the origination of permanent difference	-	4	-
Excess provision of tax in prior period	-	(1)	-
<b>Income tax expense recognised in profit or loss</b>	<b>326</b>	<b>559</b>	<b>632</b>

Deferred tax assets/ (liabilities) arise from the following:

Temporary Differences:

(in NZ \$'000)

For period ended 30 September 2025 (Unaudited)	Opening balance	Charged to profit or loss	Closing balance
Property and equipment	20	(3)	17
Impairment allowance	1,491	175	1,666
Right of use asset	(441)	(63)	(504)
Lease liabilities	481	80	561
Other liabilities	10	(10)	-
	<b>1,561</b>	<b>179</b>	<b>1,740</b>
For period ended 31 March 2025 (Audited)	Opening balance	Charged to profit or loss	Closing balance
Property and equipment	26	(6)	20
Impairment allowance	771	720	1,491
Right of use asset	(451)	10	(441)
Lease liabilities	480	1	481
Other liabilities	10	-	10
	<b>836</b>	<b>725</b>	<b>1,561</b>
For period ended 30 September 2024 (Unaudited)	Opening balance	Charged to profit or loss	Closing balance
Property and equipment	26	(4)	22
Impairment allowance	771	219	990
Right of use asset	(451)	(21)	(472)
Lease liabilities	480	27	507
Other liabilities	10	-	10
	<b>836</b>	<b>221</b>	<b>1,057</b>

7. CASH:

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Cash on hand	45	34	48
<b>Total cash</b>	<b>45</b>	<b>34</b>	<b>48</b>

8. DEPOSITS AND OTHER BORROWINGS:

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Retail deposits	22,609	21,971	21,756
Wholesale deposits	-	-	-
<b>Total deposits</b>	<b>22,609</b>	<b>21,971</b>	<b>21,756</b>
Amounts due for settlement within 12 months	14,735	14,586	15,840
Amounts due for settlement after 12 months	7,874	7,385	5,916
<b>Total deposits</b>	<b>22,609</b>	<b>21,971</b>	<b>21,756</b>

Notes to financial statements  
For the six months ended 30 September 2025

**9. PROPERTY AND EQUIPMENT:**

(in NZ \$'000)

	Leasehold Improvements	Computer Equipment	Office Equipment	Furniture	Total
<b>Costs</b>					
Balance as at 1 April 2024 (Unaudited)	1,070	58	148	133	1,409
Additions	5	6	-	5	16
Balance as at 30 September 2024 (Unaudited)	1,075	64	148	138	1,425
Additions	-	2	-	5	7
Balance as at 31 March 2025 (Audited)	1,075	66	148	143	1,432
Additions	-	-	-	3	3
Balance as at 30 September 2025 (Unaudited)	1,075	66	148	146	1,435
<b>Accumulated depreciation</b>					
Balance as at 1 April 2024 (Unaudited)	993	50	80	84	1,207
Depreciation	24	2	7	3	36
Balance as at 30 September 2024 (Unaudited)	1,017	52	87	87	1,243
Depreciation	23	3	6	4	36
Balance as at 31 March 2025 (Audited)	1,040	55	93	91	1,279
Depreciation	24	3	5	3	35
Balance as at 30 September 2025	1,064	58	98	94	1,314
<b>Carrying amount</b>					
Balance as at 30 September 2024 (Unaudited)	58	12	61	51	182
Balance as at 31 March 2025 (Audited)	35	11	55	52	153
Balance as at 30 September 2025 (Unaudited)	11	8	50	52	121

**10. OTHER ASSETS:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Prepayments	422	154	58
Interest receivable	90	98	101
<b>Total other assets</b>	<b>512</b>	<b>252</b>	<b>159</b>
Amounts due for settlement within 12 months	512	252	159
Amounts due for settlement after 12 months	-	-	-
<b>Total other assets</b>	<b>512</b>	<b>252</b>	<b>159</b>

**OTHER LIABILITIES:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Accruals	101	177	93
RWT on interest on deposits	59	66	510
Interest payable	503	253	31
Unrealised other income	-	359	-
Others	1	45	38
<b>Total other liabilities</b>	<b>664</b>	<b>900</b>	<b>672</b>
Amounts due for settlement within 12 months	664	900	672
Amounts due for settlement after 12 months	-	-	-
<b>Total other liabilities</b>	<b>664</b>	<b>900</b>	<b>672</b>

**11. DUE FROM OTHER FINANCIAL INSTITUTIONS:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Call deposits	38,915	33,609	23,639
Short term deposits	1,195	958	998
<b>Total deposits</b>	<b>40,110</b>	<b>34,567</b>	<b>24,637</b>

Amounts due from other financial institutions are due for settlement within 12 months of balance date.

**12. RELATED PARTY DISCLOSURE:**

The Bank is wholly owned by the Bank of India, a Company incorporated in India. Bank of India is also the Bank's ultimate parent. Related parties include other branches and subsidiaries of Bank of India and other parties under common control. No related party debts have been written off or forgiven during the period.

**Notes to financial statements**  
**For the six months ended 30 September 2025**

**RELATED PARTY DISCLOSURE: (continued.....)**

**Key management personnel:**

Key management personnel are defined as being the Directors and Senior Management of the Bank. The information relating to the key management personnel disclosed includes transactions with those individuals, their close family members and their controlled entities.

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Salary and other short-term benefits	101	491	225
Loan to directors and Senior management	-	2	5

During the period, the Bank accepted the deposits/ (withdrawal) of NZD (2,000) from the key management personnel (31 March 2025: NZD 2,900; 30 September 2024: NZD 2,000. At the end of 30 September 2025, total deposit from the key management personnel was NZD 4,200. (31 March 2025: NZD 5,800; 30 September 2024: NZD 21,000).

As at 30 September 2025, no amounts were due from director and senior management. (31 March 2025: NZD 2,434 and 30 September 2024: NZD 2,864).

**Guarantee from parent:**

The obligations of the Bank are guaranteed under a deed of guarantee dated 14 January 2011 given by its ultimate parent, Bank of India, in favour of the creditors of Bank of India (New Zealand) Limited.

There are no material legislative or regulatory restrictions in India which would have the effect of subordinating the claims under the Guarantee of any of the creditors of Bank of India (New Zealand) Limited on the assets of the guarantor, to other claims on the guarantor, in a winding up of that guarantor.

**Transactions/balances with related parties:**

All related party balances are unsecured, interest bearing and have a fixed maturity, except for:

- Balance of deposits received from related parties amounted to NZD 256,000 which is non-interest bearing and payable on demand (31 March 2025: NZD 232,000; 30 September 2024: NZD 140,000).
- Balance of deposits made with related parties amounted to NZD 137,000 which is non-interest bearing and receivable on demand (31 March 2025: NZD 240,000; 30 September 2024: NZD 281,000).

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
<b>Transactions with related parties</b>			
<b>Interest income</b>			
Bank of India (branches and subsidiaries)	-	-	-
Other related parties	-	-	-
<b>Interest expense</b>			
Bank of India (branches and subsidiaries)	258	353	127
Other related parties	1,894	3,477	1,621
<b>Other expense-FCBS expense recharge</b>			
Bank of India (Parent)	20	54	26
<b>Net withdrawals with related parties</b>	(104)	(6,844)	(6,803)
<b>Net deposit/(withdrawals) by related parties</b>	4,697	9,068	(4,212)
<b>Balances with related parties</b>			
<b>Deposits with/Advances to</b>			
Bank of India (branches and subsidiaries)	137	240	281
Other related parties	-	-	-
<b>Total Deposits with related parties</b>	<b>137</b>	<b>240</b>	<b>281</b>
<b>Deposits and borrowings from:</b>			
Bank of India (branches and subsidiaries)- Deposits	256	232	140
Bank of India (branches and subsidiaries)- Borrowings	10,000	10,000	8,715
Other related parties	85,683	81,010	69,106
<b>Total Deposits and borrowings from related parties</b>	<b>95,939</b>	<b>91,242</b>	<b>77,961</b>
<b>Deposits with/ advances to related parties</b>			
Amounts due for settlement within 12 months	137	240	281
Amounts due for settlement after 12 months	-	-	-
<b>Total Deposits with related parties</b>	<b>137</b>	<b>240</b>	<b>281</b>
<b>Deposits and borrowings from related parties</b>			
Amounts due for settlement within 12 months	40,857	52,737	46,993
Amounts due for settlement after 12 months	55,082	38,505	30,968
<b>Total Deposits from related parties</b>	<b>95,939</b>	<b>91,242</b>	<b>77,961</b>

**Notes to financial statements**  
**For the six months ended 30 September 2025**

**13. SHARE CAPITAL:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
50,000,010 fully paid ordinary shares	50,000	50,000	50,000

The Bank issued 10 ordinary shares on 9 October 2008 and 50,000,000 ordinary shares on 7 February 2011. All ordinary shares have equal voting rights and share equally in dividends and any profits on winding up. Shares do not have a par value.

Dividend of NZD 250,000 has been declared for the year. (0.5 cents per share).

**14. NET CASH FLOWS FROM OPERATING ACTIVITIES:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
<b>Profit for the period</b>	<b>838</b>	<b>1,427</b>	<b>1,625</b>
<b>Non-cash items:</b>			
Impairment loss recognised on loans and advances	919	2,514	731
Depreciation and amortisation of non-current assets	142	291	143
Deferred tax assets	(179)	(725)	(221)
<b>Movements in working capital:</b>			
(Increase)/Decrease in loans and advances	(848)	3,024	7,728
Decrease/(Increase) in interest receivable	8	(31)	(33)
Increase/(Decrease) in deposits from customers	638	(1,789)	(2,004)
Net Decrease in balances due from related parties	103	6,845	6,803
Net Increase/(Decrease) in balances due to related parties	4,697	9,068	(4,212)
(Increase)/Decrease in prepayments	(267)	(17)	78
Decrease/(Increase) in GST refundable	17	(9)	1
Decrease in current tax liability	(229)	(193)	(22)
Decrease in other liabilities	(237)	(416)	(644)
<b>Net cash from operating activities</b>	<b>5,602</b>	<b>19,989</b>	<b>9,973</b>

**15. CAPITAL ADEQUACY:**

The following capital adequacy information is disclosed in relation to the Bank and is derived in accordance with the conditions of registration relating to capital adequacy. For the purpose of the conditions of registration, capital requirements and ratios are calculated in accordance with the Reserve Bank of New Zealand Banking Prudential Requirements (BPR100) and is disclosed under the Basel III framework in accordance with Schedule 9 of the Order.

**Capital and Capital ratios:**

(in NZ \$'000)

	(Unaudited) 30.09.2025
<b>Tier 1 capital</b>	
<b>Common Equity Tier 1 ("CET1") Capital</b>	
Issued and fully paid-up ordinary share capital	50,000
Retained earnings	14,299
Accumulated other comprehensive income and other disclosed reserves	-
	64,299
Less deductions from CET1 capital	
Deferred tax assets	(1,740)
<b>Total Common Equity Tier 1 Capital</b>	<b>62,559</b>
<b>Additional Tier 1 ("AT1") capital</b>	-
<b>Tier 1 Capital</b>	<b>62,559</b>
<b>Tier 2 Capital</b>	-
<b>Total capital</b>	<b>62,559</b>

	(Unaudited) 30.09.2025	(Unaudited) year to 31.03.2025	(Unaudited) 30.09.2024
<b>Capital ratios and solo capital adequacy</b>			
Common equity Tier 1 capital ratio	38%	39%	41%
Tier 1 capital ratio	38%	39%	41%
Total capital ratio	38%	39%	41%

	(Unaudited) 30.09.2025	(Unaudited) year to 31.03.2025	(Unaudited) 30.09.2024
<b>Minimum ratio requirement</b>			
Common equity Tier 1 capital ratio	4.5%	4.5%	4.5%
Tier 1 capital ratio	7%	7%	6%
Total capital ratio	9%	9%	8%

**Notes to financial statements**  
**For the six months ended 30 September 2025**

<b>Prudential Capital Buffer Ratio</b>	<b>(Unaudited) 30.09.2025</b>	<b>(Unaudited) year to 31.03.2025</b>	<b>(Unaudited) 30.09.2024</b>
Prudential Capital Buffer ratio	29%	30%	32%
Buffer trigger ratio	3.5%	2.5%	2.5%

The Bank has 50,000,010 fully paid ordinary shares (tier one capital) issued at \$1 per share. Bank of India is the sole shareholder. Each share confers on the holder the right to:

- One vote on a poll at a meeting of the Bank on any resolution.
- The right to equal share in dividends authorised by the board.
- The right to an equal share in the distribution of the surplus assets of the Bank.
- There is no capital instrument eligible for phase out.

**Credit Risk:**

The Bank's credit risk exposure is derived in accordance with the Reserve Bank document, Bank Prudential Requirements (BPR130).

Credit risk is the risk of loss arising as a result of the diminution in credit quality of the borrower or counterparty and the risk that the borrower or counterparty will default on contractual repayments under and advance.

As at 30 September 2025, the Bank deposited its funds with financial institutions with a credit rating from Standard & Poor's of AA- (31 March 2024: AA-; and 30 September 2023: AA-) or with related parties. The Bank has established an Audit and Risk Committee that specifically oversees and co-ordinates the Bank's credit risk management functions. The Audit and Risk Committee has primary responsibility for identifying, measuring and monitoring the Bank's exposure to credit risk. The Audit and Risk Committee reports to the Board on credit risk on a quarterly basis.

(in NZ \$'000)

<b>On Balance Sheet exposures as at 30 September 2025 (Unaudited)</b>	<b>Total exposure after credit risk mitigation</b>	<b>Risk weight</b>	<b>Risk weighted exposure</b>	<b>Minimum Pillar 1 capital requirement</b>
Cash and gold bullion	45	0%	-	-
Deposits with banks	39,173	20%	7,835	705
Deposits with banks with original maturity >90 days	1,074	50%	537	48
	-	100%	-	-
Non-Property investment residential mortgage				
LVR upto 80%	7,594	35%	2,658	239
LVR >80% & upto 90%	-	50%	-	-
LCR exceeds 90%	-	-	-	-
Impaired loans	3,381	100%	3,381	304
Property investment residential mortgage				
LVR upto 80%	25,790	40%	10,316	929
LVR >80% & upto 90%	-	70%	-	-
LVR exceeds 90%	-	90%	-	-
Corporate Loans	95,426	100%	95,426	8,589
Corporate Loans-Impaired	8,386	100%	8,386	755
Other Loans	498	100%	498	45
Unsecured Loans	171	100%	171	15
Other assets	2,489	100%	2,489	224
<b>Total on balance sheet exposure</b>	<b>184,027</b>		<b>131,697</b>	<b>11,853</b>

(in NZ \$'000)

<b>Off Balance Sheet exposures as at 30 September 2025 (Unaudited)</b>	<b>Total exposure</b>	<b>Credit conversion factor</b>	<b>Credit equivalent amount</b>	<b>Average risk weight</b>	<b>Risk weighted exposure</b>	<b>Minimum Pillar 1 capital requirement</b>
Other commitments where original maturity is less than one year	-	20%	-	-	-	-
Other commitments where original maturity is more than one year	16,138	50%	8,069	91.27%	7,365	663
<b>Total off balance sheet exposure</b>	<b>16,138</b>		<b>8,069</b>		<b>7,365</b>	<b>663</b>

**Credit risk mitigation:**

The Bank assesses the integrity and ability of counterparties to meet their contractual financial obligations for repayment and if necessary, takes collateral security in the form of real property or a security interest in personal property. No on or off-balance sheet exposures are covered by eligible collateral, guarantees or credit derivatives.

Notes to financial statements  
For the six months ended 30 September 2025

**Total capital requirements:**

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Total exposure after credit risk mitigation	Risk weighted exposure or implied risk weighted exposure	Total capital requirement
Total credit risk + equity risk	200,165	139,062	12,516
Operational risk	n/a	11,828	946
Market risk	n/a	12,415	993
<b>Total</b>	<b>200,165</b>	<b>163,305</b>	<b>14,455</b>

**Market risk end of period capital charges:**

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Implied risk weighted exposure	Aggregate capital charge
Interest rate risk	12,291	983
Foreign currency risk	124	10
Equity risk	-	-
<b>Total</b>	<b>12,415</b>	<b>993</b>

**Market risk peak end-of-day capital charges:**

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Implied risk weighted exposure	Aggregate capital charge
Interest rate risk	12,737	1,019
Foreign currency risk	124	10
Equity risk	-	-
<b>Total</b>	<b>12,861</b>	<b>1,029</b>

**Pillar 1 capital requirements:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Unaudited) 31.03.2025	(Unaudited) 30.09.2024
<b>On-balance sheet credit risk:</b>			
Residential mortgages (including past due, if any)	1,472	1,790	1,599
Corporate	9,344	8,876	9,095
Claims on banks	753	651	466
Other	284	231	231
<b>Total on-balance sheet credit risk</b>	<b>11,853</b>	<b>11,548</b>	<b>11,391</b>
<b>Other capital requirements</b>			
Off balance sheet credit exposures	663	648	340
Operational risk	946	907	1,068
Market risk	993	890	830
<b>Total other capital requirements</b>	<b>2,602</b>	<b>2,445</b>	<b>2,238</b>
<b>Total Pillar 1 capital requirement</b>	<b>14,455</b>	<b>13,993</b>	<b>13,629</b>

The above capital charges are derived in accordance with the Conditions of Registration relating to capital adequacy and the Reserve Bank document entitled "Banking Prudential Requirements".

Peak end-of-day capital charges are calculated on daily basis using the Bank's shareholders' equity at the end of the period.

**Operational risk:**

(in NZ \$'000)

For the six months ended 30 September 2025 (Unaudited)	Implied risk Weighted exposure	Total operational risk capital requirement
Operational risk	11,828	946

**Residential mortgage by loan-to-valuation ratio (LVR):**

(in NZ \$'000)

LVR range (Unaudited)	Does not exceed 80%	Exceeds 80% and not 90%	Exceeds 90%	Impaired	Total
Value of exposures as at 30 September 2025					
On-balance sheet	33,495	-	-	3,832	37,327
Off-balance sheet	2,249	-	-	-	2,249
<b>Total</b>	<b>35,744</b>	<b>-</b>	<b>-</b>	<b>3,832</b>	<b>39,576</b>

**Notes to financial statements**  
**For the six months ended 30 September 2025**

**Capital requirements for other material risks:**

The other material risks that the Bank has identified are described below:

**Reputation Risk:**

The risk of potential damage to the Bank from a deterioration of reputation.

**Transfer Risk:**

The risk that funds in foreign currencies cannot be transferred out of a country. The risk relates to specific explicit government restrictions or simply depleted foreign exchange funds in the non-industrial countries of Africa, Asia, Latin America and Central and Eastern Europe.

**Strategic / Business Risks:**

Current and prospective impact on earnings or capital arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to industry changes.

**Tax Risk:**

Risk arising from adverse changes in relevant taxation laws, failure to correctly identify implications of existing taxation laws or breaches of tax laws.

**Legal Risk:**

Risk arising from legal proceedings or failure to legally enforce a contractual arrangement relating to the Bank's activities.

The Bank has reviewed these other risks and do not believe any individual risk as being material and requiring a capital allocation (31 March 2025: Nil; 30 September 2024: Nil). The Bank will review this allocation methodology every reporting period in line with industry practice as this area evolves over time.

The Bank measures the primary risks and its overall minimum Capital Adequacy Ratio in accordance with the Reserve Bank document entitled Banking Prudential Requirements. The Bank's approach to assess capital adequacy recognises the importance of using quantitative techniques and qualitative assessment /management judgement in arriving at a final measure of risk. As part of its on-going capital planning and budgeting processes management also develops a range of scenarios as a basis for identifying plausible severe loss events and changes in market conditions and measures / quantifies the potential financial impacts (direct and indirect) on the Bank's capital adequacy for the foreseeable future (2-3 years).

Senior management of the Bank is responsible for the capital planning and budgeting process and is required to perform ongoing calculation of Capital Adequacy Ratio and report this to the Board of Directors on a regular basis. The Board of Directors of the Bank is responsible to monitor the Capital Adequacy Ratio on a regular basis.

**Capital ratios of the ultimate parent bank:**

	<b>As at 30.09.2025 (Unaudited)</b>	<b>As at 31.03.2025 (Unaudited)</b>	<b>As at 30.09.2024 (Unaudited)</b>
CET 1 capital ratio	13.89%	14.84%	13.52%
Tier one capital ratio	14.49%	15.47%	14.18%
Total capital ratio	16.69%	17.77%	16.63%

The ultimate parent bank is Bank of India, domiciled in India. Figures are taken from Bank of India's Financial Results for the period ended 30 September 2025; 31 March 2025 and 30 September 2024 from its website. The above ratios are derived in accordance with the Capital Adequacy Framework (Basel III) as per Reserve Bank of India (RBI) guidelines.

Bank of India is required by the RBI to hold minimum capital at least equal to that specified under the Basel III (standardised) approach. At balance dates (i.e., 30 September 2025; 31 March 2025 and 30 September 2024), Bank of India was in compliance with the requirements imposed.

Bank of India has published pillar three disclosure information on the implementation of the Basel III capital adequacy framework on its website and can be found at <http://www.bankofindia.co.in>

**Regulatory liquidity ratios:**

The table below shows the arithmetic 3-month average of the respective daily ratio values in accordance with RBNZ's Liquidity Policy (BS13/BS13A) ("BS13") and the Bank's Conditions of Registration relating to liquidity-risk management.

The one-week mismatch ratio is a measure of the Bank's one-week mismatch amount over its total funding, where the one-week mismatch amount represents the Bank's portfolio of primary liquid assets plus expected cash inflows minus expected cash outflows during a one-week period of stress. The bank is required to maintain this ratio above a minimum level of zero percent on a daily basis. The one-week mismatch ratio = 100 x (one-week mismatch dollar amount / total funding).

The one-month mismatch ratio is a measure of the Bank's one-month mismatch amount over its total funding, where the one-month mismatch amount represents the Bank's stock of primary and secondary liquid assets plus expected cash inflows minus

## Notes to financial statements

### For the six months ended 30 September 2025

expected cash outflows during a one-month period of stress. The bank must maintain this ratio above a minimum level of zero percent on a daily basis. The one-month mismatch ratio =  $100 \times (\text{one-month mismatch dollar amount} / \text{total funding})$ .

The one-year core funding ratio measures the extent to which loans and advances are funded by funding that is considered stable. The one-year core funding ratio =  $100 \times (\text{one-year core funding dollar amount} / \text{BS13 total loans and advances})$  and must currently remain above 75 percent on a daily basis.

Average for the three months ended	30.09.2025 (%) Unaudited	30.06.2025 (%) Unaudited	30.09.2024 (%) Unaudited
Quarterly average one-week mismatch ratio	24.45	26.68	19.35
Quarterly average one-month mismatch ratio	20.36	25.96	20.34
Quarterly average core funding ratio	89.09	86.16	86.09

## 16. ASSET QUALITY:

The Bank uses a “days past due” model for ECL calculation.

In determining credit risk, the Bank considers a borrower to be in default when:

- the borrower is past due by 30 days or more on any credit obligation to the Bank; and
- it is probable that the borrower will restructure or reschedule the asset due to the borrower’s inability to pay their credit obligations.

In assessing whether the borrower is in default, the Bank considers indicators that are:

- quantitative i.e. overdue status; and
- qualitative i.e. borrower’s restructuring history in conjunction with the prevailing macroeconomic environment.

Loss allowance for ECL includes consideration of:

- Probability of default (“PD”) which estimates the probability that a customer will default over the next 12 months. The probability of default is estimated by calculating the average quarterly historical default rates, discounted over the behavioural life of the portfolio;
- Exposure at time of default (EAD) which estimates the amount of outstanding principal, undrawn loan commitments and contingent exposures (such as guarantees issued by the Bank) at the time of default; and
- Loss given default (LGD) which estimates the expected loss in the event of default, it is the percentage of exposure which will be lost after all recovery efforts, including legal expenses and recovery expenses.

The above inputs have been applied in the calculation of loss allowances for ECL on loan exposures classified within the following stages.

Stage 1- 12 month ECL- “performing”: It includes financial Assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. Under stage 1, the bank includes all financial assets with days past due of less than 30 days (0-29 days).

Stage 2- Lifetime ECL- “underperforming”: It includes financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but are not impaired. Under stage 2, the bank includes all financial assets with days past due between 30-89 days.

Stage 3- Lifetime ECL- “non performing”: It includes financial assets that are impaired at the reporting date. Under stage 3, the bank includes all financial assets with days past due of 90 days and above. It also includes assets identified as substandard, doubtful, loss and restructured.

Loss allowances for ECL are presented in the statement of financial position as a deduction from the gross carrying amounts of loans and advances.

The Bank has past due but not impaired assets of \$ 23,622,337 as at 30 September 2025. (31 March 2025: \$ 32,126,000; and 30 September 2024: \$ 15,821,040). The Bank has impaired assets of \$17,760,611 as at 30 September 2025. (31 March 2025: \$14,168,600; and 30 September 2024: 13,916.457).

## ECL measurement and forward looking information:

ECLs are probability weighted credit losses estimated by evaluating a range of possible outcomes and taking into account the time value of money, past events, current conditions and forecasts of future economic conditions. The Bank has developed and tested NZ IFRS9 compliant models for loan portfolios.

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For the six months ended 30 September 2025

**Allowances for credit impairment losses:**

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Stage 1 12-month ECL	Stage 2 Lifetime ECL not credit impaired	Stage 3 Lifetime ECL credit impaired	Specific provision Lifetime ECL credit impaired	Total
<b>Residential Mortgage Lending</b>					
<b>Balance as on 1 April 2025</b>	<b>45</b>	<b>194</b>	-	<b>833</b>	<b>1,072</b>
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	(188)	-	-	188	-
Charge to statement of comprehensive income excluding transfers between stages	(3)	1	-	1,013	<b>1,011</b>
<b>Balance as at 30 September 2025</b>	<b>(146)</b>	<b>195</b>	-	<b>2,034</b>	<b>2,083</b>
<b>Corporate exposures</b>					
<b>Balance as on 1 April 2025</b>	<b>303</b>	<b>1,194</b>	-	<b>2,726</b>	<b>4,223</b>
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	(43)	(1,084)	-	1,127	-
Charge to statement of comprehensive income excluding transfers between stages	(6)	10	-	(391)	<b>(387)</b>
<b>Balance as at 30 September 2025</b>	<b>254</b>	<b>120</b>	-	<b>3,462</b>	<b>3,836</b>
<b>Other retail exposures</b>					
<b>Balance as on 1 April 2025</b>	<b>1</b>	-	-	-	<b>1</b>
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
Charge to statement of comprehensive income excluding transfers between stages	-	-	-	-	-
<b>Balance as at 30 September 2025</b>	<b>1</b>	-	-	-	<b>1</b>
<b>Loan commitments &amp; guarantees</b>					
<b>Balance as on 1 April 2025</b>	<b>29</b>	-	-	-	<b>29</b>
Transfer to Stage 1	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-
Charge to statement of comprehensive income excluding transfers between stages	2	-	-	-	<b>2</b>
<b>Balance as at 30 September 2025</b>	<b>31</b>	-	-	-	<b>31</b>
<b>Balance as on 1 April 2025</b>	<b>378</b>	<b>1,388</b>	-	<b>3,559</b>	<b>5,325</b>
Charge to statement of comprehensive income	(238)	(1,073)	-	1,937	626
<b>Total provision for credit impairment balance at 30 September 2025</b>	<b>140</b>	<b>315</b>	-	<b>5,496</b>	<b>5,951</b>

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Stage 1	Stage 2	Stage 3	Individually assessed	Total
<b>Loans and advances to customers at amortised cost</b>					
Increase/(decrease) due to movement between stages	(43)	(1,272)	-	<b>1,315</b>	-
Increase/(decrease) in ECL due to increased/decreased credit risk of existing credit exposures and/or due to movement between stages	(32)	17	-	<b>622</b>	<b>607</b>
Increase in ECL due to increase in loan book	54	-	-	-	<b>54</b>
Decrease in ECL due to closure of loans	(29)	(6)	-	-	<b>(35)</b>
<b>Movement in ECL</b>	<b>(50)</b>	<b>(1,261)</b>	-	<b>1,937</b>	<b>626</b>

Notes to financial statements  
For the six months ended 30 September 2025

Allowances for credit impairment losses (continued...)

(in NZ \$'000)

As at 31 March 2025 (Audited)	Stage 1	Stage 2	Stage 3	Individually assessed	Total
<b>Loans and advances to customers at amortised cost</b>					
Increase/(decrease) due to movement between stages	(24)	24	-	-	-
Increase/ (decrease) in ECL due to increased/decreased credit risk of existing credit exposures and/or due to movement between stages	(8)	1,289	-	1,374	2,655
Increase in ECL due to increase in loan book	184	-	-	-	184
Decrease in ECL due to closure of loans	(83)	(184)	-	-	(267)
<b>Movement in ECL</b>	<b>69</b>	<b>1,129</b>	<b>-</b>	<b>1,374</b>	<b>2,572</b>

As at 30 September 2024 (Unaudited)	Stage 1	Stage 2	Stage 3	Individually assessed	Total
<b>Loans and advances to customers at amortised cost</b>					
Increase/(decrease) due to movement between stages	7	(7)	-	-	-
Increase/ (decrease) in ECL due to increased/decreased credit risk of existing credit exposures and/or due to movement between stages	2	(183)	-	921	740
Increase in ECL due to increase in loan book	83	-	-	-	83
Decrease in ECL due to closure of loans	(39)	(1)	-	-	(40)
<b>Movement in ECL</b>	<b>53</b>	<b>(191)</b>	<b>-</b>	<b>921</b>	<b>783</b>

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Residential mortgage loans	On balance sheet corporate exposure	Other on balance sheet exposures	Loan commitments and guarantees	Total
<b>Past due but not impaired</b>					
Less than 30 days past due	-	-	-	-	-
At least 30 days but less than 60 days past due	2,758	20,246	-	-	23,004
At least 60 days but less than 90 days past due	-	618	-	-	618
At least 90 days past due	-	-	-	-	-
<b>Total past due but not impaired</b>	<b>2,758</b>	<b>20,864</b>	<b>-</b>	<b>-</b>	<b>23,622</b>
<b>Past due and credit impaired</b>					
Less than 30 days past due	-	-	-	-	-
At least 30 days but less than 60 days past due	-	-	-	-	-
At least 60 days but less than 90 days past due	-	-	-	-	-
At least 90 days past due	3,832	10,023	3,906	-	17,761
<b>Total past due and credit impaired</b>	<b>3,832</b>	<b>10,023</b>	<b>3,906</b>	<b>-</b>	<b>17,761</b>
<b>Total gross past due loans and advances</b>	<b>6,590</b>	<b>30,887</b>	<b>3,906</b>	<b>-</b>	<b>41,383</b>
<b>Total gross loans and advances including loan commitments and guarantees</b>	<b>37,327</b>	<b>106,083</b>	<b>4,021</b>	<b>16,138</b>	<b>163,569</b>
<b>Collectively assessed provisions</b>					
Balance as at 1 April 2025	239	1,497	1	29	1,766
Charge to statement of comprehensive income	(190)	(1,123)	-	2	(1,311)
Other movements	-	-	-	-	-
<b>Balance at 30 September 2025</b>	<b>49</b>	<b>374</b>	<b>1</b>	<b>31</b>	<b>455</b>
<b>Individually assessed provisions</b>					
Balance at 1 April 2025	833	2,726	-	-	3,559
Charge to statement of comprehensive income	1,013	(391)	-	-	622
Other movements	188	1,127	-	-	1,315
<b>Balance at 30 September 2025</b>	<b>2,034</b>	<b>3,462</b>	<b>-</b>	<b>-</b>	<b>5,496</b>
<b>Total allowance for impairment losses</b>	<b>2,083</b>	<b>3,836</b>	<b>1</b>	<b>31</b>	<b>5,951</b>

Notes to financial statements  
For the six months ended 30 September 2025

Allowance for credit impairment losses (continued...)

(in NZ \$'000)

As at 31 March 2025 (Audited)	Residential mortgage loans	On balance sheet corporate exposure	Other on balance sheet exposures	Loan Commitments & guarantees	Total
<b>Past due but not impaired</b>					
Less than 30 days past due	-	5,530	-	-	5,530
At least 30 days but less than 60 days past due	2,776	12,388	-	-	15,164
At least 60 days but less than 90 days past due	2,894	4,682	-	-	7,576
At least 90 days past due	-	-	-	-	-
<b>Total past due but not impaired</b>	<b>5,670</b>	<b>22,600</b>	<b>-</b>	<b>-</b>	<b>28,270</b>
<b>Past due and credit impaired</b>					
Less than 30 days past due	-	-	-	-	-
At least 30 days but less than 60 days past due	-	-	-	-	-
At least 60 days but less than 90 days past due	-	-	-	-	-
At least 90 days past due	6,775	7,394	-	-	14,169
<b>Total past due and credit impaired</b>	<b>6,775</b>	<b>7,394</b>	<b>-</b>	<b>-</b>	<b>14,169</b>
<b>Total gross loans and advances including loan commitments and guarantees</b>	<b>43,301</b>	<b>103,164</b>	<b>119</b>	<b>13,998</b>	<b>160,582</b>
<b>Collectively assessed provisions</b>					
Balance at 31 March 2024	217	341	1	10	569
Charge to statement of comprehensive income	22	1,156	-	19	1,197
Other movements	-	-	1	-	1
<b>Balance at 31 March 2025</b>	<b>239</b>	<b>1,497</b>	<b>2</b>	<b>29</b>	<b>1,767</b>
<b>Individually assessed provisions</b>					
Balance at 1 April 2024	-	-	-	-	-
Charge to statement of comprehensive income	388	1,796	-	-	2,184
Other movements	445	929	-	-	1,374
<b>Balance at 31 March 2025</b>	<b>833</b>	<b>2,725</b>	<b>-</b>	<b>-</b>	<b>3,558</b>
<b>Total allowance for impairment losses</b>	<b>1,072</b>	<b>4,222</b>	<b>2</b>	<b>29</b>	<b>5,325</b>

(in NZ \$'000)

As at 30 September 2024 (Unaudited)	Residential mortgage loans	On balance sheet corporate exposures	Other on balance sheet exposures	Loan Commitments & guarantees	Total
<b>Past due but not impaired</b>					
Less than 30 days past due	-	-	45	-	45
At least 30 days but less than 60 days past due	-	6,530	-	-	6,530
At least 60 days but less than 90 days past due	4,657	4,589	-	-	9,246
At least 90 days past due	-	-	-	-	-
<b>Total past due but not impaired</b>	<b>4,657</b>	<b>11,119</b>	<b>45</b>	<b>-</b>	<b>15,821</b>
<b>Past due and credit impaired</b>					
Less than 30 days past due	-	-	-	-	-
At least 30 days but less than 60 days past due	-	-	-	-	-
At least 60 days but less than 90 days past due	-	-	-	-	-
At least 90 days past due	6,646	7,271	-	-	13,917
<b>Total past due and credit impaired</b>	<b>6,646</b>	<b>7,271</b>	<b>-</b>	<b>-</b>	<b>13,917</b>
<b>Total gross loans and advances including loan commitments and guarantees</b>	<b>37,634</b>	<b>104,170</b>	<b>97</b>	<b>13,136</b>	<b>155,037</b>
<b>Collectively assessed provisions</b>					
Balance as at 31 March 2024	217	341	1	10	569
Charge to statement of comprehensive income	(176)	22	-	16	(138)
Other movements	-	-	-	-	-
<b>Balance at 30 September 2024</b>	<b>41</b>	<b>363</b>	<b>1</b>	<b>26</b>	<b>431</b>
<b>Individually assessed provisions</b>					
Balance at 1 April 2024	388	1,796	-	-	2,184
Charge to statement of comprehensive income	292	629	-	-	921
Other movements	-	-	-	-	-
<b>Balance at 30 September 2024</b>	<b>680</b>	<b>2,425</b>	<b>-</b>	<b>-</b>	<b>3,105</b>
<b>Total allowance for impairment losses</b>	<b>721</b>	<b>2,788</b>	<b>1</b>	<b>26</b>	<b>3,536</b>

**Notes to financial statements**  
**For the six months ended 30 September 2025**

**Credit impairment losses on loans and advances:**

(in NZ \$'000)

Impact on Profit & Loss	Residential mortgage loans	On balance sheet corporate exposures	Other on balance sheet exposures	Off balance sheet exposures	Total
<b>Total assessed provisions</b>					
Balance as on 1 April 2025	(1,072)	(4,223)	(1)	(29)	(5,325)
Charge for the current period	(1,011)	387	-	(2)	(626)
<b>Balance at 30 September 2025 (Unaudited)</b>	<b>(2,083)</b>	<b>(3,836)</b>	<b>(1)</b>	<b>(31)</b>	<b>(5,951)</b>

(in NZ \$'000)

Impact on Profit & Loss	Residential mortgage loans	On balance sheet corporate exposures	Other on balance sheet exposures	Off balance sheet exposures	Total
<b>Total assessed provisions</b>					
Balance as on 1 April 2024	(605)	(2,137)	(1)	(10)	(2,753)
Charge for the current year	(467)	(2,086)	-	(19)	(2,572)
<b>Balance at 31 March 2025 (Audited)</b>	<b>(1,072)</b>	<b>(4,223)</b>	<b>(1)</b>	<b>(29)</b>	<b>(5,325)</b>

(in NZ \$'000)

Impact on Profit & Loss	Residential mortgage loans	On balance sheet corporate exposures	Other on balance sheet exposures	Off balance sheet exposures	Total
<b>Collectively assessed provisions</b>					
Balance as on 1 April 2024	(605)	(2,137)	(1)	(10)	(2,753)
Charge for the current period	(116)	(651)	-	(16)	(783)
<b>Balance at 30 September 2024 (Unaudited)</b>	<b>(721)</b>	<b>(2,788)</b>	<b>(1)</b>	<b>(26)</b>	<b>(3,536)</b>

The Bank does not have any financial assets designated as fair value through profit or loss as at and for the six months ended 30 September 2025 (31 March 2025: Nil; 30 September 2024: Nil).

As such, there were no changes in fair value attributable to changes in credit risks that have been charged to the statement of comprehensive income for the six months ended 30 September 2025 (31 March 2025: Nil; 30 September 2024: Nil).

There was no aggregate amount of undrawn balances on lending commitments to counterparties for whom drawn balances are classified as individually impaired as at and for the six months ended 30 September 2025 (31 March 2025: Nil; 30 September 2024: Nil).

There were no other assets under administration as at and for the six months ended 30 September 2025 (31 March 2025: Nil; 30 September 2024: Nil).

Notes to financial statements  
For the six months ended 30 September 2025

**Movement in gross loans and advances:**

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Stage 1	Stage 2	Stage 3	Impaired	Total
<b>Residential Mortgage Lending</b>					
Balance as on 1 April 2025	30,857	5,669	-	6,775	43,301
Net draw down/(repayment)	(120)	(17)	-	(5,837)	(5,974)
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	(2,894)	-	-	(2,894)
Transfer to stage 3/Impaired	-	-	-	2,894	2,894
<b>Balance as at 30 September 2025</b>	<b>30,737</b>	<b>2,758</b>	<b>-</b>	<b>3,832</b>	<b>37,327</b>
<b>Corporate Exposures</b>					
Balance as on 1 April 2025	78,700	17,070	-	7,394	103,164
Net draw down/(repayment)	5,621	(649)	-	(2,053)	2,919
Transfer to stage 1	(9,126)	-	-	-	(9,126)
Transfer to stage 2	-	4,444	-	-	4,444
Transfer to stage 3/Impaired	-	-	-	4,682	4,682
<b>Balance as at 30 September 2025</b>	<b>75,195</b>	<b>20,865</b>	<b>-</b>	<b>10,023</b>	<b>106,083</b>
<b>Other exposures</b>					
Balance as on 1 April 2025	119	-	-	-	119
Net draw down/(repayment)	(4)	-	-	3,906	3,902
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3/Impaired	-	-	-	-	-
<b>Balance as at 30 September 2025</b>	<b>115</b>	<b>-</b>	<b>-</b>	<b>3,906</b>	<b>4,021</b>
<b>Total</b>	<b>106,047</b>	<b>23,623</b>	<b>-</b>	<b>17,761</b>	<b>147,431</b>
<b>Balance as on 1 April 2025</b>	<b>109,676</b>	<b>22,739</b>	<b>-</b>	<b>14,169</b>	<b>146,584</b>
Net draw down/(repayment)	5,497	(666)	-	(3,984)	847
Transfer to stage 1	(9,126)	-	-	-	(9,126)
Transfer to stage 2	-	1,550	-	-	1,550
Transfer to stage 3/Impaired	-	-	-	7,576	7,576
<b>Balance as at 30 September 2025</b>	<b>106,047</b>	<b>23,623</b>	<b>-</b>	<b>17,761</b>	<b>147,431</b>
<b>Commitments and guarantees</b>					
Balance as on 1 April 2025	15,914	3	-	-	15,917
Net increase in facilities	869	2,261	-	-	3,130
Transfer to stage 1	-	-	-	-	-
Transfer to stage 2	-	-	-	-	-
Transfer to stage 3	-	-	-	-	-
<b>Balance as at 30 September 2025</b>	<b>16,783</b>	<b>2,264</b>	<b>-</b>	<b>-</b>	<b>19,047</b>

**17. FINANCIAL INSTRUMENTS:**

**Categories of financial instruments:**

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
<b>Assets</b>			
Cash	45	-	45
Balance due from related parties	137	-	137
Due from other financial institutions	40,110	-	40,110
Loans and advances	141,246	-	141,246
Interest receivable	90	-	90
<b>Total financial assets</b>	<b>181,628</b>	<b>-</b>	<b>181,628</b>
Non-financial assets	-	-	4,139
<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>185,767</b>
<b>Liabilities</b>			
Balance due to related parties	-	95,939	95,939
Deposits and other borrowings	-	22,609	22,609
Lease liabilities	-	2,006	2,006
Dividend payable	-	250	250
Interest payable	-	503	503
<b>Total financial liabilities</b>	<b>-</b>	<b>121,307</b>	<b>121,307</b>
Non-financial liabilities	-	161	161
<b>Total liabilities</b>	<b>-</b>	<b>121,468</b>	<b>121,468</b>

**Notes to financial statements**  
**For the six months ended 30 September 2025**

**FINANCIAL INSTRUMENTS- Categories of financial instruments (continued...)**

(in NZ \$'000)

As at 31 March 2025 (Audited)	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
<b>Assets</b>			
Cash	34	-	34
Balance due from related parties	240	-	240
Due from other financial institutions	34,567	-	34,567
Loans and advances	141,317	-	141,317
Interest receivable	98	-	98
<b>Total financial assets</b>	<b>176,256</b>	-	<b>176,256</b>
Non-financial assets	-	-	3,478
<b>Total assets</b>	-	-	<b>179,734</b>
<b>Liabilities</b>			
Balance due to related parties	-	91,242	91,242
Deposits and other borrowings	-	21,971	21,971
Lease liability	-	1,717	1,717
Interest payable	-	253	253
<b>Total financial liabilities</b>	-	<b>115,183</b>	<b>115,183</b>
Non-financial liabilities	-	-	840
<b>Total liabilities</b>	-	-	<b>116,023</b>

(in NZ \$'000)

As at 30 September 2024 (Unaudited)	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
<b>Assets</b>			
Cash	48	-	48
Balance due from related parties	281	-	281
Due from other financial institutions	24,637	-	24,637
Loans and advances	138,396	-	138,396
Interest receivable	101	-	101
<b>Total financial assets</b>	<b>163,463</b>	-	<b>163,463</b>
Non-financial assets	-	-	3,009
<b>Total assets</b>	-	-	<b>166,472</b>
<b>Liabilities</b>			
Balance due to related parties	-	77,961	77,961
Deposits and other borrowings	-	21,756	21,756
Lease liabilities	-	1,810	1,810
Interest payable	-	31	31
<b>Total financial liabilities</b>	-	<b>101,558</b>	<b>101,558</b>
Non-financial liabilities	-	1,005	1,005
<b>Total liabilities</b>	-	<b>102,563</b>	<b>102,563</b>

**Fair value of financial instruments:**

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Carrying Amounts	Estimated Fair Value
<b>Financial assets</b>		
Cash	45	45
Balance due from related parties	137	137
Due from other financial institutions	40,110	40,137
Loans and advances	141,246	141,246
Interest receivable	90	90
<b>Total financial assets</b>	<b>181,628</b>	<b>181,655</b>
<b>Financial liabilities</b>		
Balance due to related parties	95,939	96,639
Deposits and other borrowings	22,609	22,744
Lease liabilities	2,006	2,006
Dividend payable	250	250
Interest payable	503	503
<b>Total financial liabilities</b>	<b>121,307</b>	<b>122,142</b>

**Notes to financial statements**  
**For the six months ended 30 September 2025**

**FINANCIAL INSTRUMENTS- Fair value of financial instruments (continued...)**

(in NZ \$'000)

<b>As at 31 March 2025 (Audited)</b>	<b>Carrying Amounts</b>	<b>Estimated Fair Value</b>
<b>Financial assets</b>		
Cash	34	34
Balance due from related parties	240	240
Due from other financial institutions	34,567	34,828
Loans and advances	141,317	141,234
Interest receivable	98	98
<b>Total financial assets</b>	<b>176,256</b>	<b>176,434</b>
<b>Financial liabilities</b>		
Balance due to related parties	91,242	92,674
Deposits and other borrowings	21,971	22,033
Lease liability	1,717	1,717
Interest Payable	253	253
<b>Total financial liabilities</b>	<b>115,183</b>	<b>116,677</b>

(in NZ \$'000)

<b>As at 30 September 2024 (Unaudited)</b>	<b>Carrying Amounts</b>	<b>Estimated Fair Value</b>
<b>Financial assets</b>		
Cash	48	48
Balance due from related parties	281	281
Due from other financial institutions	24,637	24,650
Loans and advances	138,396	138,108
Interest receivable	101	101
<b>Total financial assets</b>	<b>163,463</b>	<b>163,188</b>
<b>Financial liabilities</b>		
Balance due to related parties	77,961	78,626
Deposits and other borrowings	21,756	21,776
Lease liabilities	1,810	1,810
Interest Payable	31	31
<b>Total financial liabilities</b>	<b>101,558</b>	<b>102,243</b>

**Fair value estimation:**

Quoted market prices, when available, are used as the measure of fair values for financial instruments. However, for some of the Bank's financial instruments, quoted market prices do not exist. For such financial instruments, fair values presented are estimates derived using present value or other market accepted valuation techniques.

These techniques involve uncertainties and are affected by the assumptions used and judgements made regarding risk characteristics of various financial instruments, discount rates, and estimates of future cash flows, future expected loss experience and other factors. Changes in assumptions could significantly affect these estimates and the resulting fair values.

The fair value estimates were determined by application of the methods and assumptions described below.

**Cash:**

For cash assets, the carrying amount is equivalent to the fair value as they are highly liquid. For short term liquid assets, estimated fair values are based on quoted market prices.

**Balance due from other financial institutions:**

These are call and short-term deposits with other financial institutions which are relatively liquid and therefore carrying amount is equivalent to fair value.

**Loans and advances:**

For variable rate loans and advances, the carrying amount is a reasonable estimate of fair value. For fixed rate loans and advances, fair values have been estimated using a discounted cash flow model with reference to market interest rates, prepayment rates and rates of estimated credit losses.

**Interest receivables:**

For Interest receivables, the carrying value is considered to approximate the fair values, as they are short term in nature or are receivable on demand.

**Deposits by customers and related parties:**

For fixed term deposits by customers and related parties, fair values have been estimated using a discounted cash flow model with reference to market interest rates. For other deposits by customers and related parties, the carrying amount is a reasonable estimate of fair value.

## Notes to financial statements

For the six months ended 30 September 2025

### Interest payable:

Interest payable is generally short-term and is expected to be settled within one year. Therefore, the carrying amount is equivalent to fair value.

The following table provides an analysis of financial instruments not measured at fair value. The financial instruments are grouped into Level 1 to 3 based on the degree to which the fair value is observable.

### Level 1 Quoted market price

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

### Level 2 Valuation technique using observable inputs

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

### Level 3 Valuation technique with significant unobservable inputs

Financial instruments valued using valuation techniques where one or more significant inputs are unobservable.

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Level 1	Level 2	Level 3	Total
<b>Cash</b>	45	-	-	<b>45</b>
<b>Financial assets at amortised cost</b>				
Due from other financial institutions	-	40,110	-	<b>40,110</b>
Due from related parties	-	137	-	<b>137</b>
Loans and advances	-	-	141,246	<b>141,246</b>
Interest receivable	-	-	90	<b>90</b>
<b>Other financial liabilities</b>				
Balance due to related parties	-	96,639	-	<b>96,639</b>
Deposits and other borrowings	-	22,744	-	<b>22,744</b>
Lease liabilities	-	2,006	-	<b>2,006</b>
Dividend payable	-	250	-	<b>250</b>
Interest payable	-	503	-	<b>503</b>

(in NZ \$'000)

As at 31 March 2025 (Audited)	Level 1	Level 2	Level 3	Total
<b>Cash</b>	34	-	-	<b>34</b>
<b>Financial assets at amortised cost</b>				
Due from other financial institutions	-	34,828	-	<b>34,828</b>
Due from related parties	-	240	-	<b>240</b>
Loans and advances	-	-	141,234	<b>141,234</b>
Interest receivable	-	-	98	<b>98</b>
<b>Other financial liabilities</b>				
Balance due to related parties	-	92,674	-	<b>92,674</b>
Deposits and other borrowings	-	22,033	-	<b>22,033</b>
Lease liability	-	1,717	-	<b>1,717</b>
Interest payable	-	253	-	<b>253</b>

(in NZ \$'000)

As at 30 September 2024 (Unaudited)	Level 1	Level 2	Level 3	Total
<b>Cash</b>	48	-	-	<b>48</b>
<b>Financial assets at amortised cost</b>				
Due from other financial institutions	-	24,650	-	<b>24,650</b>
Due from related parties	-	281	-	<b>281</b>
Loans and advances	-	-	138,108	<b>138,108</b>
Interest receivable	-	-	101	<b>101</b>
<b>Other financial liabilities</b>				
Balance due to related parties	-	78,626	-	<b>78,626</b>
Deposits and other borrowings	-	21,776	-	<b>21,776</b>
Lease liabilities	-	1,810	-	<b>1,810</b>
Interest payable	-	31	-	<b>31</b>

Transfers between levels of fair value hierarchy are determined at the end of the reporting period. There have been no transfers between Level 1 and Level 2 during the period. There have also been no transfers into/out of Level 3 during the period ended 30 September 2025(31 March 2025: Nil; and 30 September 2024: Nil).

**18. RISK MANAGEMENT:**

The credit policy has been set by the Board. Bank officers seek Board approval before deviating from any lending guideline or policy outside of delegations. Credit approval authorities have been delegated by the Board to senior executives of the Bank. Compliance with these policies is monitored by the Audit and Risk Committee and reported to the Board.

**Credit rating models:**

The Bank assesses risk at the time of appraisal of the loan using its rating model for various types of borrowers. A business portfolio is assessed on a risk rated basis and a retail portfolio on a scoring basis.

**Credit exposure ceilings:**

As a means of avoiding concentration of credit risk, the Bank sets ceilings in relation to single/group borrowers and unsecured borrowers.

**Market risk:**

Market risk is the risk that exposure to price movements in financial instruments, arising as a result of changes in market variables, will result in a loss suffered by the Bank. The Bank has established a Risk Management Committee that is responsible for, among other things, identifying, measuring and monitoring the Bank's exposure to market risk. The Risk Management Committee meets on a quarterly basis and receives guidance and technical support from staff in the Bank of India head office. The relevant process for each category of market risk is as follows:

**Interest rate risk:**

The Bank undertakes interest rate sensitivity gap analysis on a quarterly basis on a contractual basis as a means of monitoring interest rate risk. Short-term interest rate risk is calculated using the Net Interest Earnings at Risk tool.

**Foreign exchange risk:**

The Bank undertakes analysis on material open foreign exchange positions through ensuring foreign exchange deposits are matched by corresponding foreign exchange balances held with financial institutions as a means to monitor foreign exchange risk.

**Equity risk:**

The Bank does not have any equity risk.

**Liquidity risk:**

Liquidity risk occurs when an institution is unable to fulfil its commitment in the time when the commitment falls due. The Risk Management Committee is responsible for identifying, measuring and monitoring liquidity risk affecting the Bank.

The Bank monitors its one-week and one-month mismatch ratios and its core-funding ratio on a daily basis to ensure compliance with regulatory requirements.

To ensure that adequate liquidity is maintained consistently, the Bank ensures that, in the time buckets of 1 day, 2 to 7 days, 8 to 14 days and 15 to 30 days, the cumulative negative liquidity gap should not exceed 5,10,15 and 20 percent of cash flows in the respective periods. The Bank reviews the liquidity position on a daily basis to ensure that the negative liquidity gap does not exceed the tolerance limit in the first four time buckets. In addition, the Bank prepares monthly maturity gap reports and liquidity assessment reports to facilitate an appropriately liquid combination of assets and liabilities.

**Operational risk:**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

The Bank's senior management is responsible for implementing the operational risk management initiatives formulated by the Board. The Bank's senior management meets monthly to analyse changes or trends in respects of operational risk. The Bank's senior management may make recommendations to the Board on strategies that may improve the Bank's operational risk profile.

**Capital adequacy:**

The Board and senior management undertake capital planning, in accordance with the Bank's internal capital adequacy assessment policy. As part of the capital planning process, the Board reviews:

- The current capital requirements of the Bank;
- The targeted and sustainable capital in terms of business strategy and risk appetite; and
- Future capital planning (with a three-year outlook).

The capital plan is revised on an annual basis or more regularly if necessary, to meet the Bank's obligations under Basel III. For further information, see Note 15.

**Notes to financial statements**  
**For the six months ended 30 September 2025**

**Reviews of Bank's risk management systems:**

There have been no reviews conducted in respect of the Bank's risk management systems to date.

**Internal audit function:**

The Bank utilises an internal audit function as a control measure to enable senior management of the Bank to monitor and review the Bank on an ongoing basis. The internal audit function of the Bank is part of the Bank of India's policy to ensure that all Bank of India branches and subsidiaries have appropriate systems and procedures in place and comply with all applicable home and host country regulations. Specifically, the Bank is subject to a monthly compliance review that is undertaken by senior management of the Bank. The purpose of this review is to check constant and concurrent compliance with all systems and procedures by the Bank. The Bank of India's head office internal audit team last reviewed the Bank as part of its overseas subsidiaries rotation of management audit in May 2025.

**Interest repricing:**

The table below summarises the Bank's exposure to interest rate risk. It includes the financial instruments at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Total	Up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 2 years	Over 2 years	Non-interest bearing
<b>Financial assets</b>							
Cash	45	-	-	-	-	-	45
Balance due from related parties	137	-	-	-	-	-	137
Due from other financial institutions	40,110	39,449	247	271	-	-	143
Loans and advances	141,246	139,697	2	-	1,518	29	-
Interest receivable	90	-	-	-	-	-	90
<b>Total financial assets</b>	<b>181,628</b>	<b>179,146</b>	<b>249</b>	<b>271</b>	<b>1,518</b>	<b>29</b>	<b>415</b>
<b>Financial Liabilities</b>							
Balance due to related parties	95,939	15,052	17,613	7,936	41,202	13,880	256
Deposits and other borrowings	22,609	5,191	1,619	6,566	6,116	1,758	1,359
Lease liabilities	2,006	-	-	-	-	-	2,006
Dividend payable	250	-	-	-	-	-	250
Interest payable	503	-	-	-	-	-	503
<b>Total financial liabilities</b>	<b>121,307</b>	<b>20,243</b>	<b>19,232</b>	<b>14,502</b>	<b>47,318</b>	<b>15,638</b>	<b>4,374</b>
<b>Net financial assets/(liabilities)</b>	<b>60,321</b>	<b>158,903</b>	<b>(18,983)</b>	<b>(14,231)</b>	<b>(45,800)</b>	<b>(15,609)</b>	<b>(3,959)</b>

(in NZ \$'000)

As at 31 March 2025 (Audited)	Total	Up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 2 years	Over 2 years	Non-interest bearing
<b>Financial assets</b>							
Cash	34	-	-	-	-	-	34
Balance due from related parties	240	-	-	-	-	-	240
Due from other financial institutions	34,567	34,195	304	-	-	-	68
Loans and advances	141,317	141,312	5	-	-	-	-
Interest receivable	98	-	-	-	-	-	98
<b>Total financial assets</b>	<b>176,256</b>	<b>175,507</b>	<b>309</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>440</b>
<b>Financial Liabilities</b>							
Balance due to related parties	91,242	2,177	18,343	31,985	22,858	15,647	232
Deposits and other borrowings	21,971	4,677	6,745	1,947	6,477	909	1,216
Lease liabilities	1,717	-	-	-	-	-	1,717
Interest payable	253	-	-	-	-	-	253
<b>Total financial liabilities</b>	<b>115,183</b>	<b>6,854</b>	<b>25,088</b>	<b>33,932</b>	<b>29,335</b>	<b>16,556</b>	<b>3,418</b>
<b>Net financial assets/(liabilities)</b>	<b>61,073</b>	<b>168,653</b>	<b>(24,779)</b>	<b>(33,932)</b>	<b>(29,335)</b>	<b>(16,556)</b>	<b>(2,978)</b>

Notes to financial statements  
For the six months ended 30 September 2025

Interest repricing (Continued...)

(in NZ \$'000)

As at 30 September 2024 (Unaudited)	Total	Up to 3 months	Over 3 months and up to 6 months	Over 6 months and up to 1 year	Over 1 year and up to 2 years	Over 2 years	Non – interest bearing
<b>Financial assets</b>							
Cash	48	-	-	-	-	-	48
Balance due from related parties	281	-	-	-	-	-	281
Due from other financial Institutions	24,637	24,009	344	-	-	-	284
Loans and advances	138,396	137,053	-	11	4,837	-	(3,505)
Interest receivable	101	-	-	-	-	-	101
<b>Total financial assets</b>	<b>163,463</b>	<b>161,062</b>	<b>344</b>	<b>11</b>	<b>4,837</b>	<b>-</b>	<b>(2,791)</b>
<b>Financial Liabilities</b>							
Balance due to related parties	77,961	8,715	15,037	23,101	28,954	2,014	140
Deposits and other borrowings	21,756	4,895	3,254	6,656	5,010	905	1,036
Lease liabilities	1,810	-	-	-	-	-	1,810
Interest payable	31	-	-	-	-	-	31
<b>Total financial liabilities</b>	<b>101,558</b>	<b>13,610</b>	<b>18,291</b>	<b>29,757</b>	<b>33,964</b>	<b>2,919</b>	<b>3,017</b>
<b>Net financial assets/(liabilities)</b>	<b>61,905</b>	<b>147,452</b>	<b>(17,947)</b>	<b>(29,746)</b>	<b>(29,127)</b>	<b>(2,919)</b>	<b>(5,808)</b>

Interest rate sensitivity:

The table below summarise the post-tax sensitivity of financial assets and liabilities to change in interest rate risk. The market value of the assets and liabilities were used as the basis for the analysis and financial modelling was used to determine the impact on those values of changes in each risk scenario.

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Carrying Amounts	-1.0% Profit or Loss	+1.0% Profit or Loss	-1.0% Equity	+1.0% Equity
<b>Financial assets</b>					
Cash	45	-	-	-	-
Balance due from related parties	137	-	-	-	-
Due from other financial institutions	40,110	(281)	281	(281)	281
Loans and advances	141,246	(1,050)	1,050	(1,050)	1,050
Interest receivable	90	-	-	-	-
<b>Total financial assets</b>	<b>181,628</b>	<b>(1,331)</b>	<b>1,331</b>	<b>(1,331)</b>	<b>1,331</b>
<b>Financial liabilities</b>					
Balance due to related parties	95,939	581	(581)	581	(581)
Deposits and other borrowings	22,609	138	(138)	138	(138)
Lease liabilities	2,006	-	-	-	-
Dividend payable	250	-	-	-	-
Interest Payable	503	-	-	-	-
<b>Total financial liabilities</b>	<b>121,307</b>	<b>719</b>	<b>(719)</b>	<b>719</b>	<b>(719)</b>

(in NZ \$'000)

As at 31 March 2025 (Audited)	Carrying Amounts	-1.0% Profit or Loss	+1.0% Profit or Loss	-1.0% Equity	+1.0% Equity
<b>Financial assets</b>					
Cash	34	-	-	-	-
Balance due from related parties	240	-	-	-	-
Due from other financial institutions	34,567	(242)	242	(242)	242
Loans and advances	141,317	(1,049)	1,049	(1,049)	1,049
Interest receivable	98	-	-	-	-
<b>Total financial assets</b>	<b>176,256</b>	<b>(1,291)</b>	<b>1,291</b>	<b>(1,291)</b>	<b>1,291</b>
<b>Financial liabilities</b>					
Balance due to related parties	91,242	508	(508)	508	(508)
Deposits and other borrowings	21,971	91	(91)	91	(91)
Lease liabilities	1,717	-	-	-	-
Interest Payable	253	-	-	-	-
<b>Total financial liabilities</b>	<b>115,183</b>	<b>599</b>	<b>(599)</b>	<b>599</b>	<b>(599)</b>

Notes to financial statements  
For the six months ended 30 September 2025

**Interest rate sensitivity (continued...)**

As at 30 September 2024 (Unaudited)	Carrying Amounts	-1.0% Profit or Loss	+1.0% Profit or Loss	-1.0% Equity	+1.0% Equity
<b>Financial assets</b>					
Cash	48	-	-	-	-
Balance due from related parties	281	-	-	-	-
Due from other financial institutions	24,637	(169)	169	(169)	169
Loans and advances	138,396	(987)	987	(987)	987
Interest receivable	101	-	-	-	-
<b>Total financial assets</b>	<b>163,463</b>	<b>(1,156)</b>	<b>1,156</b>	<b>(1,156)</b>	<b>1,156</b>
<b>Financial liabilities</b>					
Balance due to related parties	77,961	555	(555)	555	(555)
Deposits and other borrowings	21,756	127	(127)	127	(127)
Lease liabilities	1,810	-	-	-	-
Interest Payable	31	-	-	-	-
<b>Total financial liabilities</b>	<b>101,558</b>	<b>682</b>	<b>(682)</b>	<b>682</b>	<b>(682)</b>

**Foreign exchange risk:**

The table below summarises the Bank's open foreign currency position.

(in equivalent NZ \$'000)

	30.09.2025 (Unaudited)		31.03.2025 (Audited)		30.09.2024 (Unaudited)	
	(USD)	(INR)	(USD)	(INR)	(USD)	(INR)
<b>Financial assets</b>						
Cash	-	-	-	-	2	-
Balance due from related parties	60	77	167	74	206	75
Due from other financial institution	1,526	-	957	-	998	-
Interest receivable	11	-	8	-	5	-
<b>Total financial assets</b>	<b>1,597</b>	<b>77</b>	<b>1,132</b>	<b>74</b>	<b>1,211</b>	<b>75</b>
<b>Financial liabilities</b>						
Balance due to related parties	-	-	-	-	-	-
Deposits and other borrowings	1,540	-	1,086	-	1,157	-
Interest payable	11	-	14	-	8	-
<b>Total financial liabilities</b>	<b>1,551</b>	<b>-</b>	<b>1,100</b>	<b>-</b>	<b>1,165</b>	<b>-</b>
<b>Net Open Position:</b>	<b>46</b>	<b>77</b>	<b>32</b>	<b>74</b>	<b>46</b>	<b>75</b>

**Foreign exchange sensitivity:**

The table below summarises the post-tax sensitivity to changes in foreign exchange rates.

The table below summarises the post-tax sensitivity to changes in foreign exchange rates.

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Carrying Amounts	-10% Profit or Loss	+10% Profit or Loss	-10% Equity	+10% Equity
<b>Financial assets</b>					
Open Position	123	(9)	9	(9)	9

(in NZ \$'000)

As at 31 March 2025 (Audited)	Carrying Amounts	-10% Profit or Loss	+10% Profit or Loss	-10% Equity	+10% Equity
<b>Financial assets</b>					
Open Position	106	(8)	8	(8)	8

(in NZ \$'000)

As at 30 September 2024 (Unaudited)	Carrying Amounts	-10% Profit or Loss	+10% Profit or Loss	-10% Equity	+10% Equity
<b>Financial assets</b>					
Open Position	121	(9)	9	(9)	9

## Notes to financial statements

For the six months ended 30 September 2025

### Liquidity risk:

The table below summarises the cash flows receivable and payable by the Bank under non-derivative financial assets and liabilities by remaining contractual maturities as at 30 September 2025. The amounts disclosed are contractual undiscounted cash flows and is not disclosed based on expected cash flows. The liquid assets are for the purpose of managing liquidity.

(in NZ \$'000)

As at 30 September 2025 (Unaudited)	Up to 3 months	3 to 12 months	1 to 5 years	Over 5 years	On demand	Total
<b>Assets</b>						
Cash	-	-	-	-	45	45
Balance due from related parties	-	-	-	-	137	137
Due from other financial institutions	1,021	531	-	-	38,584	40,136
Loans and advances	14,578	32,416	67,257	91,949	3,329	209,529
Interest receivable	90	-	-	-	-	90
<b>Total financial assets</b>	<b>15,689</b>	<b>32,947</b>	<b>67,257</b>	<b>91,949</b>	<b>42,095</b>	<b>249,937</b>
<b>Liabilities</b>						
Balance due to related parties	15,755	26,450	59,462	-	256	101,923
Deposits and other borrowings	2,251	8,368	8,541	-	4,466	23,626
Lease liabilities	(3)	130	820	1,058	-	2,005
Dividend payable	250	-	-	-	-	250
Other liabilities	503	-	-	-	-	503
<b>Total financial liabilities</b>	<b>18,756</b>	<b>34,948</b>	<b>68,823</b>	<b>1,058</b>	<b>4,722</b>	<b>128,307</b>
<b>Net non-derivative cash flows</b>	<b>(3,067)</b>	<b>(2,001)</b>	<b>(1,566)</b>	<b>90,891</b>	<b>37,373</b>	<b>121,630</b>
<b>Off Balance sheet cash flows</b>						
Loan commitments	-	-	-	-	15,534	15,534
Guarantees	-	-	-	-	604	604
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,138</b>	<b>16,138</b>
<b>Net cash flows</b>	<b>(3,067)</b>	<b>(2,001)</b>	<b>(1,566)</b>	<b>90,891</b>	<b>21,235</b>	<b>105,492</b>

(in NZ \$'000)

As at 31 March 2025 (Audited)	Up to 3 months	3 to 12 months	1 to 5 years	Over 5 years	On demand	Total
<b>Assets</b>						
Cash	-	-	-	-	34	34
Balance due from related parties	-	-	-	-	240	240
Due from other financial institutions	660	311	-	-	33,529	34,500
Loan and advances	5,520	42,965	67,387	99,074	4,150	219,096
Interest receivable	98	-	-	-	-	98
<b>Total financial assets</b>	<b>6,278</b>	<b>43,276</b>	<b>67,387</b>	<b>99,074</b>	<b>37,953</b>	<b>253,968</b>
<b>Liabilities</b>						
Balance due to related parties	2,234	52,999	42,469	-	232	97,934
Deposits and other borrowings	1,189	8,925	7,966	-	4,728	22,808
Lease liability	48	148	935	586	-	1,717
Other liabilities	-	-	-	-	253	253
<b>Total financial liabilities</b>	<b>3,471</b>	<b>62,072</b>	<b>51,370</b>	<b>586</b>	<b>5,213</b>	<b>122,712</b>
<b>Net non-derivative cash flows</b>	<b>2,807</b>	<b>(18,796)</b>	<b>16,017</b>	<b>98,488</b>	<b>32,740</b>	<b>131,256</b>
<b>Off Balance sheet cash flows</b>						
Loan commitments	-	-	-	-	13,998	13,998
Guarantees and Letters of credit	-	-	-	-	1,919	1,919
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,917</b>	<b>15,917</b>
<b>Net cash flows</b>	<b>2,807</b>	<b>(18,796)</b>	<b>16,017</b>	<b>98,488</b>	<b>16,823</b>	<b>115,339</b>

Notes to financial statements  
For the six months ended 30 September 2025

Liquidity risk (continued...)

(in NZ '\$000)

As at 30 September 2024 (Unaudited)	Up to 3 months	3 to 12 months	1 to 5 years	Over 5 year	On demand	Total
<b>Assets</b>						
Cash	-	-	-	-	48	48
Balance due from related parties	-	-	-	-	281	281
Due from other financial institutions	658	353	-	-	23,639	24,650
Loan and advances	9,249	32,067	57,135	104,152	8,536	211,139
Interest receivable	101	-	-	-	-	101
<b>Total financial assets</b>	<b>10,008</b>	<b>32,420</b>	<b>57,135</b>	<b>104,152</b>	<b>32,504</b>	<b>236,219</b>
<b>Liabilities</b>						
Balance due to related parties	8,745	40,344	33,981	-	140	83,210
Deposits and other borrowings	842	10,111	6,472	-	4,842	22,267
Lease liabilities	46	143	903	718	-	1,810
Other liabilities	31	-	-	-	-	31
<b>Total financial liabilities</b>	<b>9,664</b>	<b>50,598</b>	<b>41,356</b>	<b>718</b>	<b>4,982</b>	<b>107,318</b>
<b>Net non-derivative cash flows</b>	<b>344</b>	<b>(18,178)</b>	<b>15,779</b>	<b>103,434</b>	<b>27,522</b>	<b>128,901</b>
<b>Off Balance sheet cash flows</b>						
Loan commitments	-	-	-	-	12,532	12,532
Guarantee	-	-	-	-	604	604
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,136</b>	<b>13,136</b>
<b>Net cash flows</b>	<b>344</b>	<b>(18,178)</b>	<b>15,779</b>	<b>103,434</b>	<b>14,386</b>	<b>115,765</b>

19. CONCENTRATION OF CREDIT RISK:

The following table breaks down the Bank's main credit exposure at their carrying amounts as categorised by the industry and geography area of the Bank's main counterparties. These concentrations are determined with respect to the industry in which the borrowers operate and their domicile.

(in NZ '\$000)

Analysis of on balance sheet credit exposure by industry	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Construction	41,342	37,285	37,408
Finance, Investment & Insurance	45,274	39,285	29,732
Health and Community Services	3,186	3,137	3,064
Households	13,314	17,481	17,347
Property and Business Services	44,715	45,121	44,136
Rental, Hiring and Real Estate	25,840	25,976	20,392
Retail and wholesale trade	11,352	12,161	14,771
Commercial lease and hotel operations	920	1,003	-
Commercial property	1,501	-	-
Subtotal	187,444	181,449	166,850
Allowance for impairment losses	(5,951)	(5,325)	(3,536)
<b>Total on-balance sheet credit exposures</b>	<b>181,493</b>	<b>176,124</b>	<b>163,314</b>

(in NZ '\$000)

Analysis of on balance sheet exposure by geographical area	30.09.2025 (Unaudited)	31.03.2025 (Audited)	30.09.2024 (Unaudited)
New Zealand	181,355	175,884	163,033
Asia	78	74	75
America	60	166	206
<b>Total on-balance sheet credit exposures</b>	<b>181,493</b>	<b>176,124</b>	<b>163,314</b>

(in NZ '\$000)

Off balance sheet credit exposures	30.09.2025 (Unaudited)	31.03.2025 (Audited)	30.09.2024 (Unaudited)
Loan commitments	15,534	13,998	12,532
Performance/financial guarantees and letters of credit issued on behalf of customers	604	1,919	604
<b>Total off-balance sheet credit exposures</b>	<b>16,138</b>	<b>15,917</b>	<b>13,136</b>

**Notes to financial statements**  
**For the six months ended 30 September 2025**

**CONCENTRATION OF CREDIT RISK (continued...)**

(in NZ \$'000)

Analysis of off-balance sheet credit exposure by industry	30.09.2025 (Unaudited)	31.03.2025 (Audited)	30.09.2024 (Unaudited)
Construction	10,598	9,731	5,691
Households	1,219	24	16
Property and Business Services	2,951	4,209	5,066
Rental, Hiring and Real Estate	1,060	328	415
Retail & Wholesale	-	1,315	1,638
Travel and Tourism	310	310	310
<b>Total off-balance sheet credit exposures</b>	<b>16,138</b>	<b>15,917</b>	<b>13,136</b>

**Maximum exposure to credit risk:**

The Bank does not have any material exposures on which balances have been netted. As such, the carrying amount of loans and advances (gross of provisions) and commitments as set out in note 23 represent the Bank's maximum exposure to credit risk for on and Off-Balance Sheet financial instruments.

**Coverage provided by Collateral Held on Loan:**

The table below presents the maximum exposure to credit risk for balance sheet financial instruments before taking account of the financial effect of any collateral held.

The most common types of collateral include:

- Security over real estate
- Cash deposits
- Other security over business assets.

(in NZ \$'000)

	Maximum exposure (Unaudited) 30.09.2025			Maximum exposure (Audited) 31.03.2025			Maximum exposure (Unaudited) 30.09.2024		
	Maximum Exposure to Credit Risk	Financial effect of Collateral	Unsecured portion of Credit Exposure	Maximum Exposure to Credit Risk	Financial effect of Collateral	Unsecured portion of Credit Exposure	Maximum Exposure to Credit Risk	Financial effect of Collateral	Unsecured portion of credit exposure
Due from other financial Institutions	40,110	-	40,110	34,567	-	34,567	24,637	-	24,637
Net Loans and advances to Customers	141,246	140,870	376	141,317	141,229	88	138,396	138,344	52
Balance with related parties	137	-	137	240	-	240	281	-	281
<b>Total exposure to credit risk</b>	<b>181,493</b>	<b>140,870</b>	<b>40,623</b>	<b>176,124</b>	<b>141,229</b>	<b>34,895</b>	<b>163,314</b>	<b>138,344</b>	<b>24,970</b>

**20. CONCENTRATION OF FUNDING:**

Concentration of funding arises where the Bank is funded by industries of a similar nature or in particular geographies. An analysis of financial liabilities by industry sector and geography is as follows:

(in NZ \$'000)

Analysis of funding by industry sector:	30.09.2025 (Unaudited)	31.03.2025 (Audited)	30.09.2024 (Unaudited)
Finance, Investment and Insurance	95,939	91,242	77,961
Households	15,271	15,051	14,954
Property & business services	6,275	5,908	6,349
Others	1,063	1,012	453
<b>Total funding</b>	<b>118,548</b>	<b>113,213</b>	<b>99,717</b>

(in NZ \$'000)

Analysis of funding by geographical area:	30.09.2025 (Unaudited)	31.03.2025 (Audited)	30.09.2024 (Unaudited)
New Zealand	104,079	99,581	87,562
Asia	10,256	10,232	8,855
South America	-	3,400	3,300
Australia	4,213	-	-
<b>Total funding</b>	<b>118,548</b>	<b>113,213</b>	<b>99,717</b>

**Notes to financial statements**

**For the six months ended 30 September 2025**

**21. CONCENTRATION OF CREDIT EXPOSURE TO INDIVIDUAL COUNTERPARTIES:  
(BOTH BANK AND NON-BANK COUNTERPARTIES)**

Credit exposure is calculated on the basis of actual exposure net of any amounts offset and any individual credit impairment allowances. The credit exposure information excludes credit exposures to connected persons and the central government of any country with a long-term credit rating of A- or A3 or above, or its equivalent.

There was one (1) individual bank counterparties to which the Bank had an aggregate credit exposure that equalled or exceeded 10% of the Bank's equity as at 30 September 2025 (31 March 2025: 1 and 30 September 2024:1).

There were eleven (11) non-bank counterparties, which the Bank had an aggregate credit exposure that equalled or exceeded 10% of the Bank's equity as at 30 September 2025 (31 March 2025: 10 and 30 September 2024:10).

There was one (1) individual bank counterparties which the Bank has a peak end-of-day aggregate credit exposure that equalled or exceeded 10% of the Bank's equity for the period ended 30 September 2025 (31 March 2025: 2 and 30 September 2024: 1).

There were thirteen (13) non-bank counterparties which the Bank has a peak end-of-day aggregate credit exposure that equalled or exceeded 10% of the Bank's equity for the period ended 30 September 2025 (31 March 2025: 10 and 30 September 2024:10).

Percentage of shareholders' equity	30.09.2025 (Unaudited): Number of non-bank counterparties			
	"A" Rated	"B" Rated	Unrated	Total
<b>As at 30.09.2025</b>				
10% - 14.99%	-	-	5	5
15% - 19.99%	-	-	3	3
20% - 24.99%	-	-	3	3
25% - 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
<b>Total</b>	-	-	<b>11</b>	<b>11</b>
<b>Peak Exposure</b>				
10% - 14.99%	-	-	5	5
15% - 19.99%	-	-	3	3
20% - 24.99%	-	-	4	4
25% - 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
<b>Total</b>	-	-	<b>12</b>	<b>12</b>

Percentage of shareholders' equity	31.03.2025 (Unaudited): Number of non-bank counterparties			
	"A" Rated	"B" Rated	Unrated	Total
<b>As at 31.03.2025</b>				
10% - 14.99%	-	-	2	2
15% - 19.99%	-	-	4	4
20% - 24.99%	-	-	4	4
25% - 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
<b>Total</b>	-	-	<b>10</b>	<b>10</b>
<b>Peak Exposure</b>				
10% - 14.99%	-	-	2	2
15% - 19.99%	-	-	2	2
20% - 24.99%	-	-	6	6
25% - 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
<b>Total</b>	-	-	<b>10</b>	<b>10</b>

**CONCENTRATION OF CREDIT EXPOSURE TO INDIVIDUAL COUNTERPARTIES (continued...)**

Percentage of shareholders' equity	30.09.2024 (Unaudited): Number of non-bank counterparties			
	"A" Rated	"B" Rated	Unrated	Total
<b>As at 30.09.2024</b>				
10% - 14.99%	-	-	2	2
15% - 19.99%	-	-	5	5
20% - 24.99%	-	-	3	3
25% - 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
<b>Total</b>	-	-	<b>10</b>	<b>10</b>
<b>Peak Exposure</b>				
10% - 14.99%	-	-	2	2
15% - 19.99%	-	-	4	4
20% - 24.99%	-	-	4	4
25% - 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
<b>Total</b>	-	-	<b>10</b>	<b>10</b>

	30.09.2025 (Unaudited)			
	Number of bank counterparties			
	"A- or A3 or above or equivalent	B Rated	Unrated	Total
<b>As at 30 September 2025</b>				
10% - 14.99%	-	-	-	-
15% - 19.99%	-	-	-	-
20% - 24.99%	-	-	-	-
25% - 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
35% - 39.99%	-	-	-	-
40% - 44.99%	-	-	-	-
45% - 49.99%	-	-	-	-
50% - 54.99%	-	-	-	-
55% - 59.99%	-	-	-	-
60% - 64.99%	1	-	-	1
<b>Total</b>	<b>1</b>	-	-	<b>1</b>
<b>Peak Exposure</b>				
10% - 14.99%	-	-	-	-
15% - 19.99%	-	-	-	-
20% - 24.99%	-	-	-	-
25% - 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
35% - 39.99%	-	-	-	-
40% - 44.99%	-	-	-	-
45% - 49.99%	-	-	-	-
50% - 54.99%	-	-	-	-
55% - 59.99%	-	-	-	-
60%- 64.99%	1	-	-	1
<b>Total</b>	<b>1</b>	-	-	<b>1</b>

Notes to financial statements  
For the six months ended 30 September 2025

Percentage of shareholders' equity	31.03.2025 (Unaudited)			
	Number of bank counterparties			
	"A- or A3 or above or equivalent	B Rated	Unrated	Total
<b>As at 31 March 2025</b>				
10% - 14.99%	-	-	-	-
15% - 19.99%	-	-	-	-
20% - 24.99%	-	-	-	-
25%- 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
35% - 39.99%	-	-	-	-
40% - 44.99%	-	-	-	-
45% - 49.99%	-	-	-	-
50% - 54.99%	1	-	-	1
<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>Peak Exposure</b>				
10% - 14.99%	1	-	-	1
15% - 19.99%	-	-	-	-
20% - 24.99%	-	-	-	-
25%- 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
35% - 39.99%	-	-	-	-
40% - 44.99%	-	-	-	-
45% - 49.99%	-	-	-	-
50% - 54.99%	1	-	-	1
<b>Total</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>

Percentage of shareholders' equity	30.09.2024 (Unaudited)			
	Number of bank counterparties			
	"A- or A3 or above or equivalent	B Rated	Unrated	Total
<b>As at 30 September 2024</b>				
10% - 14.99%	-	-	-	-
15% - 19.99%	-	-	-	-
20% - 24.99%	-	-	-	-
25% - 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
35% - 39.99%	1	-	-	1
<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>Peak Exposure</b>				
10% - 14.99%	-	-	-	-
15% - 19.99%	-	-	-	-
20% - 24.99%	-	-	-	-
25% - 29.99%	-	-	-	-
30% - 34.99%	-	-	-	-
35% - 39.99%	1	-	-	1
<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>

**Notes to financial statements**  
**For the six months ended 30 September 2025**

**22. CREDIT EXPOSURE TO CONNECTED PERSONS:**

(in NZ \$'000)

As at	30.09.2025 (Unaudited)	31.03.2025 (Audited)	30.09.2024 (Unaudited)
Credit exposure to connected persons	137	240	281
Credit exposure to non-bank connected persons	-	-	-
<b>Peak end-of-day</b>			
Credit exposure to connected persons	571	330	754
Credit exposure to non-bank connected persons	-	-	-

As at	30.09.2025 (Unaudited) % of Tier-1 Capital	31.03.2025 (Audited) % of Tier-1 Capital	30.09.2024 (Unaudited) % of Tier-1 Capital
Credit exposure to connected persons	0.22%	0.39%	0.45%
Credit exposure to non-bank connected persons	0.00%	0.00%	0.00%
<b>Peak end-of-day</b>			
Credit exposure to connected persons	0.91%	0.53%	1.20%
Credit exposure to non-bank connected persons	0.00%	0.00%	0.00%

This information has been derived in accordance with the Bank's condition of registration and Connected Exposure Policy (BS8) and is net of individual credit impairment allowances and excludes advances to connected persons of a capital nature.

Peak end-of-day aggregate exposure is derived by determining the maximum end-of-day aggregate amount of credit exposure over the accounting period and then divided by the Bank's tier one capital as at reporting date.

As at 30 September 2025, the rating-contingent limit applicable to the Bank was 15% of tier one capital. Over the period ended 30 September 2025, no changes have been made to the rating-contingent limit. Within the overall rating-contingent limit, there is a sublimit of 15% of tier one capital that applies to the aggregate credit exposure to non-bank connected persons (31 March 2025: 15%, and 30 September 2024: 15%).

Aggregate credit exposure to connected persons has been calculated on a gross basis.

Aggregate amount of contingent exposures of the Bank to connected persons arising from risk lay-off arrangements in respect of credit exposures to counterparties (excluding counterparties that are connected persons) as at 30 September 2025 is Nil (31 March 2025: Nil; and 30 September 2024: Nil).

Aggregate amount of the Bank's individual credit impairment allowances provided against credit exposures to connected persons as at 30 September 2025 is Nil (31 March 2025: Nil; and 30 September 2024: Nil).

**23.COMMITMENTS:**

**Undrawn loan commitments:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Undrawn loan commitments	15,534	13,998	12,532
<b>Total</b>	<b>15,534</b>	<b>13,998</b>	<b>12,532</b>

**Capital commitments:**

As at 30 September 2025, the Bank does not have any commitments for capital expenditure (31 March 2025 Nil; and 30 September 2024: Nil).

**24.INSURANCE BUSINESS AND NON-FINANCIAL ACTIVITIES:**

The Bank does not conduct any insurance business, securitisation, funds management, other fiduciary activities, and marketing and distribution of insurance products.

**25.SEGMENT INFORMATION:**

The Bank operates in a single segment, predominantly in the banking and finance industry in New Zealand.

**26.CONTINGENT LIABILITIES:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Performance/financial guarantees and Letters of credit issued on behalf of customers	3,513	1,919	604
<b>Total contingent liabilities</b>	<b>3,513</b>	<b>1,919</b>	<b>604</b>

**Notes to financial statements**  
**For the six months ended 30 September 2025**

**27. RIGHT OF USE ASSET AND LEASE LIABILITY:**

(in NZ \$'000)

	Real Estate	Total
<b>Right-of-use assets</b>		
Balance as at 1 April 2025	1,575	1,575
Additions	-	-
Adjustments due to lease review	334	334
Disposals	-	-
Depreciation	(107)	(107)
<b>Balance as at 30 September 2025 (Unaudited)</b>	<b>1,802</b>	<b>1,802</b>
Balance as at 1 April 2024	1,611	1,611
Additions	-	-
Adjustments due to lease review	183	183
Disposals	-	-
Depreciation	(219)	(219)
<b>Balance as at 31 March 2025 (Audited)</b>	<b>1,575</b>	<b>1,575</b>
Balance as at 1 April 2024	1,611	1,611
Additions	-	-
Adjustments due to lease review	183	183
Disposals	-	-
Depreciation	(107)	(107)
<b>Balance as at 30 September 2024 (Unaudited)</b>	<b>1,687</b>	<b>1,687</b>
<b>Lease liabilities</b>		
Balance as at 1 April 2025	1,717	1,717
Additions	-	-
Adjustments due to lease review	334	334
Lease payments	(110)	(110)
Interest expense on lease liabilities	65	65
<b>Balance as at 30 September 2025 (Unaudited)</b>	<b>2,006</b>	<b>2,006</b>
Balance as at 1 April 2024	1,713	1,713
Additions	-	-
Adjustments due to lease review	183	183
Lease payments	(303)	(303)
Interest expense on lease liabilities	124	124
<b>Balance as at 31 March 2025 (Audited)</b>	<b>1,717</b>	<b>1,717</b>
Balance as at 1 April 2024	1,713	1,713
Additions	-	-
Adjustments due to lease review	183	183
Lease payments	(148)	(148)
Interest expense on lease liabilities	62	62
<b>Balance as at 30 September 2024 (Unaudited)</b>	<b>1,810</b>	<b>1,810</b>

**Cash outflows for leases:**

(in NZ \$'000)

	(Unaudited) 30.09.2025	(Audited) year to 31.03.2025	(Unaudited) 30.09.2024
Lease liabilities-principal payments	45	179	86
Interest expenses-lease liabilities	65	124	62
<b>Total lease payments</b>	<b>110</b>	<b>303</b>	<b>148</b>

The Bank's lease portfolio consists of two real estate leases at:

- i) 10 Manukau Road, Epsom, Auckland: The non-cancellable period of the lease is for five years from 1 June 2025 and has an option to renew the lease for one (1) term of five (5) years on 1 June 2030. The final expiry date of the lease is 31 May 2035.
- ii) 31 East Tamaki Road, Papatoetoe, Auckland: The non-cancellable period of the lease is for five (5) years from from 15 July 2023 and has an option to renew the lease for a further period of 5 years on 15 July 2028.

**28. EVENTS AFTER REPORTING DATE:**

No further matters or circumstances have arisen since the end of the reporting date and up until the date of approval of disclosure statement, which significantly affect the operations of the Bank.

**CREDIT RATINGS SCALES:**

Long Term Debt Ratings	Standard and Poor's	Moody's	Fitch IBCA
Highest quality / Extremely strong capacity to pay interest and principal	AAA	AAA	AAA
High quality / Very strong	AA	AA	AA
Upper medium grade / Strong	A	A	A
Medium grade (lowest investment grade) / Adequate	BBB	Baa	BBB
Predominately speculative / Less near term vulnerability to default	BB	Ba	BB
Speculative, low grade / Greater vulnerability	B	B	B
Poor to default / identifiable vulnerability	CCC	Caa	CCC
Highest speculations	CC	Ca	CC
Lowest quality, no interest	C	C	C
Payment in default, in arrears – questionable value		D	D

Credit ratings between AA – CCC by Standard & Poor's and Fitch Ratings may be modified by the addition of a plus or minus sign (signalling higher and lower end of the scale respectively). Moody's Investor Services applies numeric modifies 1,2 and 3 to each generic rating classification with a 1 indicating a higher rating and a 3 indicating a lower rating within that generic rating category.

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**Conditions of registration for Bank of India (New Zealand) Limited**

These conditions of registration apply on and after 1 July 2025.

The registration of Bank of India (New Zealand) Limited ("the bank") as a registered bank is subject to the following conditions:

1. That—
- (a) the Total capital ratio of the banking group is not less than 9%;
  - (b) the Tier 1 capital ratio of the banking group is not less than 7%;
  - (c) the Common Equity Tier 1 capital ratio of the banking group is not less than 4.5%;
  - (d) the Total capital of the banking group is not less than \$30 million.

For the purposes of this condition of registration, —

"Total capital ratio", "Tier 1 capital ratio", and "Common Equity Tier 1 capital ratio" have the same meaning as in Subpart B2 of BPR100: Capital Adequacy;

"Total capital" has the same meaning as in BPR110: Capital Definitions.

- 1A. That—
- (a) the bank has an internal capital adequacy assessment process ("ICAAP") that accords with the requirements set out in Part D of BPR100: Capital Adequacy;
  - (b) under its ICAAP the bank identifies and measures its "other material risks" defined in Part D of BPR100: Capital Adequacy; and
  - (c) the bank determines an internal capital allocation for each identified and measured "other material risk".
- 1B. That, if the Prudential Capital Buffer (PCB) ratio of the banking group is 3.5% or less, the bank must—
- (a) according to the following table, limit the aggregate distributions of the bank's earnings, other than discretionary payments payable to holders of Additional Tier 1 capital instruments, to the percentage limit on distributions that corresponds to the banking group's PCB ratio; and

Banking group's PCB ratio	Percentage limit on distributions of the bank's earnings	Capital Buffer Response Framework stage
0% – 0.5%	0%	Stage 3
>0.5 – 2%	30%	Stage 2
>2 – 3%	60%	Stage 1
>3 – 3.5%	100%	None

- (b) comply with the Capital Buffer Response Framework requirements as set out in Part D of BPR120: Capital Adequacy Process Requirements.

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For the purposes of this condition of registration,—

"prudential capital buffer ratio", "distributions", and "earnings" have the same meaning as in Subpart B2 of BPR100: Capital Adequacy;

an Additional Tier 1 capital instrument is an instrument that meets the requirements of B2.2(2)(a), (c) or (d) of BPR110: Capital Definitions.

- 1BA. That the bank must not make any distribution on a transitional AT1 capital instrument on or after the date on which on any conversion or write-off provision in the terms and conditions of the instrument is triggered due to either a loss absorption trigger event or a non-viability trigger event.

For the purposes of this condition of registration, "transitional AT1 capital instrument" has the meaning given in section A2.3 of BPR110: Capital Definitions and "loss absorption trigger event" and "non-viability trigger event" have the meanings given in sub-section C2.2(3) of BPR120: Capital Adequacy Requirements.

- 1C. That:

- (a) the bank must not include the amount of an Additional Tier 1 capital instrument or Tier 2 capital instrument issued on or after 1 July 2021 in the calculation of its capital ratios unless it has completed the notification requirements in Part B of BPR120: Capital Adequacy Process Requirements in respect of the instrument; and
- (b) the bank meets the requirements of Part C of BPR120: Capital Adequacy Process Requirements in respect of regulatory capital instruments.

For the purposes of this condition of registration,—

an Additional Tier 1 capital instrument is an instrument that meets the requirements of subsection B2.2(2)(a) or (c) of BPR110: Capital Definitions;

a Tier 2 capital instrument is an instrument that meets the requirements of subsection B3.2(2)(a) or (c) of BPR110: Capital Definitions.

2. That the banking group does not conduct any non-financial activities that in aggregate are material relative to its total activities.

In this condition of registration, the meaning of "material" is based on generally accepted accounting practice.

3. That the banking group's insurance business is not greater than 1% of its total consolidated assets.

For the purposes of this condition of registration, the banking group's insurance business is the sum of the following amounts for entities in the banking group:

- (a) if the business of an entity predominantly consists of insurance business and the entity is not a subsidiary of another entity in the banking group whose business predominantly consists of insurance business, the amount of the insurance

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business to sum is the total consolidated assets of the group headed by the entity; and

- (b) if the entity conducts insurance business and its business does not predominantly consist of insurance business and the entity is not a subsidiary of another entity in the banking group whose business predominantly consists of insurance business, the amount of the insurance business to sum is the total liabilities relating to the entity's insurance business plus the equity retained by the entity to meet the solvency or financial soundness needs of its insurance business.

In determining the total amount of the banking group's insurance business—

- (a) all amounts must relate to on balance sheet items only, and must comply with generally accepted accounting practice; and
- (b) if products or assets of which an insurance business is comprised also contain a non-insurance component, the whole of such products or assets must be considered part of the insurance business.

For the purposes of this condition of registration,—

"insurance business" means the undertaking or assumption of liability as an insurer under a contract of insurance:

"insurer" and "contract of insurance" have the same meaning as provided in sections 6 and 7 of the Insurance (Prudential Supervision) Act 2010.

4. The bank must comply with all the requirements set out in the following document: BS8 Connected Exposures 1 October 2023.
5. That exposures to connected persons are not on more favourable terms (e.g. as relates to such matters as credit assessment, tenor, interest rates, amortisation schedules and requirement for collateral) than corresponding exposures to non-connected persons.
6. That the bank complies with the following corporate governance requirements:
  - (a) the board of the bank must have at least five directors;
  - (b) the majority of the board members must be non-executive directors;
  - (c) at least half of the board members must be independent directors;
  - (d) an alternate director,—
    - (i) for a non-executive director must be non-executive; and
    - (ii) for an independent director must be independent;
  - (e) at least half of the independent directors of the bank must be ordinarily resident in New Zealand;
  - (f) the chairperson of the board of the bank must be independent; and

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- (g) the bank's constitution must not include any provision permitting a director, when exercising powers or performing duties as a director, to act other than in what he or she believes is the best interests of the company (i.e. the bank).

For the purposes of this condition of registration, "non-executive" and "independent" have the same meaning as in the Reserve Bank of New Zealand document entitled "Corporate Governance" (BS14) dated July 2014.

7. That no appointment of any director, chief executive officer, or executive who reports or is accountable directly to the chief executive officer, is made in respect of the bank unless:
- (a) the Reserve Bank has been supplied with a copy of the curriculum vitae of the proposed appointee; and
  - (b) the Reserve Bank has advised that it has no objection to that appointment.
8. That a person must not be appointed as chairperson of the board of the bank unless:
- (a) the Reserve Bank has been supplied with a copy of the curriculum vitae of the proposed appointee; and
  - (b) the Reserve Bank has advised that it has no objection to that appointment.
9. That the bank has a board audit committee, or other separate board committee covering audit matters, that meets the following requirements:
- (a) the mandate of the committee must include: ensuring the integrity of the bank's financial controls, reporting systems and internal audit standards;
  - (b) the committee must have at least three members;
  - (c) every member of the committee must be a non-executive director of the bank;
  - (d) the majority of the members of the committee must be independent; and
  - (e) the chairperson of the committee must be independent and must not be the chairperson of the bank.

For the purposes of this condition of registration, "non-executive" and "independent" have the same meaning as in the Reserve Bank of New Zealand document entitled "Corporate Governance" (BS14) dated July 2014.

10. That a substantial proportion of the bank's business is conducted in and from New Zealand.
11. That the banking group complies with the following quantitative requirements for liquidity-risk management:
- (a) the one-week mismatch ratio of the banking group is not less than zero per cent at the end of each business day;
  - (b) the one-month mismatch ratio of the banking group is not less than zero per cent at the end of each business day; and
  - (c) the one-year core funding ratio of the banking group is not less than 75 per cent at the end of each business day.

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For the purposes of this condition of registration, the ratios identified must be calculated in accordance with the Reserve Bank of New Zealand documents entitled "Liquidity Policy" (BS13) dated July 2022 and "Liquidity Policy Annex: Liquid Assets" (BS13A) dated July 2022.

12. That the bank has an internal framework for liquidity risk management that is adequate in the bank's view for managing the bank's liquidity risk at a prudent level, and that, in particular:
- (a) is clearly documented and communicated to all those in the organisation with responsibility for managing liquidity and liquidity risk;
  - (b) identifies responsibility for approval, oversight and implementation of the framework and policies for liquidity risk management;
  - (c) identifies the principal methods that the bank will use for measuring, monitoring and controlling liquidity risk; and
  - (d) considers the material sources of stress that the bank might face, and prepares the bank to manage stress through a contingency funding plan.
13. That no more than 10% of total assets may be beneficially owned by a SPV.

For the purposes of this condition,—

"total assets" means all assets of the banking group plus any assets held by any SPV that are not included in the banking group's assets:

"SPV" means a person—

- (a) to whom any member of the banking group has sold, assigned, or otherwise transferred any asset;
- (b) who has granted, or may grant, a security interest in its assets for the benefit of any holder of any covered bond; and
- (c) who carries on no other business except for that necessary or incidental to guarantee the obligations of any member of the banking group under a covered bond.

"covered bond" means a debt security issued by any member of the banking group, for which repayment to holders is guaranteed by a SPV, and investors retain an unsecured claim on the issuer.

14. That—
- (a) no member of the banking group may give effect to a qualifying acquisition or business combination that meets the notification threshold, and does not meet the non-objection threshold, unless:
    - (i) the bank has notified the Reserve Bank in writing of the intended acquisition or business combination and at least 10 working days have passed; and
    - (ii) at the time of notifying the Reserve Bank of the intended acquisition or business combination, the bank provided the Reserve Bank with the

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information required under the Reserve Bank of New Zealand Banking Supervision Handbook document "Significant Acquisitions Policy" (BS15) dated December 2011; and

- (b) no member of the banking group may give effect to a qualifying acquisition or business combination that meets the non-objection threshold unless:
- (i) the bank has notified the Reserve Bank in writing of the intended acquisition or business combination;
  - (ii) at the time of notifying the Reserve Bank of the intended acquisition or business combination, the bank provided the Reserve Bank with the information required under the Reserve Bank of New Zealand Banking Supervision Handbook document "Significant Acquisitions Policy" (BS15) dated December 2011; and
  - (iii) the Reserve Bank has given the bank a notice of non-objection to the significant acquisition or business combination.

For the purposes of this condition of registration, "qualifying acquisition or business combination", "notification threshold" and "non-objection threshold" have the same meaning as in the Reserve Bank of New Zealand Banking Supervision Handbook document "Significant Acquisitions Policy" (BS15) dated December 2011.

15. That, for a loan-to-valuation measurement period ending on or after 31 December 2024, the total of the bank's qualifying new mortgage lending amount in respect of property-investment residential mortgage loans with a loan-to-valuation ratio of more than 70%, must not exceed 5% of the total of the qualifying new mortgage lending amount in respect of property-investment residential mortgage loans arising in the loan-to-valuation measurement period.
16. That, for a loan-to-valuation measurement period ending on or after 31 December 2024, the total of the bank's qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans with a loan-to-valuation ratio of more than 80%, must not exceed 20% of the total of the qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans arising in the loan-to-valuation measurement period.
17. That, for a debt-to-income measurement period, the total of the bank's qualifying new mortgage lending amount in respect of property-investment residential mortgage loans with a debt-to-income ratio of more than 7, must not exceed 20% of the total of the qualifying new mortgage lending amount in respect of property-investment residential mortgage loans arising in the debt-to-income measurement period.
18. That, for a debt-to-income measurement period, the total of the bank's qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans with a debt-to-income ratio of more than 6, must not exceed 20% of the total of the qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans arising in the debt-to-income measurement period.
19. That the bank must not make a residential mortgage loan unless the terms and conditions of the loan contract or the terms and conditions for an associated mortgage require that a borrower obtain the registered bank's agreement before the borrower can

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grant to another person a charge over the residential property used as security for the loan.

In these conditions of registration,—

"banking group" means Bank of India (New Zealand) Limited (as reporting entity) and all other entities included in the group as defined in section 6(1) of the Financial Markets Conduct Act 2013 for the purposes of Part 7 of that Act.

"generally accepted accounting practice" has the same meaning as in section 8 of the Financial Reporting Act 2013.

In these conditions of registration, the version dates of the Reserve Bank of New Zealand Banking Prudential Requirement (BPR) documents that are referred to in the capital adequacy conditions 1 to 1C, or are referred to in turn by those documents or by Banking Supervision Handbook (BS) documents, are—

BPR document	Version date
BPR100: Capital adequacy	1 July 2024
BPR110: Capital definitions	1 October 2023
BPR120: Capital adequacy process requirements	1 October 2023
BPR130: Credit risk RWAs overview	1 July 2024
BPR131: Standardised credit risk RWAs	1 July 2024
BPR132: Credit risk mitigation	1 July 2024
BPR133: IRB credit risk RWAs	1 July 2024
BPR134: IRB minimum system requirements	1 July 2024
BPR140: Market risk exposure	1 July 2024
BPR150: Standardised operational risk	1 July 2024
BPR151: AMA operational risk	1 July 2024
BPR160: Insurance, securitisation, and loan transfers	1 July 2024
BPR001: Glossary	1 October 2023

In conditions of registration 15 and 16, —

"loan-to-valuation ratio", "non property-investment residential mortgage loan", "property-investment residential mortgage loan", "qualifying new mortgage lending amount in respect of property-investment residential mortgage loans", and "qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans" have the same meaning as in the Reserve Bank of New Zealand document entitled "Framework for Restrictions on High-LVR Residential Mortgage Lending" (BS19) dated October 2021:

"loan-to-valuation measurement period" means a rolling period of six calendar months ending on the last day of the sixth calendar month.

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In conditions of registration 17 and 18, —

"debt-to-income ratio", "debt-to-income measurement period", "non property-investment residential mortgage loan", "property-investment residential mortgage loan", "qualifying new mortgage lending amount in respect of property-investment residential mortgage loans", and "qualifying new mortgage lending amount in respect of non property-investment residential mortgage loans" have the same meaning as in the Reserve Bank of New Zealand document entitled "Framework for Restrictions on High Debt-To-Income Residential Mortgage lending" (BS20) dated 3 April 2023:

"debt-to-income measurement period" means—

(a) the initial period of six calendar months from the date of this conditions of registration (1 July 2024) ending on 31 December 2024; and

(b) thereafter, a rolling period of six calendar months ending on the last day of the sixth calendar month, the first of which ends on 31 January 2025 and covers the months of August, September, October, November and December 2024 and January 2025.

In condition of registration 19, —

"residential mortgage loan" has the same meaning as in the Reserve Bank of New Zealand document entitled "Framework for Restrictions on High Debt-To-Income Residential Mortgage lending" (BS20) dated 3 April 2023.

Dated 14<sup>th</sup> January, 2011

**DEED OF GUARANTEE**

By

**BANK OF INDIA**

In respect of the obligations of

**BOI (NEW ZEALAND) LIMITED**

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THIS DEED is made on 14<sup>th</sup> January 2011

BY

- (1) **BANK OF INDIA** a body corporate constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970, having its Head Office at Star House, C-5, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai, India (hereinafter referred to as the "Bank");

AND

- (2) **BOI (NEW ZEALAND) LIMITED** a Company incorporated in New Zealand having its registered office at Level 18, PricewaterhouseCoopers Tower, 188 Quay Street, Auckland, New Zealand (hereinafter referred to as "BoINZ")

IN FAVOUR OF

- (3) EACH CREDITOR OF BOINZ

WHEREAS :

- A) BOINZ is a wholly owned subsidiary of the Bank and set up for the purpose of doing the business of banking in New Zealand.
- B) The Bank enters into this Deed of Guarantee for the purpose of guaranteeing the obligations of subsidiary, BoINZ, to the extent provided for by the terms of this Deed.

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 In this Deed and in the Recitals, unless the context otherwise requires:

"**Authorised Officer**" means, where a Creditor is a Person other than a natural person, the director or secretary of that Person or a person duly authorised by the Creditor under the resolution and seal of the Person;

"**Business Day**" means any day, other than a Saturday or Sunday or public holiday, on which banks are open for general business in Wellington and Auckland;

*[Handwritten signatures and stamps]*

Authorised Signatory  
Bandra (E) Branch

The North Karara G. S. B. Co-op. Bank Ltd. Bandra Branch, Zapurza, Sahitya Sanwas, Kalanagar, Mumbai-400 051, D-5/STP/VB, R. 1045/02/05/1300 to 1303

(Rupees One Hundred Only)  
133761  
JAN 13 2011  
MAHARASHTRA  
STAMP DUTY  
Rs. 0000100/-P85100



"**Creditor**" means each and any Person to whom an Obligation is due and owed by BoINZ during the validity period of this Guarantee.

"**Guarantee**" means the guarantee by the Bank for the benefit of the Creditors pursuant and subject to the terms and conditions of this Deed;

"**Obligation**" means a legally enforceable, undisputed liability or obligation of BOINZ to a Creditor ranking at least pari passu with the claims of unsecured creditors of BoINZ. PROVIDED THAT "Obligation" shall not include:

- (a) any liability of BoINZ in respect of Special, exemplary or punitive damages; and/or
- (b) any liability for payment of taxes, rates, imposts, duties or similar government charges; and/or
- (c) any claim/liability/obligation which is subject to a bona fide dispute; and/or
- (d) any obligation in respect of which the Creditor has not submitted proper proof and other documents and security, to enable BOINZ to discharge the said obligations; and/or
- (e) any claim/obligation in respect of a contingent liability; and/or
- (f) any claim/liability which is barred by the law of limitation or such similar laws.

"**Person**" means any person, firm, trust, estate, corporation, association, co-operative, government or governmental agency.

1.2 Words importing the singular number or plural number shall include the plural number and singular number respectively. Words importing any gender shall include every gender.

1.3 References to laws, statutes or legislation are to the laws, statutes or legislation for the time being in force in New Zealand, unless the contrary appears from the context of this Deed.

## 2. GUARANTEE

2.1 The Bank hereby unconditionally guarantees for the benefit of each Creditor the due and punctual payment by BoINZ of each and every Obligation (whether at stated maturity or upon acceleration) now owing or to become owing by BoINZ to the Creditor during the term of the Guarantee to the intent that should BoINZ default in the due and punctual payment of any such Obligation, the Bank shall, upon written demand by the relevant Creditor under clause 3.2, forthwith pay or cause to be paid to the Creditor all amounts then due and unpaid with respect to such Obligation together with all costs and expenses incurred by the Creditor in enforcing the Guarantee.

2.2 The Guarantee is a continuing guarantee and shall not be considered as satisfied by any intermediate payment and shall remain in force until the termination or expiry of the Guarantee.

2.3 Subject to the terms of this Deed, neither the liability of Bank, nor any of the rights of any Creditor, under the Guarantee shall be affected or discharged by anything which, but for this clause, might operate to affect or discharge the liability of, or otherwise provide a defence to, the Guarantor (whether or not known to, or done or omitted to be done by, the Guarantor).

2.4 Notwithstanding clause 2.2, a Creditor may at any time by an instrument in writing, release the Bank from its liability under the Guarantee in relation to that Creditor.



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- 2.5 The Bank shall be liable only for payment of an Obligation in the manner, to the extent and up to the amount that BoINZ would be liable or permitted to make payment in satisfaction of such Obligation under applicable laws and regulations and in determining and making such payment the Bank shall be entitled to deduct the amounts (if any) which the Bank is entitled in law or in equity to set-off or counterclaim against the Creditor to whom that Obligation is owed and the amounts (if any) which BoINZ could have set-off or counterclaimed in law or in equity against the Creditor to whom such Obligation is owed if BoINZ were making payment to that Creditor in lieu of the Bank. Nothing contained in this Deed shall reduce the liability of the Bank with respect to any Obligation of BoINZ which is reduced or discharged by reason of the insolvency, administration, liquidation, receivership or reorganisation of BoINZ.

### 3. DEMAND AND PAYMENT

- 3.1 A Creditor shall be entitled to make a demand under this Deed if and only if:
- the Creditor has served written demand (a "Primary Demand") on BoINZ with proper proof for the payment of an Obligation which remains unpaid beyond its due date;
  - the Creditor has complied with the requirements of BoINZ including with regard to documentation and security and the Primary Demand remains unsatisfied in whole or in part for a period of 5 Business Days after submission of necessary Primary Demand;
- 3.2 A demand by a Creditor under this Deed (a "Creditors Demand") shall be served on the Bank and shall be accompanied by a statutory declaration made by the Creditor or by an Authorised Officer of the Creditor stating:
- the residency and place of business of the Creditor;
  - that BoINZ has failed to meet an Obligation;
  - that a Primary Demand in respect of that Obligation has been given to BoINZ (accompanied by a verified copy of that Primary Demand) and that such Primary Demand has remained unsatisfied for a period of 5 Business Days as stated in 3.1(b);
  - brief particulars of the nature of that Obligation (accompanied by a verified copy of any document giving rise to that Obligation);
  - that the Obligation ranks at least pari passu with the claims of unsecured creditors of BoINZ generally;
  - the outstanding amount and currency of that Obligation; and
  - that there is no bona fide dispute relating to that Obligation.
- 3.3 Service of the Creditors Demand and all accompanying documents under clause 3.2 on the Bank shall constitute a written demand by the Creditor under clause 2.1.



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*[Handwritten signatures]*

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#### 4. PAYMENTS

- 4.1 All payments by the Bank under this Deed shall be made in the currency or currencies in which the relevant Obligation is denominated.
- 4.2 Payments hereunder shall be made free and clear of any deduction or withholdings. In the event that the Bank is prohibited by law from making payments hereunder free of deductions or withholdings, then the Bank shall pay such additional amount to the relevant Creditor as may be necessary in order that the actual amount received after all applicable deductions and withholdings shall equal the amount that would have been received if such deductions or withholdings were not required.

#### 5. REPRESENTATIONS

- 5.1 The Bank represents and warrants that:
- (a) it is a registered bank duly organised and validly existing under the laws of India;
  - (b) it has the corporate power to enter into this Deed and to perform the obligations imposed upon it under this Deed in accordance with its terms; and
  - (c) this Deed constitutes a valid, binding and enforceable obligation upon it.

#### 6. TERMINATION OF GUARANTEE

- 6.1 Notwithstanding anything to the contrary in this Deed, the Guarantee shall terminate automatically on the first to occur of the following events:
- (a) In respect of all Obligations if:
    - (i) any substantial asset of BoINZ; or
    - (ii) any share in the issued capital of BoINZ,
 

is expropriated or nationalised by the Government of New Zealand or by any political subdivision thereof (the "Government") or any entity succeeding to the powers of any such Government or any agency of any such Government or any such successor entity or any authority which is owned or controlled by any such Government or any such successor entity except where such expropriation or nationalisation results from the default by BoINZ of any statute, regulation or other binding law; or
  - (b) a change in any law or regulation in any jurisdiction which renders the Guarantee illegal or inoperative in New Zealand or
  - (c) BOINZ ceasing to be a wholly owned subsidiary of the Bank.
- 6.2 Immediately after the Bank becomes aware of the termination of the Guarantee pursuant to clause 6.1, the Bank shall notify BoINZ thereof and give notice of such termination by an advertisement in a newspaper circulating generally throughout New Zealand.



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**7. SUBROGATION**

7.1 The Bank and BoINZ expressly agree that the Bank is and shall be entitled to all the rights and remedies of a guarantor under law including, without limiting the generality of the foregoing, all rights of subrogation which shall accrue to the Bank by virtue of any payment hereunder by the Bank to or for the benefit of any Creditor and, subject to the law, the Bank shall be entitled to claim the benefit of and participate in any security now or hereafter held by that Creditor from BoINZ either in whole or upon a pro-rata basis, as the case may be, where the Bank has paid all moneys to or for the benefit of that Creditor under this Deed. Notwithstanding the generality of the foregoing, the Bank shall not exercise or seek to enforce any claim against BoINZ (whether or not in liquidation) for reimbursement to the Bank of any moneys paid pursuant to this Deed by the Bank to a Creditor in respect of an Obligation until the default of BoINZ in respect of that Obligation has been fully remedied by BoINZ or the Bank.

**8. DEALINGS BETWEEN THE BANK AND THE CREDITORS**

8.1 After receipt of a written demand from a Creditor under clause 3.2 the Bank and that Creditor shall deal with one another as principal in relation to all matters under or in relation to this Deed, the Guarantee and BoINZ.

8.2 Without limiting the generality of clause 9, the Bank shall be and is entitled to serve any notice, demands or statements in connection with this Deed upon that Creditor (at its place of business specified in the Creditor's Demand) and the Bank shall be and is entitled to make any payment which it is liable to pay to the Creditor under this Deed directly to that Creditor and not through any other Person.

**9. NOTICES**

9.1 Any notice to the Creditors generally in respect of this Deed will be validly given if published in a newspaper circulating generally throughout New Zealand. Any such notice shall be deemed to have been given on the date of publication or, if published more than once, on the date of first publication.



*[Handwritten signatures]*

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9.2 Any notice, demand, statement or other document required to be served on or delivered to the Bank or BoINZ under or in relation to this Deed ("Notice") shall be in writing signed by the party giving the Notice or by an Authorised Officer of that party, shall be made, served or given (subject in the case of the Bank to clause 11.2) by being left at or sent by prepaid mail or by facsimile as follows:

to the Bank:  
Bank of India  
  
International Division  
  
3<sup>rd</sup> Floor, East Wing  
Star House  
C-5, G Block  
  
Bandra – Kuria Complex  
Bandra (East)  
Mumbai – 400 051  
India  
Attention: The General Manager, International Division

to BoINZ  
BOI (New Zealand) Limited  
  
Level 18, PricewaterhouseCoopers Tower  
188 Quay Street, Auckland  
New Zealand  
Attention: Managing Director

or to such other address or facsimile number as shall have been notified (in accordance with this clause) to the other party hereto. No Notice shall be deemed to have been received by the Bank or BoINZ until actually received by the relevant party to whom it is addressed at its designated address.

10. AMENDMENT

10.1 The Bank may, from time to time and without any authority or assent of BoINZ or the Creditors, alter, modify, or add to this Deed if in the reasonable opinion of the Bank:

- (a) the alteration, modification or addition is made to correct a manifest error or is of a formal or technical nature;
- (b) the modification, alteration or addition is necessary to comply with the provisions of any statute, whether or not required by any statutory authority; or



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*[Handwritten signatures]* Page 6

(c) the alteration, modification or addition is desirable for the purpose of more advantageously administering the rights and obligations established under this Deed,

and in any case such modification, alteration or addition is considered by the Bank, acting in good faith, not to be materially prejudicial to the Creditors as whole, so far as known to it.

**11. GOVERNING LAW**

11.1 This Deed shall be governed by and construed in accordance with the laws for the time being in force in New Zealand. The Bank and BoINZ each hereby submit, for the purposes of this Deed, to the non-exclusive jurisdiction of the Courts of New Zealand in respect of all legal actions arising under or in relation to this Deed.

11.2 The Bank hereby irrevocably appoints BoINZ (and BoINZ hereby accepts such appointment) to be the agent of the Bank to accept service of process on behalf of the Bank in respect of all matters in New Zealand arising under or in relation to this Deed and the Bank agrees that any such process shall be properly served upon the Bank if delivered to BoINZ at its address for the service of Notices set out in clause 9.2.

**12. ASSIGNMENT**

12.1 No party to this Deed may assign its rights or obligations hereunder without the consent in writing of the other party.

**13. CERTIFICATE**

13.1 BoINZ shall advise the Bank in writing within fourteen (14) days of a request in writing from the Bank (made no more frequently than quarterly or following receipt by it of a Creditor's Demand) to do so, of its best estimate of the aggregate principal amount of the Obligations for which it is indebted as at such date to either all of the Creditors generally or to those Creditors specified by the Bank in its request.

**EXECUTED as a Deed**



EXECUTED as a DEED for and on behalf of BANK OF INDIA )

*(Signature)*  
 ( S.K. DATTA )  
 General Manager  
 International

*(Signature)*  
 ( V. ARTHANARI )  
 Chief Manager  
 International Division

EXECUTED as a DEED for and on behalf of BOI (NEW ZEALAND) LIMITED )

*(Signature)*  
 ( B.A. PRABHAKAR )  
 Director

*(Signature)*  
 Director P.N. RAO



# Independent Auditor's Review Report

To the Shareholder of Bank of India (New Zealand) Limited

## Report on the half year disclosure statement

### Conclusion

Based on our review of the half year disclosure statement and supplementary information of Bank of India (New Zealand) Limited (the **Registered Bank**) on pages 8 to 40, nothing has come to our attention that causes us to believe that:

- i. the interim financial statements (excluding the supplementary information disclosed in accordance with Schedules 5, 7, 13, 16 and 18 of the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended) (**Order**), have not been prepared, in all material respects, with New Zealand Equivalent to International Accounting Standard 34 *Interim Financial Reporting* (**NZ IAS 34**) issued by the New Zealand Accounting Standards Board; and
- ii. the supplementary information (excluding supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements) that is required to be disclosed in accordance with Schedules 5, 7, 13, 16 and 18 of the Order and is included within notes 15 of the half year disclosure statement:
  - does not present fairly, in all material respects, the matters to which it relates;
  - is not disclosed, in all material respects, in accordance with those schedules; and
  - has not been prepared, in all material respects, in accordance with any condition of registration relating to disclosure requirements, imposed under section 74(4)(c) of the Banking (Prudential Supervision) Act 1989.

We have completed a review of the accompanying half year disclosure statement which comprises:

- the interim financial statements formed of:
  - the statement of financial position as at 30 September 2025;
  - the statements of comprehensive income, changes in equity and cash flows for the six month period then ended; and
  - notes, including material accounting policy information and other explanatory information; and
- the supplementary information prescribed in Schedules 5, 7, 13, 16 and 18 of the Order.

### Basis for conclusion

We conducted our review of the half year disclosure statement in accordance with NZ SRE 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* (**NZ SRE 2410 (Revised)**).



Our responsibilities are further described in the *Auditor's responsibilities for the review of the half year disclosure statement* section of our report.

We are independent of Bank of India (New Zealand) Limited in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual disclosure statement and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements.

Our firm has provided other services to the Registered Bank in relation to review of the Registered Bank's interim special purpose financial statements, and the audits of the Registered Bank's year-end special purpose financial statements and the year-end statutory disclosure statement. Subject to certain restrictions, partners and employees of our firm may also deal with the Registered Bank on normal terms within the ordinary course of trading activities of the business of the Registered Bank. These matters have not impaired our independence as auditor of the Registered Bank. The firm has no other relationship with, or interest in, the Registered Bank.

## Use of this Independent Auditor's Review Report

This report is made solely to the Shareholder. Our review work has been undertaken so that we might state to the Shareholder those matters we are required to state to them in the Independent Auditor's Review 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 Shareholder for our review work, this report, or any of the conclusions we have formed.

## Responsibilities of Directors for the half year disclosure statement

The Directors on behalf of the Registered Bank are responsible for:

- the preparation and fair presentation of the Registered Bank half year disclosure statement in accordance with NZ IAS 34 and Schedules 5, 7, 13, 16 and 18 of the Order; and
- for such internal control as Directors determine is necessary to enable the preparation of half year disclosure statement that are free from material misstatement, whether due to fraud or error.

## Auditor's responsibilities for the review of the half year disclosure statement

Our responsibility is to express a conclusion on the half year disclosure statement based on our review.

NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the:

- half year disclosure statement, taken as a whole, does not present fairly, in all material respects, the Registered Bank's financial position as at 30 September 2025 and its financial performance and cash flows for the six month period ended on that date;
- half year disclosure statement, taken as a whole, does not, in all material respects, comply with NZ IAS 34; and
- the supplementary information does not, fairly state, in all material respects, the matters to which it relates in accordance with Schedules 5, 7, 13, 16 and 18 of the Order.

A review of the half year disclosure statement in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the half year disclosure statement.

The engagement partner on the review resulting in the independent auditor's review report is Kay Baldock.



For and on behalf of:

KPMG

KPMG

Auckland

27 November 2025



# Independent Limited Assurance Report to Bank of India (New Zealand) Limited

## Conclusion on the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements

Our limited assurance conclusion has been formed on the basis of the matters outlined in this report.

Based on our limited assurance engagement, which is not a reasonable assurance engagement or audit, nothing has come to our attention that would lead us to believe that the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements, disclosed in note 15 to the disclosure statement, is not, in all material respects disclosed in accordance with Schedule 9 of the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended) (the **Order**).

## Information subject to assurance

We have reviewed the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements, as disclosed in note 15 of the disclosure statement for the period 1 April 2025 to 30 September 2025.

## Criteria

The supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements comprises the information that is required to be disclosed in accordance with Schedule 9 of the Order.

## Standards we followed

We conducted our limited assurance engagement in accordance with Standard on Assurance Engagements 3100 (Revised) *Compliance Engagements (SAE 3100 (Revised))* issued by the New Zealand Auditing and Assurance Standards Board (**Standard**). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In accordance with the Standard, we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements, is free from material misstatement and non-compliance, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on the effectiveness of these controls; and



- ensured that the engagement team possesses the appropriate knowledge, skills and professional competencies.

## How to interpret limited assurance and material misstatement and non-compliance

In a limited assurance engagement, the assurance practitioner performs procedures, primarily consisting of discussion and enquiries of management and others within the entity, as appropriate, and evaluates the evidence obtained. The procedures selected depend on our judgement, including identifying areas where the risk of material misstatement and non-compliance with Schedule 9 of the Order.

The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Misstatements, including omissions, within the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements and non-compliance are considered material if, individually or in aggregate, they it could reasonably be expected to influence the relevant decisions of the intended users taken on the basis of the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements.

## Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error or non-compliance with compliance requirements may occur and not be detected.

A limited assurance engagement for the period 1 April 2025 to 30 September 2025 does not provide assurance on whether compliance with Schedule 9 of the Order will continue in the future.

## Use of this assurance Report

Our report is made solely for Bank of India (New Zealand) Limited. Our assurance work has been undertaken so that we might state to Bank of India (New Zealand) Limited those matters we are required to state to them in the assurance report and for no other purpose.

Our report is released to the Bank, the Reserve Bank of New Zealand (**RBNZ**) and the intended users (**Recipients**) on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent. No other third party is intended to receive our report.

Our report should not be regarded as suitable to be used or relied on by anyone other than the Recipients for any purpose or in any context. Any other person who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees accept or assume any responsibility and deny all liability to anyone other than the Bank of India (New Zealand) Limited for our work, for this independent assurance report, and/or for the opinions or conclusions we have reached.

Our conclusion is not modified in respect of this matter.



## Directors' responsibility for the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements

The Directors of the Bank are responsible for the disclosure of the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements in accordance with Schedule 9 of the Order. This responsibility includes such internal control as the Directors determine is necessary to enable compliance and to monitor ongoing compliance and to enable the disclosure of the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements that is free from material misstatement and non-compliance whether due to fraud or error.

### Our responsibility

Our responsibility is to express a conclusion to the Bank on whether anything has come to our attention that would lead us to believe that, in all material respects the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements has not been disclosed in accordance with Schedule 9 of the Order for the period 1 April 2025 to 30 September 2025.

### Our independence and quality management

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) (**PES 1**) issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (**PES 3**), which requires the firm to design, implement and operate a system of quality control including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our firm has also provided other services in relation to the review of the Bank's interim special purpose financial statements, and the audits of the Bank's year-end special purpose financial statements and the year-end statutory disclosure statement. Subject to certain restrictions, partners and employees of our firm may also deal with the Bank on normal terms within the ordinary course of trading activities of the business of the Bank. These matters have not impaired our independence as assurance providers of the Bank for this engagement. The firm has no other relationship with, or interest in, the Bank.

KPMG

Auckland

27 November 2025