

CreditAccess India B.V.

Annual Report FY 2024/2025
For the year ended 31 March 2025



Table of Contents	Page
Directors' Report	3
Consolidated Financial Statements	14
Consolidated statement of profit or loss and other comprehensive income/(loss)	15
Consolidated statement of financial position	16
Consolidated statement of cash flows	17
Consolidated statement of changes in equity	18
Notes forming part of the consolidated financial statements	20
1. General	20
2. Application of new and revised International Financial Reporting Standards (IFRS)	20
3. Summary of material accounting policies	21
3.1. Basis of preparation	21
3.2. Basis of consolidation	22
3.3. Changes in accounting policies and disclosures	23
3.4. Material accounting policies	23
4. Critical accounting judgements and estimation uncertainty	39
4.1. Critical judgements in applying accounting policies	39
4.2. Assumptions and estimation uncertainties	39
5. Risk management	41
5.1. Capital risk management	50
5.2. Credit risk	50
5.3. Market risk	52
5.4. Liquidity risk	53
6. Interest and similar income	56
7. Interest and similar expenses	56
8. Other income	56
9. Gross insurance result	56
10. Credit loss expense	57
11. Personnel expenses	57
12. Expenses by nature	58
13. Tax expense	59
14. Intangible fixed assets	61
15. Tangible fixed assets	62
16. Leases (IFRS 16)	63
17. Goodwill and impairment	64
18. Non-controlling Interests (NCI)	65
19. Loans to customers	66
20. Derivative financial instruments	68
21. Other financial assets	68

Table of Contents	Page
22. Other assets	69
23. Transfers of financial assets	69
24. Other liabilities	69
25. Insurance contract liabilities	70
26. Finance debt	72
27. Deferred tax	74
28. Share capital	76
29. Reserves	76
30. Analysis of amounts recognized in other comprehensive income	77
31. Commitments and contingent liabilities	77
32. Post-employment benefit obligations	78
33. Share-based payment	82
34. Related party transactions	84
35. Subsequent events	84
36. Notes supporting statement of cash flows	84
Company Financial Statements	85
Company statement of profit or loss	86
Company balance sheet	87
Notes to the Company financial statements	88
37. Accounting policies for the Company financial statements	88
38. Interest and similar income	88
39. Interest and similar expenses	88
40. Personnel expenses	88
41. Other operating expenses	89
42. Intangible fixed assets	89
43. Tangible fixed assets	90
44. Investments in subsidiaries	91
45. Other assets	92
46. Cash and cash equivalents	92
47. Other liabilities	92
48. Equity	93
48. Equity (continued)	94
49. Commitments and contingent liabilities	94
50. Subsequent events	94
51. Proposed appropriation of the result	94
Other information	95

Directors' Report

CreditAccess India B.V. based in Amsterdam, the Netherlands, is the long-term promoter company of the largest microfinance company of India, CreditAccess Grameen Ltd (CreditAccess Grameen).

CreditAccess India B.V. currently holds 66.43% of the shares in CreditAccess Grameen. The remainder of the shares are listed on the national stock exchanges NSE and BSE since August 2018. It has nurtured this company from small beginnings to its current status as the largest and leading company in the microfinance segment in India by providing capital and strategic advice.

CreditAccess Grameen provides loans to underbanked households primarily in rural areas of India through the so-called group lending model. CreditAccess Grameen also provides working capital loans to small business owners and individual loans to clients. CreditAccess Grameen is based in Bangalore, Karnataka in India and at the end of FY24/25 serves 4.694 million clients with 20,970 employees operating out of 2,063 branches in India. The clients are mainly women running retail shops, small-scale traders, and family farmers.

The financial year 2024/2025 was the second operating year of the Promoters' life insurance initiative through CreditAccess Life Insurance Ltd (CALI) based in Bangalore, India. The CreditAccess Group has the ambition to become a leading Life insurance company for the lower income segment in India through a range of products and offerings that meets the needs of this segment of the population. The Group also has the ambition to obtain a general insurance licence in India to ensure it can serve its target segment with full insurance coverage. It is estimated that the potential market will be 200+mln households and is supported by Government initiatives under its programme "Insurance for All" by 2047.

Vision

Our vision is to be the preferred financial partner of Indian households lacking access to formal credit. Our people-centric culture is the biggest strength. It is our mission to provide affordable credit and other financial services in a responsible, sustainable, reliable way to our customers matching their evolving needs. We are the preferred financial partner of Rural Under-banked Families in India, enriching their lives by providing convenient and reliable financial solutions, matching their evolving needs.

General information

The Group structure consists of the parent company CreditAccess India B.V. and the core operating company in the microlending business: CreditAccess Grameen Limited, as well as a life insurance company: CreditAccess Life Insurance Limited (India). CreditAccess Life Insurance has received regulatory approval for underwriting life insurance policies since the beginning of FY23/24.

CreditAccess Grameen Limited is India's largest microfinance institution, headquartered in Bengaluru, Karnataka. It is publicly listed on the NSE and BSE, and regulated by the Reserve Bank of India. The company is popularly known as "Grameen Koota" amongst its customers, translating to "rural group".

We deploy our assets in a country of more than 1.4 billion individuals and around 107 million underbanked rural households, representing the hidden backbone of the local economy where we operate.

Creation of classes of shares to provide partial liquidity

CreditAccess India BV (CAI) as the parent company has created three classes of shares, namely the Ordinary shares, CALI shares and non-voting Tracking shares (T-shares), The CALI-shares track the life insurance business, the O-shares track the CreditAccess Grameen business, and the T-shares track the CreditAccess Grameen business, while offering the shareholders the possibility of partial liquidity.

Risk management

Our subsidiary CreditAccess Grameen is one of the leading microfinance institutions in India focused on providing financial support to women from low-income households. Together with CALI, the major risks for the group are credit, operational, market, business environment, political, regulatory, concentration, expansion and liquidity risks. As a matter of policy, these risks are assessed and appropriate measures are taken to mitigate these risks. The Company's policy is that risk management processes throughout the Company are audited by the Internal Audit function.

Legislation & regulation

CreditAccess India B.V. and subsidiaries have a rigorous process and an agreed understanding with multiple large advisory firms to keep track of relevant regulations and legislation in India, The Netherlands and in Italy since a lot of investors in CreditAccess India are based in Italy. The heads of all the departments in association with risk management department are responsible for coordinating the systems for identifying risks within their own department or business activity through Risk Control Self Assessment (RCSA) exercises to be conducted at regular intervals. On a quarterly basis, our Group senior corporate secretary is reviewing latest developments which are shared with The Board for further processing and adequate actions when applicable.

Financial instruments

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company classifies exposures to market risk into either trading or non–trading portfolios and manages each of those portfolios separately. The Company's Hedging Policy to mitigate these risks is mainly related to foreign currencies. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments is accounted as cash flow hedges.

Core activities

Products & Services

The Group, through its local operating companies, offers straightforward and transparent loan products:

- Micro-lending products (based on the group-lending methodology and joint liability among the group members) to informal businesses, with a typical loan size between EUR 100 and EUR 1,000.
- Retail-lending products (based on the individual-lending methodology) to small businesses, with a typical loan size between EUR 500 and EUR 5,000.

As part of its adopted strategy, the Group has entered the life insurance market in India through its 74% subsidiary CALI. CALI started to issue life insurance policies for the same segment of the population in India; rural households with limited access to the financial system. The combination of a life insurance portfolio, next to credit, will enable the Group to benefit from the new business of offering life insurance savings products to its core customer base.

CALI is supported by the Group, which provided an initial capital injection to start their operations. In the second year of operations, CALI achieved a net result after taxes under IFRS17 standards of EUR -1.5 mln. Despite the negative result coming from fast growth in the second year, CALI is showing a strong balance sheet position as per 31 March 2025 having EUR 16.6 mln equity and EUR 41.7 mln total assets.

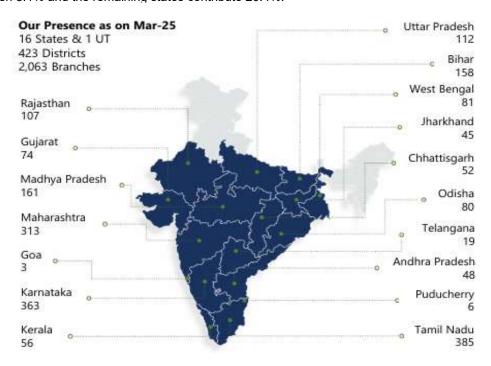
Research & Development

Being a leading Indian microfinance institution headquartered in Bengaluru, focused on providing micro-loans to women customers predominantly in rural areas across India, the Group is exploring new opportunities in multiple districts in India for further development. There is a strict selection of areas where CreditAccess can support the reduction of poverty and add value to the economy. This mission continues to be guided by the philosophy of balancing economic growth with social responsibility.

Many of our loans provided are in cash. However, as the rural areas of India are under development of technology, CreditAccess Grameen started a few years ago to invest in new software to offer digital lending products to the needs of customers who are digitally savvy. These products will be offered in a simple, convenient, and transparent model through a proprietary app.

Geographical areas

CreditAccess Grameen has an outreach of 2,063 (+4.9% YoY) branches, in 423 Districts and 16 States & 1 UT of India. Key states by portfolio size are Karnataka 31.1%, Maharashtra 21.5%, Tamil Nadu 19.0%, Madhya Pradesh 8.1% and the remaining states contribute 20.4%.



Customers

The Group's core customers are low-income and self-employed individuals, usually managing a small trade business or operating in agriculture or animal husbandry and earning between EUR 2 and EUR 10 per day. In addition, the Group serves a customer segment, running small businesses and usually generating income between EUR 10 and EUR 100 per day.

Business Strategy

CreditAccess Group aims to be recognized as "the preferred partner of rural underbanked families, providing convenient and reliable financial solutions matching their evolving needs". Our strategy primarily focusses on four elements, which are:

- 1. Enhancing the customer household value
- 2. Improving the employee formative journey through various development, growth, and upskilling initiatives.
- 3. Investing in process transformation, automation, and digitalization of workflows for simplifying the user experience
- 4. Building strong organisational culture aligned with the Company's strategic growth objectives.

The Company opened 96 new branches in FY24/25. The branch expansion was in line with the company's contiguous district-based expansion strategy, primarily focusing on new geographies.

Highlights

Despite the dynamic market circumstances, CreditAccess Grameen maintained its position as the largest Non-Banking Financial Company (NBFC) - microfinance institution (MFI) in India.

- 1- Business momentum was impacted in Feb-25 and Mar-25 due to elevated deliquencies in Karnataka.
- 2- The YoY Gross Loan Portofolio decreased with a small percentage of -2.9%, including off balance sheet portfolio. However, New-to-credit % increased from 30-35% in first half year to 40%-43% in second half year of FY24/25.
- 3- Early risk recognition, conservative provisioning, and accelerated write-off shall be taken in H1 FY25/26 to normalize the asset quality by Sep-2025.
- 4- The Group achieved a consolidated Net Profit After Taxes of EUR 54.2 mln (FY23/24; EUR 158.5 mln), with a solid capital position and strong balance sheet: EUR 789.4 mln equity (FY23/24: EUR 759.9 mln) and EUR 3,071.8 mln total assets (FY23/24: EUR 3,241.4 mln).

CreditAccess Grameen Ltd faced a negative market trend necessitating the impairment but continued to expand, maintaining a healthy Net Income Margin (NIM) of 12.9%. Although there was a sharp increase in Portfolio At Risk (PAR) since July 2024, this aligns with industry trends and tighter underwriting norms. However, PAR stabilized in November despite festivals, heavy rains, cyclones, and localized disruptions, with a strong reversal in Dec 2024/Jan 2025 indicating normalization by Q4-FY24/25 / Q1-FY25/26.

During the financial year 24/25, CreditAccess Grameen has undertaken accelerated write-off of loan accounts with 180+ days past due (dpd) and non-paying accounts. Early risk recognition, conservative provisioning and accelerated write-off during Q3/Q4 of FY24/25 and in the first quarter of the upcoming year, shall be undertaken to normalize the asset quality by the second quarter of FY25/26.

Performance indicators regarding environment and personnel

CreditAccess Grameen was honoured with renowned accolades such as Best Financial Inclusion Initiative of the Year by ET BSFI Exceller Awards 2024 as well as Excellence in Rural Healthcare Delivery. We are confident that our strong corporate governance standards supported by splendid management will help chart a better future for our customers. The 26 years of successful completion wouldn't have been possible without the support of our customers, employees, lenders, regulator, and government bodies.

The CreditAccess Group is an equal opportunity employer, CreditAccess Grameen has been certified as one of the "Great Places to Work" in India by the Great place to work Institute of India and has been qualified as one of the top 50 best companies to work for under the list of BFSI Companies in India.

CreditAccess Grameen strongly abides by its Vision to be Committed, Reliable, Empathetic, Accountable, Transparent and Efficient (CREATE). Building an environment of trust and mutual respect is one of the company's constant endeavours.

Future outlook

The financial sector in India continues to play a critical role in fostering the nation's economic growth, bolstered by a consistent supply of credit across various industries. Strong regulatory oversight and timely policy interventions have contributed to the sector's resilience, maintaining stability amid evolving economic conditions. Within this dynamic landscape, the microfinance industry has shown remarkable perseverance, continuing to provide financial services to underserved and financially excluded segments.

CreditAccess Grameen remains committed to building upon this foundation and continuing to set new benchmarks of excellence in the industry. Self-Regulatory Organizations (SROs) have been instrumental in addressing on-ground challenges, leading to the phased introduction of MFIN Guardrails 1.0 and 2.0, balancing operational integrity with financial inclusion. By March 2025, 86% of the borrower base came from rural areas, reflecting a commitment to communities lacking formal credit access

Microfinance, together with Life insurances, serves as an essential tool for stabilising income streams during challenging times. It is promoting equality and economic growth, besides supporting digital inclusion in rural areas. Sustainable growth in the sector lies in expanding the customer base and employing a risk-based pricing approach to retain and attract customers.

For the upcoming full year of 2025/2026, CreditAccess Grameen has a strong visibility on delivering a 18-20% GLP growth, with limited impact of guardrails on customer retention & future growth. Healthy customer additions as well as improved customer retention, with a higher share of retail finance and accelerated write-offs are to be completed by Q2-FY25/26. The company expects a normalised profitability from Q2-FY25/FY26, with a Full year ROA of 4.2-4.5% and ROE of 17-19%.

Next to the development of our main asset CreditAccess Grameen, we can report CreditAccess Life Insurance is showing solid progress. The number of lives insured, number of Partners onboarded, and premium income received, keeps growing at a healthy rate. CreditAccess Life Insurance is working on establishing relationships with NBFC/MFIs. CALI will also be working upon establishing a unique distribution methodology of aligning with FPOs to parallelly build offering of products other than credit life. With a sustainable equity, as well as a solid cash flow supported by the promotor company, CreditAccess Life Insurance is on its way to further develop as the major market player in the low-income segment.

Directors' Report

Key financial information

,	C	A Grameen		CA Ind	ia BV (Comp	any)	CA India BV (Group)			
Figures in EUR million	FY 22/23	FY 23/24	FY 24/25	FY 22/23	FY 23/24	FY 24/25	FY 22/23	FY 23/24	FY 24/25	
Interest income and fees YoY growth % Interest expenses and fees	397.7 34.1% -145.4	545.8 37.2% -193.4	610.9 11.9% -214.6	0.01 -95.0% -0.1	0.6 5900.0% -0.1	0.3 -46.8% -0.0	398.0 34.1% -145.5	546.4 37.3% -193.5	611.2 11.9% -214.6	
Net Interest Margin	252.3	352.4	396.3	-0.09	0.5	0.3	252.4	352.9	396.6	
YoY growth %	38.1%	39.7%	12.5%	-93.1%	-655.6%	-37.6%	39.2%	39.8%	12.4%	
Other income	19.8	25.0	19.9	0.0	0.02	0.03	19.8	25.0	19.9	
Credit loss expenses	-41.0	-45.0	-209.3	0.0	0.0	0.0	-41.0	-45.0	-209.3	
Insurance, gross result	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.04	-1.74	
Gross result	231.1	332.4	206.8	-0.1	0.5	0.3	231.3	332.9	205.4	
Operating expenses	-99.0	-116.4	-128.8	-3.4	-3.2	-0.0	-102.7	-119.5	-131.9	
Operating profit	132.1	216.0	78.1	-3.5	-2.7	-2.8	128.6	213.4	73.5	
Result from foreign currency denominations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0	
Share in results of subsidiaries & associates	0.0	0.0	0.0	71.6	109.7	37.9	-0.1	0.0	0.0	
Taxation on result	-33.4	-54.9	-19.5	0.0	0.0	0.0	-33.4	-54.9	-19.3	
Net Profit After Taxes	98.7	161.1	58.5	68.2	107.0	35.1	95.2	158.5	54.2	
YoY growth %	140.1%	63.2%	-63.7%	196.1%	56.9%	-67.2%	189.1%	66.5%	-65.8%	
Fixed Assets	67.4	68.1	65.7	7.9	7.7	7.8	75.5	76.2	74.4	
Gross loan portfolio outstanding *	2,169.0	2,841.1	2,768.9	0.0	0.0	0.0	2,169.0	2,841.1	2,768.9	
Impairment allowance	-38.9	-55.8	-141.6	0.0	0.0	0.0	-38.9	-55.8	-141.6	
Net loan portfolio outstanding	2,130.1	2,785.3	2,627.2	0.0	0.0	0.0	2,130.1	2,785.2	2,627.2	
YoY growth %	21.4%	30.8%	-5.7%	n.a.	n.a.	n.a.	21.4%	30.8%	-5.7%	
Cash and cash equivalents	150.0	122.8	138.0	0.9	5.6	13.0	151.6	128.6	153.2	
All other assets	97.3	224.1	178.2	427.9	499.1	512.7	115.4	251.4	217.0	
Total assets	2,444.9	3,200.4	3,009.1	436.6	512.4	533.5	2,472.7	3,241.4	3,071.8	
Shareholders' equity	571.2	728.9	752.8	434.4	511.5	532.4	596.7	759.9	789.5	
YoY growth %	15.3%	27.6%	3.3%	16.1%	17.7%	4.1%	14.7%	27.4%	3.9%	
Finance debt	1,833.4	2,434.9	2,224.5	1.7	0.01	0.23	1,835.1	2,435.0	2,225.1	
All other liabilities	40.2	36.5	31.7	0.5	0.8	0.8	40.9	46.5	57.2	
Total equity and liabilities	2,444.9	3,200.4	3,009.1	436.6	512.4	533.5	2,472.7	3,241.4	3,071.8	

^{*} This is excluding off-balance sheet portfolio of loans to customers.

The off-balance sheet portfolio amounts to EUR 34,782,208 at 31 March 2025 (31 March 2024: EUR 108,348,874).

Business Growth

CA Grameen faced a negative market trend necessitating the impairment but continued to expand, adding new branches. Although there was a sharp increase in Portfolio At Risk (PAR) since July 2024, this aligns with industry trends and tighter underwriting norms. In the last quarter, 6 new branches were openend and 96 in whole FY24/25. The Group was able to raise the necessary resources all through the year to match the business and operational requirements, leveraging its relationships with banks and financial institutions, as well as forming new lender relationships. Below are the key metrics:

	CreditAc	CreditAccess Grameen				
	Mar/25	Mar/24	%			
	Α	В	(A-B)/B			
Branches	2,063	1,967	4.9%			
Borrowers ('000)	4,694	4,918	-4.6%			
Gross loan portfolio* (EUR in mln)	2,808	2,841	-1.2%			
Employees	20,970	19,395	8.1%			

^{*} Include on and off balance sheet portfolio

Profitability

CA grameen is playing a leading role in bringing inclusive finance into the development mainstream. Despite the negative market trend, we continued to shape rural India, marked by a continued display of the highest standards of excellence.

The Group performance showed a lower net profit (-66%) in line with the difficult circumstances for the entire MFI market in India. Despite these challenging circumstances, including a significant impairment for CreditAccess Grameen due to increased regulations and additional guardrails by MFIN in India, the Group's performance highlights the resilience and ongoing growth of our businesses. Notably, the Pre-provision Total Income of CreditAccess Grameen was 10% euros higher than last year, demonstrating the business's sustainability and focus on operational excellence and prudent customer selection.

With a Return on Assets of 1,9% and Return on Equity of 7,7%, it is important to note that it comes in the background of being the lowest-cost lender in the microfinance industry.

For the upcoming full year of 2025/2026, CreditAccess Grameen has a strong visibility on delivering a normal 18-20% Gross Loan Profit (GLP) growth, with limited impact of MFIN guardrails on customer retention & future growth. Healthy customer additions as well as improved customer retention, with a higher share of retail finance and accelerated write-offs are to be completed by Q1-FY25/26. The company expects a normalised profitability from Q2-FY25/26, with a Full year ROA of 4.2-4.5% and ROE of 17-19%.

Important ratio's for CA Grameen developed as follows:	CreditAccess G	rameen
	Mar/25	Mar/24
Return on Assets	1.9%	5.7%
Return on Equity	7.7%	24.9%
Debt to Equity	2.9	3.3

Quality of Portfolio

Being a lender to low-income households, our strength of liability franchise is paramount to fulfill the growing customer aspirations at affordable terms and be efficient in our operations to generate the right returns. In this continuous process, we have strived to become a self-sustaining engine. Our calibrated business expansion approach involves balancing growth and quality portfolio to maintain the leadership position in the industry.

The company has undertaken accelerated write-off of loan accounts with 180+ days past due (dpd) and non-paying accounts. Early risk recognition, conservative provisioning and accelerated write-off during Q3/Q4 of FY24/25 and in the first quarter of the upcoming year shall be undertaken to normalize the asset quality by end of the first quarter of FY25/26.

Debt Funding Plan

The Group's strategic priority is to ensure the business expansion and proper asset-liability management. The Group net interest-bearing debt amounted to EUR 2,225 mln at 31 March 2025 (EUR 2,435 mln at 31 March 2024).

The Group has a diversified liability portfolio with 67 lenders across local and international banks (43), financial institutions (3), Non-Bank Financial Institutions (5) and foreign investors (16). Further, CA Grameen performed securitization and several direct assignments in the local market during FY24/25.

The Group is aiming to further diversify its funding sources, while increasing the weight of the international lenders over the medium term to support balance sheet growth.

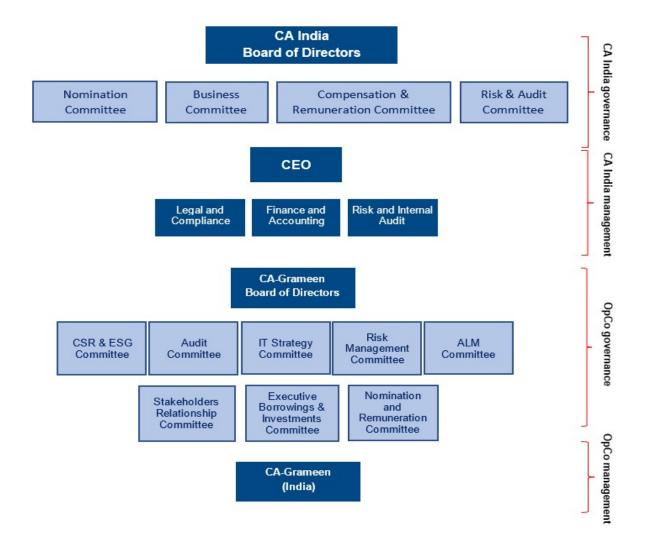
Liquidity and solvency

The Group has maintained a very strong capital and cash position with consolidated closing Debt to Equity of 2,62 (FY23/24 3,03) and Capital to Risk (Risk Weighted) Assets Ratio (CRAR) of the operating company CA Grameen at 25.4% (31 March 2024; 23.1%).

The asset-liability structure is consistently positive due to the nature of loan products offered by the Group that is typically shorter than 24 months, whereas the financial resources mobilized by the Group have a maturity between 2 and 5 years. As a result the assets exceeds liabilities in most maturity buckets.

Organization and Governance structure

The Group has a dual level governance structure; the first level is at the Holding company and second level is at Operating company. Each level has its own board and committees to steer, supervise, control and monitor the business. The management team of the Holding company connects the two levels of governance to provide effective control and management. The Chief Risk Officer (of CAI) is a member of the Board of CreditAccess Grameen.



Board of Directors

The holding company is managed by a one-tier board which reports to the General Meeting of Shareholders. The composition of the Board as from the Annual General Meeting of 31 January 2022 comprised of the following members, for a term of three years:

Board members	Date of (re-) appointment
Mr. Francesco G.M. Moccagatta (Independent Non-Executive Director / Chairman)	31-Jan-22
Mr. Paolo Brichetti (Non-Executive Director SH)	31-Jan-22
Mrs. Stefania Petruccioli (Independent Non-Executive Director)	31-Jan-22
Mrs. Benedetta Corazza (Independent Non-Executive Director)	31-Jan-22
Mr. Federico Carini (Non-Executive Director)	31-Jan-22
Mr. Michael P. Atzwanger (Non-Executive Director SH)	31-Jan-22
Mr. Daniel R. Mintz (Non-Executive Director SH)	31-Jan-22
Following directors were appointed/(re-) appointed on 18 November 2022.	
Mr. Lamberto Cremonesi (Non-executive Director)	18-Nov-22
Mr. Koen J.M. Slobbe (Executive Director)	18-Nov-22

The Company is committed to have a diversified Board of Directors by striving to have at least 30% women amongst its Board members. However, since the Company needs to weigh several relevant selection criteria based on its Governance Policy (GP) when composing its Board (including, but not limited to, shareholder recommendations, executive experience, experience in the financial services sector and general industry), the current composition of the Board - two female and seven male Board members – has fallen short of this objective in FY24/25.

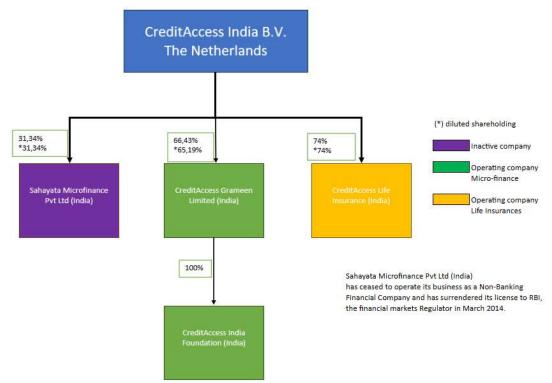
Compensation of Directors

All members of the board of the Company are remunerated based on the compensation policy as adopted by the General Meeting of Shareholders held on 17 November 2022. The compensation is based on a fixed base fee for the board membership and is supplemented for chairs of the committees and the position of Presiding Director. The actual amounts are disclosed in note 34. There are no loans outstanding, paired or waived and no advance payments and guarantees granted to any of the (former) members of the Board in FY24/25.

Ultimate Beneficial Owner (UBO)

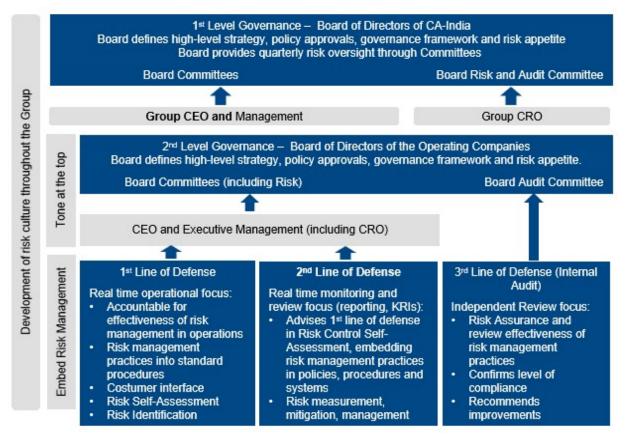
No single natural person who is a shareholder of the Company has the right to ownership of more than 15% of the total number of shares of the Company. Therefore, the Company has no Ultimate Beneficial owner and the Executive Director and the Non-Executive Directors have been registered as pseudo-UBO.

Legal structure as at 31 March 2025



Risk management framework

The Group follows a comprehensive risk management framework which is a systematic approach adopted to mitigate risks associated with the accomplishment of objectives, operations, revenues, and regulations. The risk management framework defines the risk governance structure, determines the risk appetite and tolerance, and provides the three lines of defense model that ensures proactive mitigation and helps achieving stated objectives.



While the Group accepts the risks inherent to microfinance business, it aims to manage these risks in an efficient, effective and compliant way. The table below provides various types of risks that the Group's business is exposed to. Refer to note 5 of this report for the extensive tables presenting risk mitigation measures by the Group.

Risk Type	Definition	Risks Categories
FINANCIAL RISK	Risk or loss resulting from any type of risk associated with financing and financial transactions.	Capital Risk Credit Risk Interest Rate Risk Foreign Currency Risk Liquidity Risk
OPERATIONAL RISK	Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.	People Risk Process Risk Systems (Technology) Risk External Event Risk
STRATEGIC RISK	Risk of loss that failed business decisions, or lack thereof, may pose to a company.	Political Risk Reputational Risk Regulations Risk Internal Policy Compliance Risk Country Risk Business Plan Risk including Market Dynamics Risk

Corporate social responsibility

CSR activities are a fundamental part of our mission for driving a positive change executed through the CreditAccess India Foundation. The guiding principles of inclusivity and community engagement underpin our initiatives, which are managed strategically by CA Grameen's board-level committee. In pursuit of this vision, the CA India foundation strategically partners with diverse stakeholders, including its own branches situated at the last mile, non-governmental organizations (NGOs), and local development authorities.

In FY24/25, our commitment to uplifting the communities we serve was evident through a range of impactful activities. We allocated more than USD 1.5 million to our CSR initiatives and significantly enhancing their quality of life through various domains

Some highlights of the main CSR Projects approved by the Board of CA Grameen for FY24/25:

Education and Scholarships programs

We extended support to Mother Teresa Special School, positively impacting 84 mentally challenged children from marginalised communities. In collaboration with Aasman Foundation and Agastya International Foundation, we conducted career guidance for 9,102 students and experiential learning sessions for 339 teachers across government schools.

We partnered with organisations such as Learnet Skills Limited, Udyogawardhini Shikshan Sanstha, Pramith Foundation, and Orion Educational Society to provide vocational training in electrical work, plumbing, tailoring, masonry and more, targeting 1,107 young professionals.

Humanitarian aid:

In the final quarter and in collaboration with Apollo Telemedicine, we conducted 5,803 health screenings, including cancer checks, and reached 1,958 beneficiaries through health awareness sessions. More than 80 household sanitation units were constructed in partnership with Swades Foundation. Additionally, youths received skill training, and one Anganwadi centre was equipped with solar power.

Rural Public Infrastructure Development:

We distributed 44,619 grocery kits to vulnerable families as part of our disaster relief and humanitarian efforts.

In our ongoing partnership with IIT for water body rejuvenation and storage creation, we added an impressive 97 million litres of water storage in just one quarter.

Healthcare:

CreditAccess India Foundation, the CSR wing of CreditAccess Grameen, received the THIT-2025 Award for Excellence in Rural Healthcare Delivery at the 12th THIT Conference held at Bharat Mandapam, New Delhi. The award recognised the Foundation's project, "Community-Based Cancer Screening and Primary Healthcare", implemented in Cuddalore and Villupuram, Tamil Nadu, focusing on early cancer detection and access to primary healthcare in rural areas.

These initiatives reflect our unwavering commitment to social responsibility and the holistic development of the communities we serve.

Authorisation of the consolidated financial statements

The financial statements were approved for issue by the Board of Directors on 17 July 2025.

Board of Directors:

Non-executive Board:

F.G.M. (Francesco) Moccagatta

B. (Benedetta) Corazza

D.R. (Daniel) Mintz

F. (Federico) Carini

S. (Stefania) Petruccioli

M. (Michael) Atzwanger

P. (Paolo) Brichetti

L. (Lamberto) Cremonesi

Executive Board:

K.J.M. (Koen) Slobbe

Consolidated Financial Statements CreditAccess India B.V.

Consolidated Financial Statements

Consolidated statement of profit or loss and other comprehensive income/(loss)

Statement of profit or loss Note	2024/2025	2023/2024
•	EUR	EUR
Interest and similar income 6	611,226,665	546,395,213
Interest and similar expenses 7	- 214,642,054	- 193,485,072
Net interest income	396,584,611	352,910,141
Other income 8	19,863,447	25,041,353
Gross insurance result 9	- 1,744,507	- 42,925
Total income	414,703,551	377,908,569
Credit loss expenses 10	- 209,309,860	- 45,005,949
Gross result	205,393,691	332,902,620
Personnel expenses 11	- 81,228,559	- 75,585,211
Depreciation and amortization 12	- 6,969,551	- 5,771,993
Other operating expenses 12	- 43,744,294	- 38,132,489
Total operating expenses	- 131,942,404	- 119,489,693
Operating result before value adjustments	73,451,287	213,412,927
Results from foreign currency denominated transactions	- 2,372	- 1,413
Result before taxation	73,448,915	213,411,514
Taxation on result 13	- 19,284,520	- 54,883,174
Net result for the period	54,164,395	158,528,340
Net result for the year attributable to:	05.004.004	407.000.004
Owners of the parent	35,064,321	107,009,601
Non-controlling interest	19,100,074	51,518,739
	54,164,395	158,528,340
Statement of other comprehensive income/(loss)	2024/2025	2023/2024
	EUR	EUR
Items that will or may be reclassified to profit or loss:		
Foreign exchange gains/(losses) arising on translation of foreign 30 operations	- 14,300,098	- 3,717,763
Cash-flow hedges - Effective portion of changes in fair-value	- 3,299,738	- 2,067,384
Remeasurement of defined benefit pension schemes	- 701,162	- 122,934
Change in fair-value of financial investments	163,933	69,548
Income tax relating to components of other comprehensive income	176,384	19,896
Deferred income tax relating to components of other comprehensive income	806,836	520,361
Other comprehensive income/(loss) for the year, net of tax	- 17,153,845	- 5,298,276
Total comprehensive income/(loss) for the year	37,010,550	153,230,064
Total accomplished in a constitution of the state of the		
Total comprehensive income/(loss) for the year attributable to:	40,000,440	400 470 705
Owners of the parent	18,880,112	102,173,785
Non-controlling interest	18,130,438	51,056,279
	37,010,550	153,230,064

Consolidated statement of financial position

Concondated statement of infancial position			
(before appropriation of result)	Note	31 March 2025	31 March 2024
Assets		EUR	EUR
Cash and cash equivalents	36	153,154,172	128,631,732
Derivative financial instruments	20	10,942,779	4,054,896
Other financial assets	21	132,907,282	183,271,097
Deferred tax assets	27	38,962,951	15,235,061
Loans to customers – Gross	21	2,768,851,430	2,841,053,603
Impairment allowance		- 141,632,742	- 55,849,319
Loans to customers - Net	19	2,627,218,688	2,785,204,284
Tangible fixed assets	15	15,003,231	13,750,026
Intangible fixed assets	14	59,385,141	62,436,442
Other assets	22		
Other assets		34,184,215	48,837,893
Total assets		3,071,758,459	3,241,421,431
Liabilities			
Finance debt	26	2,225,109,502	2,435,024,916
Derivative financial instruments	20	3,517,468	2,400,024,010
Post-employment benefit obligations	32	2,004,534	- 1,679,639
Insurance contract liabilities	25	23,554,982	8,735,739
Other liabilities	24	28,097,850	36,038,044
Total liabilities		2,282,284,336	2,481,478,338
Assets minus liabilities		789,474,123	759,943,093
Capital and reserves attributable to owners of the Compa	nv		
Share capital	28	123,020,963	123,020,963
Treasury shares	29	- 320,433	- 320,433
Revaluation reserve	29	- 10,526,721	- 8,642,609
Translation reserve	29	- 71,073,930	- 58,657,944
Merger reserve	29	798,915	798,915
Other reserves	29	157,506,082	157,401,122
Retained earnings	29	333,012,799	297,948,478
Controlling interest Non-controlling interest	18	532,417,675	511,548,492 248,394,601
	10	257,056,448	
Total equity		789,474,123	759,943,093
Total equity and liabilities		3,071,758,459	3,241,421,431
Total equity and liabilities		3,071,758,459	3,241,421,431

For current vs non-current refer to note 5.4.

Consolidated statement of cash flows

Note	2024/2025	2023/2024
	EUR	EUR
Cash flows from operating activities		
Interest received from loans to customers	619,816,327	557,479,738
Cash paid for interest on borrowings	- 208,836,706	- 191,486,929
Payments to suppliers and employees	- 142,708,571	- 123,702,984
Income tax paid	- 38,339,449	- 62,513,075
Principal disbursed to customers	- 2,205,476,556	- 2,573,823,451
Principal repaid by customers	2,092,620,110	1,851,130,586
Underwriting activities	16,809,968	10,454,176.00
Net cash flow from operating activities	133,885,123	-532,461,939
Cash flow from investing activities		
Purchases of tangibles and intangibles	- 4,127,882	- 2,392,053
Proceeds from sale of tangibles and intangibles	32,235	2,473
Net proceeds from sale of shares in subsidiary, while still maintaining control	-	114,896,496
Net proceeds from transfers of financial assets	8,572,451	14,663,118
Net proceeds / (placements) or margin money deposits and other liquid investments	59,476,857	- 122,393,827
Net proceeds from sale of subsidiaries	-	492
Net cash flow from investing activities	63,953,661	4,776,699
Cash flow from financing activities		
Proceeds from issuance of shares	-	-
Net repayments to shareholders, at share-cancellations	-	- 107,105,970
Net proceeds from issue of shares by subsidiaries to non-controlling interest holders	2,000,660	1,676,961
Payments of dividend by subsidiaries, to non-controlling interest holders	-7,255,032	-
Proceeds from borrowings	1,024,225,757	1,601,756,745
Repayments of borrowings	- 1,188,925,509	- 990,465,962
Net cash flow from financing activities	-169,954,124	505,861,774
Net increase/(decrease) in cash and cash equivalents	27,884,660	-21,823,466
Cash and cash equivalents at the start of the period	128,631,732	151,587,219
Cash and cash equivalents from sold subsidiaries	-	- 2,914
Net foreign exchange (losses)/gains on cash and cash equivalents	-3,362,220	- 1,129,107
Cash and cash equivalents at end of the period 36	153,154,172	128,631,732

Consolidated statement of changes in equity

	Share capital	Treasury shares	Revaluation reserve	Translation reserve	Merger reserve	Other reserves	Retained earnings	Total equity attributable to owners of the company	Non- controlling Interest	Total equity
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
1 April 2024	123,020,963	-320,433	-8,642,609	-58,657,944	798,915	157,401,122	297,948,478	511,548,492	248,394,601	759,943,093
Cancellation of shares (note 28)	-	-	-	-	-	-	-	-	-	-
Total contributions by owners	-	-	-	-	-	-	-	-	-	-
Net result for the year	-	-	-	-	-	-	35,064,321	35,064,321	19,100,074	54,164,395
Other comprehensive Income/(loss) for the year (note 30)	-	-	-1,884,112	-12,415,986	-	-	-	-14,300,098	-	-14,300,098
Total comprehensive income for the year	-	-	-1,884,112	-12,415,986	-	-	35,064,321	20,764,223	19,100,074	39,864,297
Share-based payments (note 33)	-	-	-	-	-	104,960	-	104,960	-	104,960
Total other movements	-	-	-	-	-	104,960	-	104,960	-	104,960
Other movements in NCI (note 18)	-	-	-	-	-	-	-	-	-10,438,227	-10,438,227
31 March 2025	123,020,963	-320,433	-10,526,721	-71,073,930	798,915	157,506,082	333,012,799	532,417,675	257,056,448	789,474,123

Consolidated statement of changes in equity (continued)

	Share capital	Treasury shares	Revaluation reserve	Translation reserve	Merger reserve	Other reserves	Retained earnings	Total equity attributable to owners of the company	Non- controlling Interest	Total equity
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
1 April 2023	174,282,823	-320,433	-7,524,556	-56,058,234	798,915	132,321,515	190,938,877	434,438,907	162,211,502	596,650,409
Cancellation of shares (note 28)	-51,261,860	-	-	-	-	- 55,444,699	-	-106,706,559	-	-106,706,559
Total contributions by owners	-51,261,860	-	-	-	-	- 55,444,699	-	- 106,706,559	-	- 106,706,559
Net result for the year	-	-	-	-	-	-	107,009,601	107,009,601	51,518,739	158,528,340
Other comprehensive Income/(loss) for the year (note 30)	-	-	-1,118,053	-2,599,710	-	-	-	-3,717,763	-	-3,717,763
Total comprehensive income for the year	-	-	-1,118,053	-2,599,710	-	-	107,009,601	103,291,838	51,518,739	154,810,577
Share-based payments (note 33)	-	-	-	-	-	246,007	-	246,007	-	246,007
Increase from sale of shares in CA-Grameen	-	-	-	-	-	80,278,299	-	80,278,299	-	80,278,299
Total other movements	-	-	-	-	-	80,524,306	-	80,524,306	-	80,524,306
Other movements in NCI (note 18)	-	-	-	-	-	-	-	-	34,664,360	34,664,360
31 March 2024	123,020,963	-320,433	-8,642,609	-58,657,944	798,915	157,401,122	297,948,478	511,548,492	248,394,601	759,943,093

Notes forming part of the consolidated financial statements

1. General

CreditAccess India B.V. ("CreditAccess" or "CA India" or the "Company") has its legal seat in Amsterdam, the Netherlands. The Company is registered at the Chamber of Commerce in Amsterdam under number 60281758 and has its registered address at Strawinskylaan 1043, Tower 7-10, 1077 XX Amsterdam.

The Company holds, steers, controls and finances the businesses of CreditAccess India B.V. Group (the "Group") (see note 3.2). The Group provides working capital loans and other financial services to small, informal businesses and unbanked workers in India.

This Annual Report covers the financial year 2024/2025, running from 1 April 2024 to 31 March 2025.

2. Application of new and revised International Financial Reporting Standards (IFRS)

a) New standards, interpretations and amendments effective from 1 Jan 2025

New standards, interpretations and amendments are either not applicable to the Group or the impact is not material for the Group for the financial year ended 31 March 2025.

The new and revised pronouncements issued before 31 March 2025 and effective for financial year 2024/2025 are:

- 1 Amendments to IFRS 9 and IFRS 7:
- Changes to the classification and measurement of financial instruments.

Key updates include:

- Derecognition of financial liabilities settled through electronic transfers.
- Adjustments to the classification of financial assets, including ESG-linked instruments.
- Enhanced disclosures for equity investments and contractual cash flows.
- Classification if Liabilities as Current of Non-current (amendments to IAS 1)
- Lease Liability in a Sale and Leaseback (amendments to IFRS 16)
- Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7)
- Non-current Liabilities with Covenants (amendments to IAS 1)
- 2 Annual Improvements to IFRS:
- Minor clarifications and corrections across various standards, including IFRS 1, IFRS 7, and IFRS 9.
- Examples include updates on hedge accounting for first-time adopters and lease liability derecognition.

b) New standards, interpretations and amendments not yet effective

As of 31 March 2025, the following standards and interpretations have been issued. However, these are not yet effective and/or have not yet been adopted by the EU and the Group.

Information on standards expected to be relevant to the Group financial statements is provided below. Management anticipates that all relevant pronouncements will be adopted in the Group's accounting policies for the first application period after the effective date. Regarding new standards, interpretations and amendments which are not adopted, listed below, the Group expects those not to have any material impact on the consolidated financial statements of CreditAccess India B.V.

Effective from 1 January 2026;

- 1 IFRS 18: Presentation and Disclosure in Financial Statements:
- Replaces IAS 1.
- Introduces new requirements for presenting financial statements, including mandatory subtotals (e.g., "operating profit or loss").
- Focuses on aggregation/disaggregation of information and enhanced disclosures.

Effective from 1 January 2027;

2 Others

Lack of Exchangeability (amandments to IAS 21)

Amendments to the Classification and Measurement of Financial Instruments (amandments to IFRS 9 and 7) IFRS 19 'Subsidiaries without Public Accountability: Disclosures'

Summary of material accounting policies

3.1. Basis of preparation

These consolidated financial statements have been prepared in accordance with a) International Financial Reporting Standards (IFRS), including International Accounting Standards (IASs), promulgated by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB as adopted and endorsed by the European Union and with b) Section 2:362(9) of the Netherlands Civil Code.

Information related to the subsidiaries in these financial statements may differ from those appearing in their statutory reports owing to the differences between applicable EU-IFRS and the accounting standards of the subsidiaries.

These consolidated financial statements have been prepared on a going concern basis. Refer to note 4.1.

The financial year of the Company and the Group runs from 1 April to 31 March.

The consolidated financial statements and notes thereto are presented in EUR which is also the Company's functional currency. Amounts are rounded to the nearest EUR, unless otherwise stated.

Foreign exchange rate against EUR applicable to the Group is:

			Average	Average
			1-Apr-24/	1-Apr-23/
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
INR (India)	92.396	90.137	90.798	89.784

Source: Dutch Central Bank

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Group's accounting policies.

The areas where significant judgments and estimates have been made, in preparing the financial statements, and their effects are disclosed in note 4.

Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis unless otherwise stated.

Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilizes market observable inputs and data as much as possible. Inputs used in determining fair value measurements are categorized into different levels based on how observable the inputs used in the valuation technique utilized are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted).
- Level 2: Observable direct or indirect inputs other than Level 1 inputs.
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into one of the above levels is based on the lowest level of inputs used that have a significant effect on the fair value measurement of the item. Transfers of items between levels are recognized in the period when they occur.

The Group reports the following items at fair value:

- Derivative financial instruments (note 20).
- Loans to customers based on business model test (note 19).

For further details in relation to the fair value measurement of the items above, refer to the applicable notes and to note 3.4.26 under "Financial instruments measured at fair value".

3.2. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its controlled entities, including a structured entity, and are prepared using consistent Group accounting policies.

Based on IFRS 10, control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than the majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings to the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control over the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed during the year, are included in the consolidated statement of profit or loss from the date the Company gains control until the date the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash-flows relating to the transactions between consolidated entities are eliminated in full on consolidation.

The table below shows the consolidation perimeter of CreditAccess India Group:

			<u>Shareholdin</u>	g as at
Consolidated entities:	Abbreviation	Place, country	31-Mar-25	31-Mar-24
CreditAccess India B.V. (formerly known as CreditAccess Asia N.V.)	CAI or CreditAccess or Company	Amsterdam, NL	100.00%	100.00%
CreditAccess Grameen Ltd.	CA Grameen or CAGR	Bangalore, India	66.43%	66.58%
CreditAccess Life Insurance Ltd.	CALI	Bangalore, India	74.00%	74.00%

The shareholding percentage of CreditAccess India B.V. Group is reported on non-diluted basis, i.e. not counting stock option schemes for which equity shares may be issued at a future stage and on direct plus indirect ownership.

For legal organizational structure as at reporting date, refer the Directors' Report.

Non-controlling interests

The total comprehensive income and equity of non-wholly owned subsidiaries is attributed to owners of the parent and to the non-controlling interests in proportion to their relative ownership interests.

3.3. Changes in accounting policies and disclosures

New and amended standards and interpretations

The Group has not adopted early any standards, interpretations or amendments that have been issued but are not yet effective. The details on new standards and amendments are disclosed in note 2.

3.4. Material accounting policies

3.4.1. Recognition of interest income/expenses

The effective interest rate method

Under IFRS 9, interest income is recorded using the effective interest rate (EIR) method for all financial instruments. The EIR is the rate that exactly discounts contractual future cash flows through the contractual life of the financial instrument to the net carrying amount of the financial instrument.

The EIR method (and therefore, the amortized cost of the instrument) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR.

Interest and similar income/expenses

The Group calculates interest income/expenses by applying the EIR to the gross carrying amount of financial assets/liabilities

The carrying amount of the financial asset or financial liability is adjusted if the Group revises its estimates of cash flows. The adjusted carrying amount is then calculated based on the revised cash flow using the original effective interest rate.

Other income

Other income may include a) fee income charged in compensation for services other than providing loans to customers b) gains from sale of mutual fund investments c) donations and grants income and d) income from sale of loan portfolio.

3.4.2. Recognition of expenses

Expenses are accounted for in the period they relate to, regardless of whether these have already resulted in payments in that particular period. Herewith any relation between recognized revenue and associated cost is taken into account.

Expenses that are directly attributable to the interest and similar income are included in net interest income. Income and expenses that relate to the same transaction or other event are recognized simultaneously. Expenses can normally be measured reliably when the other conditions for the recognition of revenue have been satisfied. However, income is not recognized when the expenses cannot be measured reliably; in such circumstances, any consideration already received for the sale of the services or goods is recognized as a liability.

3.4.3. Results from foreign currency denominated transactions

Transactions entered into by the Group entities in a currency other than their functional currency are recorded at the rates ruling when the transactions occur.

Foreign currency monetary assets and liabilities are translated at the rates ruling on the reporting date.

Exchange differences arising, when monetary items are settled or when monetary items are translated at rates different from those at which they were translated when initially recognized or in previous financial statements, are reported in profit or loss in the period, with the exception of exchange differences arising on monetary items that form part of the reporting entity's net investment in a foreign operation which are recognized, in the consolidated financial statements that include foreign operations, in other comprehensive income; they will be recognized in profit or loss on disposal of the net investment.

3.4.4. Results from financial instruments

Results arising from financial instruments include all gains or losses from changes in fair value and related interest income or expense and dividends from financial assets and financial liabilities.

3.4.5. Current Taxation

Income tax on profits is recognized as an expense based on the applicable tax laws in each jurisdiction in the period in which profits arise.

Current tax for the current and prior periods is recognized as a liability to the extent that it has not yet been settled, and as an asset to the extent that the amount already paid exceeds the amount due.

3.4.6. Financial Assets

Recognition of financial assets

Financial assets are initially recognized in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Initial measurement of financial assets

All financial assets are initially measured at fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent measurement of financial assets

IFRS 9 divides all financial assets that were previously in the scope of IAS 39 into two classifications - those measured at amortized cost and those measured at fair value.

Debt instruments

At amortized cost

A debt instrument that meets the following two conditions are measured at amortized cost (net of any write down for impairment), unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: The objective of the entity's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Where assets are measured at fair value, gains or losses are either recognized entirely in profit or loss (fair value through profit or loss, FVTPL), or recognized in other comprehensive income (fair value through other comprehensive income, FVTOCI).

At Fair Value Through Other Comprehensive Income (FVTOCI)

A debt instrument that meets the following two conditions are measured at FVTOCI, unless the asset is designated at FVTPL under the 'Fair value through profit or loss' option:

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At Fair Value Through Profit or Loss (FVTPL)

All other debt instruments must be measured at fair value through profit or loss (FVTPL).

'Fair value through profit or loss' option

Even if an instrument meets the two requirements to be measured at amortized cost or FVTOCI, IFRS 9 contains an option to designate, at initial recognition, a financial asset as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains or losses on them on different bases.

Equity instruments

At fair value

All equity investments in scope of IFRS 9 are to be measured at fair value in the statement of financial position, with value changes recognized in profit or loss, unless designated at FVTOCI under 'Other comprehensive income' option. There is no 'cost exception' for unquoted equities.

'Other comprehensive income' option

If an equity investment is not held for trading, the entity can make an irrevocable election at initial recognition to measure it at FVTOCI with only dividend income recognized in profit or loss.

Group's Financial Assets

The Group's financial assets include loans to customers, investments in quoted/unquoted securities, cash and cash equivalents and other assets.

3.4.6.1. Loans to customers

Loans to customers are initially recognized at fair value plus transaction costs that are directly attributable to their issue and are subsequently:

1. carried at amortized cost using the EIR method, if (a) are held within a business model whose objective is to hold assets in order to collect contractual cash flows and (b) the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the loans to customers, which are reported net, such allowances are recorded in a separate allowance account with the loss being recognized under the credit loss expenses in the consolidated statement of profit or loss.

2. carried at FVTOCI, if (a) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and (b) the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In prior years, due to securitization and assignment deals, CA Grameen reported a portion of loans to customers at FVTOCI. No loans have been classified as FVTOCI as at 31 March 2025.

Further details on securitization and assignment deals are disclosed in the section "transfers of financial assets" in this note. The quantitative details of the split of loans to customers into amortized cost and FVTOCI are provided in note 19.

3.4.6.2. Impairment of loans to customers

In order to estimate impairment of loans to customers, the Group applies IFRS 9 from 1 April 2018.

Impairment methodology

IFRS 9 fundamentally changed the loan impairment methodology. The standard replaced IAS 39's incurred loss approach with a forward-looking Expected Credit Loss approach. The Group estimated the allowance for expected losses for all loans to customers at amortized costs, at FVOCI and for other financial assets not held as FVTPL.

ECL measurement

To calculate ECL, the Group estimated the risk of a default occurring on the financial instrument following the "General approach" of the IFRS 9 and defines a model in line with the standard's requirements towards the assessment of ECL allowance.

ECL = PD% x LGD% x EAD + Overlay

Inputs into measurement of ECL:

Probability of Default (PD);

Loss Given Default (LGD);

Exposure At Default (EAD);

and

Forward looking information (Overlay)

Impairment stages

Following the General approach, the management has distributed the total outstanding portfolio of the Group into three impairment stages as at the reporting date. All loans need to be allocated to one of these stages, depending on the increase in credit risk since initial recognition (i.e. disbursement date):

Stage 1: When loans are first recognised, the Group recognises an allowance based on 12 months ECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the Lifetime ECLs.

Stage 3: Includes default loans. A loan is considered default at the earlier of (i) the Group considers that the obligor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing collateral (if held); or (ii) the obligor is past due more than 90 days on any material credit obligation to the company.

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Notes to the Consolidated Financial Statements

For Joint Liability Group (JLG) Loans, it has been identified that the following stage classification is most appropriate:

- Stage 1 Performing loans: 0 to 15 DPD.
- Stage 2 Underperforming loans: 16 to 60 DPD (SICR).
- Stage 3 Nonperforming or default loans: above 60 DPD (Default).

For Self Help Group (SHG) loans, it has been identified that the following stage classification is most appropriate:

- Stage 1 Performing loans: 0 to 30 DPD.
- Stage 2 Underperforming loans: 31 to 60 DPD (SICR).
- Stage 3 Nonperforming or default loans: above 60 DPD (Default).

For Individual Loans, for monthly repayment model, it has been identified that the following stage classification is most appropriate:

- Stage 1 Performing loans: 0 to 30 DPD.
- Stage 2 Underperforming loans: 31 to 90 DPD (SICR).
- Stage 3 Nonperforming or default loans: above 90 DPD (Default).

Probability of Default

(i) Joint Liability Loans (JLG)

PD describes the probability of a loan to eventually default (i.e. fall into Stage 3). PD percentage is calculated for each loan group (stage) separately and is determined by using available historical observations as below:

PD for stage 1: is derived as %age of all loans in stage 1 moving into stage 3 in 12-months' time.

PD for stage 2: is derived as %age of all loans in stage 2 moving into stage 3 in the maximum lifetime of the loans under observation.

PD for stage 3: is derived as 100% considering that the default occurs as soon as the loan becomes overdue for 60/90 days which matches the definition of stage 3.

The loans falling into each stage will be treated as below:

- a) For Stage 1 loans, 12-month ECLs are recognized i.e. credit loss expected in the next 12 months.
- b) For Stage 2 loans, Lifetime ECLs are recognized i.e. credit loss expected in the remaining lifetime of the loans.
- c) For Stage 3 loans, Lifetime ECLs are recognized i.e. credit loss expected in the remaining lifetime of the loans.

(ii) Individual Loans

Disbursements of Individual loans started in November 2016. Long-term performance history of matured vintage loans is not available for Individual loans in adequate number to build the PD model. The PD estimation for Individual loans portfolio is, therefore, carried out using an ad-hoc methodology based on management judgement.

Significant Increase in Credit Risk

IFRS 9 requires financial assets to be classified in Stage 2 when their credit risk has increased significantly since initial recognition. Group entities assess each of its customers and loans individually by means of a qualitative assessment process that is based on current and historical past-due status, indebtedness of the client, credit bureau checks and on the client's business. Group entities are able to identify changes in credit risk since initial recognition on individual customers and loans through internal methodologies and procedures, however the management is of the opinion that no other indicator except 15/30 days overdue points toward Significant Increase in Credit Risk.

This is in line with the IFRS 9 that there is a rebuttable presumption that the credit risk has increased significantly if contractual payments are more than 30 days past due. The Group entities have policies, procedures and software in place to calculate and report overdues consistently.

Loss Given Default:

LGD is the opposite of recovery rate, i.e., LGD = 1 - (Recovery rate). LGD is calculated based on the average of past observations of recovery of Stage 3 loans as further detailed below.

LGD is computed as below:

The Group determines its expectation of extent of lifetime losses by estimating recoveries on its default loans through analysis of historical information. The Group determines its recovery rates by analysing the recovery trends over different periods of time after a loan has defaulted. LGD is the difference between the exposure at default and its recovered amount.

Grouping financial assets measured on a collective basis:

The Group maintains that its loan portfolio has two distinct groups of loans as they do not share credit risk characteristics between them namely; the Group Loans (GL) and the Individual Loans (IL). Internally each of these groups are homogenous. These are, therefore, treated as two separate groups for the purpose of determining impairment allowance. Both JLG and SHG mentioned above are part of Group Loans.

Exposure At Default:

For the Group, the Exposure At Default is the sum of outstanding principal and the interest amount accrued but not received on the loans as at reporting date.

Forward looking information

Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions on the historical loss experience or to remove the effects of conditions in the historical period that do not exist currently. The methodology and assumptions used for estimating future cash flows is reviewed regularly to reduce any differences between loss estimates.

The Group follows a governance process to assess the adjustment required on the historical estimate of ECL in the form of overlay which may result in a positive or negative scenario applied to the estimated historical ECL, or, in some cases, unadjusted historical information (neutral scenario) may be the best estimate.

For forward looking information, the Group assessed if there are any macroeconomic indicators or socio-economic, socio-political events and natural disasters that may impact the future expectation of credit quality compared to historical information captured in the ECL model. The Group acknowledged that in the recent years it had been attempted by several academic researchers and by microfinance industry practitioners to establish a statistical relationship between historical default rates and the macroeconomic, socio-economic, socio-political variables. This typically entailed using various types of correlation and regression analysis to ascertain if that relationship is statistically significant. However, the results were found to be statistically insignificant.

The Group strongly believed that in the absence of significant correlation, the professional judgement of senior management should be used and hence it has been formalized in a structured governance process in order to ensure best quality inputs, process and consensus of the senior management toward exercising such judgement. Therefore, subsidiaries structured and documented a governance process whereby senior management met, received inputs, analysed them and eventually reached a consensus on the determination of a quantitative overlay.

Write-offs

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written-off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to the statement of profit or loss.

3.4.6.3. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

3.4.7. Transfers of financial assets

An asset is transferred if either the Group has transferred the contractual rights to receive the cash flows, or the Group has retained the contractual rights to receive the cash flows from the asset, but has assumed a contractual obligation to pass those cash flows on, under an arrangement that meets the following three conditions:

- 1. the Group has no obligation to pay amounts to the eventual recipient unless it collects equivalent amounts on the original asset,
- 2. the Group is prohibited from selling or pledging the original asset (other than as security to the eventual recipient),
- 3. the Group has an obligation to remit those cash flows without material delay.

Once the Group has determined that the asset has been transferred, it then determines whether or not it has transferred substantially all of the risks and rewards of ownership of the asset. If substantially all the risks and rewards have been transferred, the asset is derecognized. If substantially all the risks and rewards have been retained, derecognition of the asset is precluded.

If the Group has neither retained nor transferred substantially all of the risks and rewards of the asset, then the Group must assess whether it has relinquished control of the asset or not. If the Group does not control the asset then derecognition is appropriate; however if the Group has retained control of the asset, then the Group continues to recognize the asset to the extent to which it has a continuing involvement in the asset.

CA Grameen has entered into two types of transactions for transfer of own originated financial assets, namely securitization and direct assignment, for the primary purpose of funding and liquidity management. CA Grameen continued to perform collection service for both direct assignment and securitization deals in exchange of a service fee and a share in the interest from the underlying assets agreed with the counterparties.

In securitization transactions, CA Grameen sold the legal title of the assets to SPVs which in turn have issued securities to investors. The interests of CA Grameen in the securitized assets were retained through provision of credit enhancements in the form of cash deposit and/or portfolio over-collateral. In all these cases, the originating entity retains substantial risk and reward of the assets in such a manner that the transfers do not fulfil the derecognition criteria under IFRS 9 and hence the transferred assets are reported as on-balance sheet assets in loans to customers. For details refer to note 23. However, the Group does not exercise control over the SPVs (which are controlled by independent Trustees) and hence does not consolidate the SPVs.

Following are the loans to customers transferred through securitization:

during FY23/24 CA-GR has not entered into securitization transaction	2024/2025	2023/2024
	EUR	EUR
No. of SPVs sponsored by CA-GR for securitization transactions.	1	-
Number of loans	47,309	-
Coupon rate	8.65%	8.95%
Cash collateral	8.65%	8.95%
Outstanding amount of securitized loans to customers as at end of the year	28,524,508	3,100,123
Number of Loans in securitization deals in default as at end of year	5	555
Amount of Loans in securitization deals in default as at end of year	2,504	117,024

In direct assignment transactions, CA Grameen sold legal and economic title of loans directly to third parties as true sale whereby the transfers qualified for the derecognition criteria under IFRS 9 and are considered as off-balance sheet exposure, hence not reported on the consolidated balance sheet.

Following are the loans to customers transferred through direct assignment during the financial year:

	2024/2025	2023/2024
	EUR	EUR
Number of assignment deals	2	3
Number of derecognized loans	92,420	400,993
Aggregate consideration received	39,327,064	122,128,021
Outstanding amount of assigned loans to customers as at end of the year. (off balance sheet)	34,782,208	108,348,974
Income recognized in statement of profit or loss	2,586,870	10,239,768
Coupon rate range	10%	9.20%- 9.55%
Minimum Retention Requirement	3,408,911	15,109,302
Number of loans in assignment deals in default as at end of year	22,867	16,092
Amount of Loans in assignment deals in default as at end of year	3,845,356	3,150,725

On direct assignment a gain/(loss) on transfer of financial assets (in the form of excess spread) is recognised, at the time of transfer, in other income section in the statement of profit or loss.

The Group has not purchased / sold any non-performing financial assets in the current and previous year.

3.4.8. Business combinations

The Group uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and whether control is transferred from one party to another. Control exists when the Group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Group incurs in connection with a business combination, such as stamp duty for title transfer in the name of the Group, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

3.4.9. Other assets

Other assets include penalty receivable from loan customers, security deposits for rental premises, advances to staff, prepayments, tax receivables, interest receivable on term deposit & liquidity management instruments, dividend receivable and technical assistance fee receivable etc.

At the end of each year, the impairment on receivables is assessed and deducted (if any) from the carrying amount of such receivable.

3.4.9.1. Other financial assets

Other financial assets include investments in quoted and unquoted securities for cash management.

3.4.10. Externally acquired intangible assets

An intangible fixed asset is an identifiable non-monetary asset without physical substance. Externally acquired intangible asset is a resource that is controlled by the Group as a result of purchase from external party and from which future economic benefits are expected to flow to the Group.

At initial recognition Intangible Assets are measured at cost. The cost of intangible assets consists of all cost involved that are directly attributable to purchase, create, produce and prepare the asset so that it is ready to be used in accordance with the intent of the management.

After initial recognition intangible assets should be carried at cost less accumulated amortization and impairment allowance.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Group has determined its estimate of useful economic life of intangible assets (including software) as five years. The useful lives of intangible assets are reviewed at each financial year and adjusted. The 'Client base and trademark', originating from the purchase price allocation on acquiring the controlling interest in MMFL, is amortized over ten years.

3.4.11. Goodwill

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss. Goodwill is then tested for impairment annually. Refer to note 17.

3.4.12. Tangible fixed assets

Tangible assets are assets, with physical substance, which have been purchased in the ordinary course of business and are held for use in the production of services or for administrative purposes and which are expected to be used for more than one year. Tangible fixed assets include land and buildings, vehicles, computer equipment, office equipment, furniture and fittings, electrical equipment and leasehold improvements. Tangible assets are initially recognized at cost which includes all costs necessary to bring the asset to working condition for its intended use.

After initial recognition, a tangible asset shall be carried at its cost less any accumulated depreciation and any accumulated impairment allowance.

Freehold land is not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of tangible fixed assets so as to write off their carrying value over their expected useful economic lives.

The Group has adopted following useful life criteria for its various categories of tangible fixed assets. The Group calculates depreciation, on tangible fixed assets, using the straight line method on the expected useful life of the asset and, if applicable, the estimated residual value at the end of the useful life of the asset.

Category of tangible assets	Useful life
Buildings	30 years
Furniture and fittings	10 years
Office equipment	5 years
Computer equipment	3 years
Electrical equipment	10 years
Vehicles	8 years
Leasehold improvements (Right of use assets)	Lease term

Leases - Where the Group is the lessee

In accordance with IFRS16 a 'Right of use asset' ("ROU") is recognized for all leases, unless the lease term is 12 months or less or the underlying asset is of low value. The Group has elected to account for short-term leases and leases of low-value assets using the practical expedient. The payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

At inception of a contract it is assessed whether a contract contains a lease. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration. At the commencement of the lease, the Group recognises a right-of-use asset and a corresponding lease liability in its statement of financial position.

The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs. It is subsequently measured at cost less accumulated depreciation and impairment losses, if impairment indicators are identified. Right-of-use assets are depreciated form the commencement date on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease term is determined as the non-cancellable period of the lease, taking into account any option to extend or terminate the lease if the lessee is reasonably certain to exercise such option. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate that would have to be paid to borrow over a similar term.

Subsequently the liability will be reduced by the actual lease payments.

3.4.13. Impairment of non-financial assets (excluding deferred tax assets)

Impairment tests on goodwill are undertaken annually at the financial year end. An impairment is necessary in the event that the carrying amount of a specific Cash Generating Unit (CGU) exceeds the estimated recoverable amount/ fair value of such CGU. The recoverable amount is measured as the greater of value in use (i.e. discounted cash flow) and fair value less cost to sell.

Tangible assets, intangible assets, trade and other receivables are all reviewed for impairment whenever triggering events indicate that the carrying amount of the assets may not be recoverable. Where the carrying amount of such asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains or losses on disposal of assets are determined by reference to their carrying amount and are reported in operating profit.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows, its CGUs. Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

Impairment charges are included in profit or loss, except to the extent when they reverse gains previously recognized in other comprehensive income. An impairment loss recognized for goodwill can not be reversed.

3.4.14. Financial liabilities

Recognition of financial liabilities

Financial liabilities are initially recognized in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Initial measurement of financial liabilities

All financial liabilities are initially measured at fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs.

Subsequent measurement of financial liabilities

Adoption of IFRS 9 doesn't change the basic accounting model for financial liabilities followed by the Group under IAS 39. Two measurement categories continue to exist: FVTPL and amortized cost.

Financial liabilities held for trading are measured at FVTPL, and all other financial liabilities are measured at amortized cost unless the fair value option is applied.

Group's Financial Liabilities

The Group's financial liabilities include finance debt and other liabilities.

3.4.14.1. Finance debt

Finance debt is initially recognized at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortized cost using the effective interest rate method

For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

3.4.15. Defined contribution schemes

Under a defined contribution plan, the Group pays fixed contributions into a fund but has no legal or constructive obligation to make further payments if the fund does not have sufficient assets to pay all of the employees' entitlements to post-employment benefits. The Group's obligation is therefore effectively limited to the amount it agrees to contribute to the fund and effectively place actuarial and investment risk on the employee.

Contributions to defined contribution pension schemes are charged to the statement of profit or loss in the period to which they relate.

3.4.16. Defined benefit schemes

These are post-employment benefit plans other than a defined contribution plan. These plans create an obligation on the Group to provide agreed benefits to current and past employees and effectively places actuarial and investment risk on the Group.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year. Gains or losses through remeasurements of net benefit liabilities/ assets are recognised with corresponding charge/credit to the retained earnings through other comprehensive income in the period in which they occur.

Other employee benefits

Other employee benefits that are expected to be settled wholly within 12 months after the end of the reporting period are presented as current liabilities. Other employee benefits that are not expected to be settled wholly within 12 months after the end of the reporting period are presented as non-current liabilities and calculated using the projected unit credit method.

3.4.17. Share based payments

Where equity-settled share options are awarded to employees, the fair value of the options on the date of grant is charged to the statement of profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest on each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the statement of profit or loss is charged with the fair value of goods and services received.

3.4.18. Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability in the statement of financial position differs from its tax base, except for differences arising on:

- The initial recognition of goodwill;
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit; and

- Investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable income will be available against which deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- The same taxable Group company, or
- Different Group entities which intend either to settle current tax assets and liabilities on a net basis, or
- To realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

3.4.19. Other liabilities

Other liabilities include payable to creditors on ordinary business transactions, insurance, tax payable and other accruals. Refer to note 24 for details.

3.4.20. Hedge accounting

The Group enters into swap contracts and other derivative financial instruments to hedge its exposure to foreign exchange and interest rates. The Group does not hold derivative financial instruments for speculative purpose. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

At the inception of the hedge relationship, the relationship between the hedging instrument and the hedged item is documented, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, it is documentd whether the hedging instrument is highly effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk.

A valid hedge relationship exists when a specific relationship can be identified between financial instruments in which the change in value of one instrument, the 'hedge instrument', is correlated highly negatively to the change in value of the other, the 'hedged item'. To qualify for hedge accounting, this correlation must be within 80% to 125%, with any ineffectiveness recognized in the profit or loss account.

A hedging relationship qualifies for hedge accounting only if all of the following criteria are met:

- 1. the hedging relationship consists only of eligible hedging instruments and eligible hedged items.
- 2. at the inception of the hedging relationship there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge.
- 3. the hedging relationship meets all of the hedge effectiveness requirements.

Cash flow hedge & hedge policy

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedge item and hedging instrument. The company enters into hedge relationship where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative assessment of effectiveniess is performed.

The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

Here, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'.

The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the statement of profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same head as the hedged item

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised in profit or loss when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Notes to the Consolidated Financial Statements

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

In respect of interest rate swaps, there is an economic relationship between the hedged item and the hedging instrument as the terms of the interest swap contract match that of the foreign currency borrowing (notional amount, interest repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the interest rate swap are identical to the hedged risk components.

3.4.21. Capital Disclosures

Share capital

Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Group's shares are classified as equity instruments.

Treasury shares

Consideration paid/received for the purchase/sale of treasury shares is recognized directly in equity. The cost of treasury shares held is presented as reserve ("treasury shares").

3.4.22. Cash flow statement

The cash flow statement has been prepared using the direct method. The cash items disclosed in the cash flow statement comprise cash in hand and at banks except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received, and income taxes are included in cash from operating activities. The purchase consideration paid for an acquired Group company has been recognized as cash used in investing activities where it was settled in cash.

Any cash in bank and at hand in an acquired Group company have been deducted from the purchase consideration. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognized in the cash flow statement. Payments of finance lease instalments qualify as repayments of borrowings under cash flow from financing activities and as interest paid under cash flow from operating activities.

3.4.23. Current versus non-current

Assets and liabilities with a maturity date within one year are classified as current. Assets and liabilities with a maturity date of more than one year are classified as non-current. For current versus non-current presentation refer to note 5.4.

3.4.24. Offsetting of financial instruments

Assets and liabilities are offset and reported net insofar the Group has a legally enforceable right to set-off the recognized amounts and intends to settle them on a net basis

3.4.25. Provisions

Provisions are recognized when:

- 1. The Group has a present legal or constructive obligation as a result of past events; and
- 2. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- 3. A reliable estimate of the amount of the obligation can be made.

3.4.26. Financial instruments measured at fair value

The following table gives an overview of the main financial instruments valued at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements (see note 3.1). It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of the fair value.

Fair Value	31 March 2025	31 March 2024
	EUR	EUR
Financial assets	Level 2	
Derivative financial instruments	10,942,779	4,054,896
	10,942,779	4,054,896
Financial liabilities	Level 2	
Derivative financial instruments	3,517,468	-
	3,517,468	-

Derivative financial instruments refer to contracts that are traded on the Over The Counter market. The fair value of derivative instruments is determined using observable inputs (Level 2 of the Fair Value Hierarchy).

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Below presents the carrying amounts and fair values of financial assets and liabilities, insofar the carrying amount is not a reasonable approximation of fair value;

Below overview is related to the Fair value of the Financial assets and liabilities of CA Grameen only.

Fair value of significant assets and	31 March 2025				31 March 2024			
liabilities measured at amortised cost	Amortised		Fair value		Amortised cost	E	air value	
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
<u>Assets</u>								
Loans to customers	2,627,218,690	-	-	2,618,106,577	2,785,204,284	-	-	2,791,010,351
Investments (government securities)	68,874,831	68,911,737	-	-	71,052,953	-	-	70,998,591
Total assets	2,696,093,521	68,911,737	-	2,618,106,577	2,856,257,237	-	-	2,862,008,942
<u>Liabilities</u>								
Finance debt								
Debt securities	166,862,873	-	-	166,841,468	226,557,352	-	-	229,704,783
Borrowings (other than debt securities)	2,043,241,529	-	-	2,157,822,925	2,193,732,873	-	-	2,143,448,306
Subordinated liabilities	2,737,654	-	-	2,795,888	2,800,182	-	-	2,952,173
Total - Interest bearing loans and borrowings	2,212,842,056	-	-	2,327,460,281	2,423,090,407	-	-	2,376,105,262
Lease liabilties	11,656,167	-	-	11,718,746	11,793,159	-	-	11,875,257
Total liabilities	2,224,498,223	-	-	2,339,179,027	2,434,883,566	-	-	2,387,980,519

Note:

The carrying amounts of cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets and payables are considered to be the same as their fair value, due to their short-term nature

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Loans to customers

Fair value of Loans to customers measured at amortised cost have been measured based on a discounted cash flow model of the contractual cash flows of solely payment of principal and interest. The significant unobservable input is the discount rate, determined using the recent lending rate of the Group.

Financial liabilities measured at amortized cost

The fair value of fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rate being charged for new borrowings. The Fair value of floating rate borrowing is deemed to equal its carrying value.

3.4.27. Insurance contracts and reinsurance contract assets held

Definition and Classification

Insurance contracts are those contracts that have significant insurance risk at the inception of the contract. Insurance risk arises when the Group agrees to compensate a policyholder if a specified uncertain future event adversely affects the policyholder, with the possibility of paying, including variability in the timing of payments, significantly more in a scenario where the insured event occurs than when it does not occur. Insurance contracts include both direct and assumed (reinsurance) insurance contracts issued by the Group.

Assessment of significance of insurance risk: The Group applies its judgement in assessing whether a contract transfers to the issuer significant insurance risk. The type of contracts where this judgement is required are those that transfer financial and insurance risk and result in the latter being the smaller benefit provided. Currently, the products offered by the Group are pure protection products with no transfer of financial risks and offer no savings benefit. Currently, no reinsurance contracts are held by the Group.

Reinsurance contract assets held; Ceded reinsurance contracts do not relieve the Group of its liability associated with underlying insurance contracts. Reinsurance contract assets held are presented separately on the balance sheet to indicate the extent of credit risk and the obligations of the company to its policyholders. Currently, the Group does not hold any reinsurance contracts.

Unit of account and recognition; Insurance contracts are required to be aggregated into portfolios of insurance contracts, based on underlying risk and the management of those risks, then further aggregated into groups of insurance contracts based on the underlying expected profitability and date of issuance, with groups not containing contracts issued more than one year apart. Assessment of whether an insurance certificate is onerous or not at initial recognition is done at a certificate level. Currently, the Group sells only protection policies which provide death benefit. Hence all insurance contracts issued are aggregated into one portfolio Non-Participating protection. These are then further dis-aggregated into 2 groups - onerous contracts and a group of contracts which are unlikely to become onerous. These groups represent the level of aggregation at which insurance contracts are initially recognized and measured. Only contracts that meet the recognition criteria by the end of the reporting period are included in the groups. When contracts meet the recognition criteria in the groups after the reporting date, they added to the groups in the reporting period in which they meet the recognition criteria, subject to the annual cohorts' restriction. Composition of the groups is not reassessed in subsequent periods.

Insurance contracts issued are recognized from the earliest of: the beginning of the insurance contract's coverage period; when payment from the policyholder becomes due or, if there is no contractual due date, when premium is received; and when a contract is onerous but not before its issue date.

An insurance contract is derecognized when it is:

- extinguished (i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified and certain additional criteria are met.

Insurance Acquisition cashflows includes the following acquisition cash flows within the insurance contract boundary that arise from selling, underwriting and starting a group of insurance contracts and that are:

- a. costs directly attributable to individual contracts and groups of contracts; and
- b. costs directly attributable to the portfolio of insurance contracts to which the group belongs, which are allocated on a reasonable and consistent basis to measure the group of insurance contracts.

Before a group of insurance contracts is recognized, the Group could pay directly attributable acquisition costs to originate them. When such prepaid costs, they are recorded as a prepaid insurance acquisition cash flows asset within other assets and allocated to the carrying amount of a group of insurance contracts when the insurance contracts are subsequently recognized.

The Group has not recognized such pre-recognition costs for this financial year.

IFRS 17 requires an entity to include in the measurement of groups of insurance contracts all fulfilment cash flows (FCF), including directly attributable acquisition cash flows, unless the entity elects to expense these acquisition costs when incurred for insurance contracts measured under the PAA. Therefore, a separate asset associated with the acquisition of insurance contracts is not recognised.

Contract boundary; The Group uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts. Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Group has a substantive obligation to provide the policyholder with insurance coverage or other services. This assessment is reviewed every reporting period. Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognized when those contracts meet the recognition criteria. the Group has assessed contract boundary for each insurance contracts based on assessment of rights of policyholders and its obligations and set the contract boundary accordingly.

Separation of insurance contracts; The lowest unit of account in IFRS 17 is the contract and there is a presumption that a contract with the legal form of a single contract would generally be considered a single contract in substance. However, there might be certain facts and circumstances where legal form does not reflect the substance and separation is required. It is a judgement requiring careful consideration of all relevant facts and circumstances. The Group issues group policies where the policyholder is a bank, MFI, NBFC etc. Members of the group who are insured are issued an insurance certificate containing the details of the coverage. For the purpose of measurement and recognition, each of the insurance certificates issued to members is assessed as an individual contract. The Group has also analyzed whether the contracts contains components that should be separated and accounted for separately;

- Embedded derivative which need to be separated and accounted for separately
- relating to distinct investment components
- promises to transfer distinct goods or distinct non-insurance services.

The Group does not have any contracts that require further separation of insurance contracts.

Risk adjustment for non-financial risk; The risk adjustment for non-financial risk is an addition to the present value of the estimated future cash flows and reflects the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows from non-financial risk as the Group fulfils insurance contracts.

Contractual Service Margin; The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will recognize as it provides coverage in the future. At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous) arising from: a. the initial recognition of the Fulfillment Cashflows; b. the derecognition at the date of initial recognition of any asset or liability recognized for insurance acquisition cash flows; and c. cash flows arising from the contracts in the group at that date. A negative CSM at the date of inception means the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognized in profit or loss immediately with no CSM recognized on the balance sheet on initial recognition.

Coverage Unit; The amount of the CSM recognised in profit or loss for services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units.

For contracts issued, the Group determines the coverage period for the CSM recognition as follows:

a. for term life life insurance contracts, the coverage period corresponds to the policy coverage for mortality risk.

Fulfilment cash flows within contract boundary; The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the Group expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the

timing and the uncertainty of those amounts. The estimates of future cash flows:

- a. are based on a probability weighted mean of the full range of possible outcomes;
- b. are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and
- c. reflect conditions existing at the measurement date.

The products sold by the Group are non-participating protection products where benefits are defined upfront. The benefits are not linked to any underlying items. Hence estimates of future cash flows are based on best estimate assumptions of all non-financial parameters.

Measurement

The Group has in its portfolio group credit linked protection and group one year renewable term insurance policies. The policy holder could be a bank, NBFC, MFI etc. Each member of the group policy is issued an insurance certificate containing the details of his coverage. In respect of credit linked insurance coverages which have terms varying from 1 month to 20 years, each certificate is measured using the General Measurement approach both at initial recognition and subsequent measurement. The group one year contracts which have coverage period of less than 1 year are valued using the Premium Allocation Approach.

General Measurement Model requires the determination of Fulfilment cash flows within contract boundary. The FCF are the current estimates of the future cash flows within the contract boundary of a group of contracts that the company expects to collect from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing and the uncertainty of those amounts. The estimates of future cash flows: a. are based on a probability weighted mean of the full range of possible outcomes; b. are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and c. reflect conditions existing at the measurement date. An explicit risk adjustment for non-financial risk is estimated separately from the other estimates. For contracts measured under the PAA, unless the contracts are onerous, the explicit risk adjustment for non-financial risk is only estimated for the measurement of the LIC.

At initial measurement in case of profitable group of insurance contracts, CSM is set up such that no profit or loss is recognized at initial recognition. In case a group of insurance contracts which are onerous, at initial recognition the loss is recognized immediately.

Subsequent measurement; The carrying amount at the end of each reporting period of a group of insurance contracts issued, is the sum of:

- a. the LRC, comprising:
- i. the FCF related to future service allocated to the group at that date; and
- ii. the CSM of the group at that date; and
- b. the LIC, related to past service allocated to the group at the reporting date

Fulfillment cash flows;

The Group issued group credit linked/non-credit linked insurance policies with terms varying from 1 month to 20 years. All protection policies, except the One year renewable term assurance plans, has been measured using the General measurement approach. The insurance contract liability comprises the Fulfillment cash flows and the Contractual Service Margin (where it is positive). Fulfillment cash flows comprise best estimates of future cash flows, adjusted to reflect the time value of money and risk adjustment to reflect uncertainty as regards future experience relating to non-financial risks. The estimates of future cash flows reflect the company's view of current conditions at the reporting date. This information includes both internal and external historical data about claims and other experience, updated to reflect current expectations of future events that might affect those cash flows.

Discount rates;

In determination of FCF, cash flows are discounted using risk-free yield curves, adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts and reinsurance contract assets held. The company determines the yield curves using available market observable rates and illiquidity premiums. The tables below set out the primary yield curves that were used to discount the cash flows of insurance contracts and reinsurance contract assets held.

	March 2025;	March 2024;
<u>Duration</u>	Yield curve	Yield curve
0-1 years	6.74%	7.12%
1-2 years	6.70%	7.08%
2-3 years	6.75%	7.08%
3-4 years	6.69%	7.08%
4-5 years	6.77%	7.07%
5-6 years	6.76%	7.09%
6-7 years	6.79%	7.05%
7-8 years	6.85%	7.08%
8-9 years	6.84%	7.05%
9-10 years and later years	6.85%	7.05%

Risk adjustment for non-financial risk;

The risk adjustment for non-financial risk represents the compensation that the Group requires for bearing uncertainty with respect to both the amount and the timing of cash flows that arise from the non-financial risk of the company's insurance contracts issued and reinsurance contract assets held. For reinsurance contract assets held, the risk adjustment for non-financial risk represents the amount of risk being transferred by the company to the reinsurer. The resulting amount of the calculated risk adjustment corresponds to a confidence level at 31 March 2025 of 78%. (31 March 2024; 78%). The risk adjustment is determined by determining the Margin on Current estimate (MoCE). The margins shall be the Margin over Current estimates MoCE as determined based on the Indian RBC QIS 1, issued by the Insurance Regulatory and Development Authority of India. The MoCE covers the inherent uncertainty in the cash-flows related to insurance liabilities. As such, MoCE considers all uncertainties attached to these obligations. Under the Indian RBC QIS 1 study, the MoCE is determined such that when added to the BEL their sum should provide for a 78% (31 March 2024; 78%) probability of adequacy to reflect the inherent uncertainty related to all relevant future cash-flows that arise in fulfilling insurance obligations. The QIS 1 also provides correlation matrices for determining diversification benefits between the non-financial risks which is applied to the RA determined method as prescribed under the Indian RBC QIS 1 method.

Contract boundaries;

The assessment of the contract boundary, which defines which cash flows are included in the measurement of a contract, requires judgment and consideration of the company's substantive rights and obligations under the contract. Generally the company allocates acquisition costs based on written new business premiums and maintenance and administration costs based on Sum Assured and number of insurance certificates issued in case of group policies. Other costs are recognized in the statement of income as they are incurred.

4. Critical accounting judgements and estimation uncertainty

The preparation of the consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historic experience and various other factors that are believed to be reasonable and appropriate under the circumstances, the results of which form the basis of the judgments about the carrying values of assets and liabilities that cannot be determined, without undue cost or effort, from other sources.

Although these estimates are based on management's best knowledge of current events and actions, there is an inherent risk that actual results could differ from such estimates. Several estimates made by the Group, including but not limited to the estimate of impairment of loans to customers, are highly dependent on uncertain future developments.

The estimates and underlying assumptions are reviewed on an ongoing basis. Changes to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below.

4.1. Critical judgements in applying accounting policies

Going concern

Our strong balance sheet, increasing profitability, adequate liquidity & capital position, stable credit rating, strong relationship with our lenders and low cost/income ratio should enable us to receive continued funding access over the coming period. Furthermore, our demonstrated capability of managing asset quality stress, witnessed multiple times in the past, backed by our resilient business model coupled with highly experienced stable management team, should give comfort and confidence to our lenders, investors and various stakeholders. Based on the foregoing and necessary stress tests considering various scenarios, the consolidated financial statements have been prepared on a going concern basis.

Hedge Accounting

A valid hedge relationship exists when a specific relationship can be identified between financial instruments in which the change in value of one instrument, the 'hedge instrument', is correlated highly negatively to the change in value of the other, the 'hedged item'. Refer to note 3.4.20 and note 20.

Business model assessment

This refers to the classification of financial instruments, mainly loans to customers. Refer to note 3.4.6.1 and note 19.

4.2. Assumptions and estimation uncertainties

Fair value of financial instruments

This refers to the fair valuation of loans to customers classified as FVTOCI. Refer to note 3.4.6.1 and 19.

Impairment of intangible fixed assets

Refer to note 17

Impairment of loans to customers

Estimate of expected credit loss (refer to note 19)

Share based payments

Estimate of fair value of share based payments (refer to note 33).

Recognition of deferred income tax assets

Availability of future taxable income against which tax losses carried forward can be used (refer to note 27).

Measurement of defined benefit obligations

Key actuarial assumptions (refer to note 32).

Residual value and useful life of intangible and tangible assets

Refer to note 14,15 and 16

Effective interest rate (EIR): Refer to note 3.4.1

Provisions: Refer to note 3.4.25

Provision for tax expenses: Refer to note 13.

Contingent liabilities: Refer to note 31.

Notes to the Consolidated Financial Statements

Insurance contracts: Refer to note 25.

The most significant judgments within the estimates of fulfillment cash flows are the best estimate non-financial assumptions (future mortality, maintenance expense/claims expense assumption and surrender, claim delay pattern etc.). The judgments used to determine the future cash flows from policy claims, expenses and claim settlement pattern are based on an assessment of facts and circumstances known, a review of historical claims experience, pricing assumptions and market information where relevant. The insurance contract liabilities are estimated using generally accepted actuarial standards, which are designed to ensure establishing an appropriate reserve on the balance sheet to cover Liability for remaining coverage and Liability for Incurred claims. The assumptions underlying the estimation of insurance contract liabilities have been updated to reflect recent and emerging trends in experience.

5. Risk management

Risk Type	Definition	Risks	Application for the Group
FINANCIAL RISK	The Group is exposed to financial risks such as credit risk, interest rate risk, foreign currency risk and liquidity risk that impact its earnings	Capital Risk Credit Risk (transaction and concentration risk)	Risk of loss of part or all of an investment. Risk that the Group will incur a loss because its clients or counterparties fail to meet their financial obligations towards the Group. Refer note 5.2 for the Group's measurement and mitigation of the credit risk. Credit risk includes portfolio concentration risk that is the risk of financial losses related to the composition of the overall loan portfolio, caused by inadequate portfolio diversification. The Group has low appetite for this risk and hence it follows a strong diversification strategy. The Group monitors and analyses the concentration risk and the trends (in terms of gross loan portfolio and portfolio at risk both for amount and number of clients) at various levels such as: - By product - By geography (i.e. by branch/area/district/region/state) - By loan cycle.
		Interest Rate Risk	Risk that the Group's earnings and profitability will be affected by fluctuations in the market interest rates. Refer to note 5.3.1 for the Group's measurement and mitigation of the interest rate risk.
		Foreign Currency Risk	Risk of loss to the Group that may arise from open positions in foreign currencies due to adverse movements in foreign exchange rates. Refer to note 5.3.2 for the Group's measurement and mitigation
		Liquidity Risk	of the foreign currency risk. Risk that the Group will be unable to meet its payment obligations as and when they fall due under normal and stressed circumstances. Group takes following measures to mitigate this risk: - Diversified funding resources, - Asset-Liability management (e.g., maturity mismatches, static and dynamic scenarios), - Effective fund management, - Maximum & minimum liquidity ratio thresholds, and - Projected cash flow analysis. Refer to note 5.4 for the Group's measurement and mitigation of the liquidity risk.

OPERATIONAL RISK

Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

People Risk

People risk may arise due to staffing inadequacy, loss of key personnel, employee errors, lack of information awareness, information and communication, other human resource issues and wrongful acts. In order to mitigate people risk, Nomination and Remuneration Committee of Board is in place. Dedicated HR function in the subsidiary ensures efficient organizational structures, fair compensation policies, standard recruitment and remuneration practices, induction trainings, healthy workplace, excellent code of conduct, customer-oriented culture, and sufficient training and development.

Process Risk

Process risk may arise due to flawed/inefficient business/ operational/ financial processes, loose internal controls, inappropriate/inadequate/inaccurate reporting processes etc. In microfinance, major process risk factors include cash handling, lending process exposures and transmitted reputational risks. Risk mitigation by the Group entities includes:

- Use of policies, procedures and systems for a strong control environment.
- Adoption of the core control standards.
- Proactive monitoring and reporting of operational risks (analysis of internal audit/control findings, internal loss collection and analysis, business process mapping, operational predictive Key Risk Indicators).

Systems

Sources of systems (technology) risk include general (Technology) Risk technology problems, hardware failures, software failures, security issues, system failures, system maintenance issues, network failure, interface failure, hacking, data theft and virus schemes etc. Subsidiary mitigates this risk through wellestablished IT function, strong and recognized core banking system, use of policies and procedures for data access, information security processes (e.g., access rights, logical access, information classification, equipment protection), strong network, software installation, data privacy, back-up and through audit trails.

Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) are tested, and an annual IT risk and audit assessment is conducted through specialized service provider.

External Event Risk

Sources of external event risk include natural disasters and nonnatural (man-made) disasters. Group prepares itself for such risks through putting in place a business resiliency and continuity plan, by conducing scenario analysis and by following the appropriate policies on risk mitigation and management strategies.

Microfinance companies mainly run based on human interaction in the field through designed processes using available tools and technologies. Therefore, the Group is clearly exposed to all operational risk types described above.

The Group for its low appetite for operational risk, has extensive governance and internal control environment. It mitigates this risk through internal control systems, automation, IT innovation and internal audit.

Why Operational Risk is critical for **MFIs**

Roles and Responsibilities

Three lines of Defense

The Group uses the three lines of defense structure to measure and manage all the risks. Refer risk governance section for the details of three lines of defense.

		Core Control Standards	The Group follows the following core control standards to mitigate and manage the operational risks. - Segregation of duties and rotation - Annual leaves and adequate compensation - Compliance with all regulatory requirements - Code of business conduct/code of ethics - Internal and external reporting & communication - Oversight and independent monitoring - Legal agreements - Documented job descriptions - Regular trainings - Adequate and competent staff - Maintain adequate records - Protection of staff, information and property - Passwords/access rights - Data and record protection - Compliance reviews/internal audits
STRATEGIC RISK	Risks of loss that failed business decision, or lack thereof, may pose to a company	Business Plan risk including Market Dynamics Risk	Risk of loss that might arise from the poor decisions and substandard execution of decisions by inadequate resource allocation or from failure to respond well to changes in business environment. Group mitigates this risk though a detailed business plan exercise taking into account all the market dynamics and planning accordingly the internal resources allocation. Market dynamics risk is the risk of loss due to failure to respond to changes in business environment. The Group uses the following measures to mitigate such risk: - Clear responsibility assigned for scanning the market environment and the changing technological context for potential disruptions - Scenario analysis - Stress testing for strategic initiatives (products, process) and analysis of the downside scenarios - Consultative strategic planning process.
		Political Risk	Political risk is the risk of negative impact on business operations due to political changes and interference. We provide loans under group lending model to women and low-income households without any collateral. This exposes our Group to risks from intentional default by customers (contagious risk) arising from external factors such as political interventions and community influence.
		Reputational Risk(includes but not limited to Integrity risk from code of conduct)	Reputation risk arises from ethics violations, safety issues, security issues, poor quality of controls and poor customer relations. There is a reputational risk linked to how our business is perceived in terms of responsible lending and fair pricing, transparency and for code of conduct. The Group has a low appetite for reputation risk where such risks could prompt key stakeholders to intervene in the decision making or running of the day to day business. Risk arising from unethical contacts with customer. The Group has implemented a code of conduct and embedded it in the HR culture via regular trainings.

STRATEGIC RISK			The mitigar	nts that the Gr	oup follows are:		
Continued				•	d low pricing for customers		
			- Custome	r centric appro	pach, high customer retention		
			- Systemat	ic customer a	wareness activities		
			- High soci	al focused ac	tivities		
			- Adherend	e to client pro	tection guidelines		
			- Robust g	rievance redre	essal mechanism		
			- Adherence	e to regulator	y guidelines in letter and spirit		
			- Strong co	mpliance offi	cers		
				•	ented a code of conduct and culture via regular trainings.		
	Regulatory Risk	External Regulations risk	Regulatory risk is the risk of a change in regulations and laws that might affect the industry or business. Investment in developing countries poses the risk of changing regulations that can significantly change the framework of an industry and also the cost-structures. The Group has low appetite for regulatory risk. Group ensures through compliance, accounting and audit to adhere to regulatory guidelines in the true letter and spirit.				
		Internal policy compliance risk	The audit function in each Company helps identifying k non-compliance which is communicated to the operat through Audit Committee. The compliance is ensured follow up process.				
	Country Risk	Country Risk	Country risk arises from country-specific events that adversely impact the Group's exposure in a specific country. Within the Group, country risk is broadly defined. It includes all relevant factors that have a common impact on Group's portfolio in a country such as economic, banking and currency crises, sovereign default and political risk events. The assessment of the country rating is based on a benchmark of external rating agencies and other external information.				
			Most recent rating of the country where the Group operates is provided below:				
			Agency	Rating	Outlook		
			Moody's	Baa3	Stable		
			Fitch	BBB-	Stable		
			DBRS	BBB (low)	Stable		
			Source: Tro	ding Foorem	ice		
			Source. Ha	iding Econom	100		

Specific risks in relation to the life insurance business are as follows:

Underwriting risk

Underwriting risk comprises insurance risk, policyholder persistency risk and expense risk. The Company manages its underwriting risk based on the underwriting policy as approved by the Board of the Company. The Board and its various committees, monitors the adequate application of the policy and reviews the trends in mortality, expense and surrenders.

Mortality risk; For contracts where death is the insured risk, the most significant factors that could increase the overall frequency of claims are epidemics or widespread changes in lifestyle, resulting in earlier or more claims than expected. The company sells primarily short duration group micro credit linked insurance protection where insurance protection is based on loans taken by customers. The Sum Assured offered on micro insurance policies is restricted to INR 200,000 (approxm. EUR 2,000). The Group product is offered to customers of Micro finance institutions, Self help groups, NGO's, banks, NBFC etc. Hence the risk of anti-selection is limited as these are credit linked insurance policies with a limit on maximum Sum Assured. For other non-micro insurance policies, the maximum sum assured could be up to INR 2.500,000 (approxm. EUR 27,000) per member of the group and the company has in place a Board approved underwriting policy laying out underwriting including medical underwriting requirements. The underwriting strategy is intended to ensure that the risks underwritten are well diversified in terms of geographical exposures. Medical underwriting is also included in the underwriting procedures, with premiums varied to reflect the health condition of the applicants in cases where the Sum Assured is high.

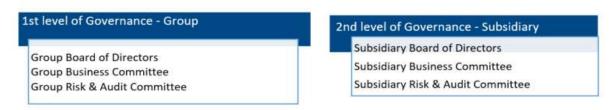
Surrender risk; The amount of mortality risk is also subject to contract holder behavior. On the assumption that policyholders will make decisions rationally, overall underwriting risk can be assumed to be aggravated by such behavior. For example, it is likely that contract holders whose health has deteriorated significantly will be less inclined to terminate contracts insuring death benefits than those contract holders remaining in good health. This results in an increasing trend of expected mortality, as the portfolio of insurance contracts reduces due to voluntary terminations. The policies sold by the Company are primarily single premium group credit linked insurance policies sold. Hence voluntary terminations of cover by a member is likely in case of premature foreclosure of a loan but is carries a significant surrender penalty. Even otherwise, the surrender penalty on early terminations, is heavy, which acts as a detriment to surrender.

Expense risk; Expense risk is the risk of unexpected increases in policy maintenance, claim handling and other costs relating to fulfilment of insurance contracts. The risk is managed through budgeting and periodic cost evaluations.

Risk governance

The Group has in place a structured risk governance, ensuring an effective level of alignment between oversight and management responsibility for risk.

The Group has two levels for risk governance:



At Group level – 1st level of governance

Group Board of Directors (Group BoD) Group Risk and Audit Committee (Group R&A Committee)

This Committee is mandated by the Group Board to assist in fulfilling its oversight responsibilities regarding the effectiveness of the risk management (including compliance) and internal control framework performed across the subsidiaries of the Group.

The Committee conducts quarterly review of the Key Risks Indicators (KRIs) and the status of the mitigation measures adopted for the most relevant and strategic risks. For this purpose the Group CRO reports and participates at the Risk and Audit Committees meetings and the Board meetings of the subsidiary and provide recommendations and feedback on all risk related matters on behalf of the Group R&A Committee.

The Group CRO submits to this R&A Committee a quarterly Risk Oversight Report (including credit risk management) which typically covers:

- The status and evolution of the Risk Management and Internal Control Framework.
- The KRIs dashboard and status of mitigation measures adopted for the most relevant and strategic risks.
- Information about any critical issues and risks and the effective risk management and mitigation and the plan to improve the internal controls.

The role of this R&A Committee is not to directly control and monitor the risks of the businesses, because these activities are already carried out by the Board and the Risk and Audit Committee of the subsidiary and through their local management team. The Group delegated the responsibility to review and approve all the policies (including the credit policies) to the Board of Directors and the Risk and Audit Committee of the subsidiary.

Risk profile and appetite

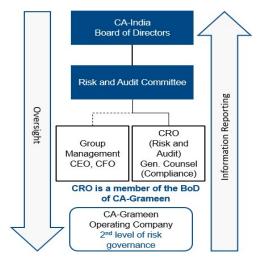
The risk appetite articulates the type and quantum of risk that the Group is willing to accept in pursuit of its strategy. The Group has to accept the risks that are required or necessary to conduct its core business of providing loans to customers. It is therefore needed to have a risk appetite that supports a stable organization that can continue in the long run. The Group actively pursues credit risk resulting from loans to customers. Other risks cannot always be avoided, but the Group mitigates these risks as much as possible. The Board determines which risks the Group may assume, the appetite levels for these risks and the principles for calculating and measuring such risks.

The Group's risk profile consists of financial risks, operational risks and strategic risks.

Overall, Group's risk appetite is low to moderate. Maintaining relatively tight caps on risk exposures is seen as the most conducive approach to providing cost-appropriate mass-market financial services in a socially inclusive manner. The Group rejects any speculative, short-term, high-risk/high-return approach to financial services delivery. The cornerstones of Group's business model are customer service, outreach and financial inclusion, innovation, technology, proactive risk management and sustainable growth. For example, Group will not engage in activities or otherwise enter into risks that do not have a clear relationship to the mission of the institution and support the Group in delivering on its promise to shareholders and customers of integrity, social advancement, economic empowerment and sustainable profitability.

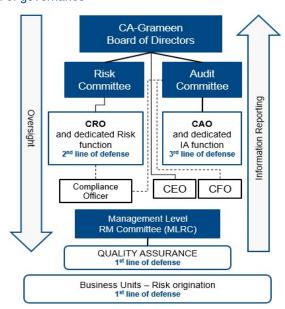
The stated mission and fundamental risk appetite will guide the Group in developing its strategy, in considering decisions about new products or new markets and in setting appropriate exposure limits in each of the risk areas.

The risk-based roles and responsibilities in the Group are organized in adherence to the 'three lines of defense' principle to ensure appropriate levels of segregation.



CA India has a structured risk governance in place, ensuring an effective level of alignment between oversight and management responsibility for risk.

At Subsidiary level - 2nd level of governance



In CA Grameen there is a strong risk culture and a solid risk management (RM) framework:

THIRD LINE DEFENSE - Internal Audit Function

Audit Committee (AC): It assists the BoD in fulfilling its oversight responsibilities regarding the Internal Control system in CA Grameen.

Chief Audit Officer (CAO) and IA Function: Systematic "ex post" appraisal of operations, processes and financial reports. In relation to RM, IA review the effectiveness of RM and compliance with policies.

SECOND LINE DEFENSE - Risk Management Function

Risk Committee (RC): The RC assists the BoD in fulfilling its oversight responsibilities regarding the RM system, policies and practices to ensure the effectiveness and adequacy of risk management in CA Grameen.

CRO and Risk Function: A separate RM function works with and across the business lines. The CRO reports to the CEO and the Board RC (dual reporting). It includes a sub-function focused on data analytics in order to identify, measure/understand, monitor/control risks.

Compliance Officer: It reports to the CEO for legal and admin matters but it has a dotted line to the CRO and the Risk Committee since the role of compliance officer is sensitive and requires independence, discretion confidentiality for these tasks and responsibilities.

Management Level RM Committee (MLRC): Chaired by the CEO, it includes CRO, CFO, CBO and CAO. Other Head of Depts (HODs) may be invited to the meetings. The MLRC facilitates the coordination of the CRO with other HOD's (Business Units) to ensure effective execution of RM Activities.

FIRST LINE DEFENSE

Quality Assurance (1st line): There is a dedicated Quality Control (QC) Team that focuses on adherence to processes on the field. The QC Team reports to the Business Head (but without business targets).

At subsidiary level - Risk mitigation and risk culture

Risk assessments are conducted for all business activities. The assessments are to address potential risks and to comply with relevant legal and regulatory requirements. Risk assessments are performed by competent personnel from individual departments and risk management department including, where appropriate, expertise from outside the Company.

Procedures are established to update risk assessments at appropriate intervals and to review these assessments regularly. Also, based on the Risk Control and Self-Assessment (RCSA) exercise, the Company formulates its risk management strategy and plan on annual basis. The strategy will broadly entail choosing among the various options for risk mitigation for each identified risk. The risk mitigation is planned by using the following key strategies:

Risk Avoidance: By not performing an activity that could carry risk. Avoidance may seem the answer to all risks, but avoiding risks also means losing out on the potential gain that accepting (retaining) the risk may have allowed.

Risk Transfer: Mitigation by having another party to accept the risk, either partial or total, typically by contract or by hedging. Risk Reduction: Employing methods/solutions that reduce the severity of the loss.

Risk Retention: Accepting the loss when it occurs. Risk retention is a viable strategy where the probability of occurrence is

low but the cost of insuring against the risk would be greater over time than the total losses sustained. All risks that are not avoided or transferred are retained by default. This includes risks that are so large or catastrophic that they either cannot be insured against or the premiums would be infeasible.

At subsidiary level - Risk measurement and reporting systems

The heads of all the departments in association with the risk management department are responsible for coordinating the systems for identifying risks within their own department or business activity through RCSA exercise to be conducted at regular intervals.

Based on a cost / benefit assessment of a risk, as is undertaken, some risks may be judged as having to be accepted because it is believed mitigation is not possible or warranted.

As the risk exposure of any business may undergo change from time to time due to continuously changing environment, the updating of the Risk Register is done on a regular basis.

All the strategies with respect to managing these major risks shall be monitored by the CRO and the MLRC.

The MLRC meetings are held as necessary or at least once a month. The MLRC monitors the management of major risks specifically and other risks of the Company in general. The Committee takes an integrated view of the risks facing the entity and monitor implementation of the directives received from the Risk Management Committee and actionable items drawn from the risk management framework.

Accordingly, the MLRC reviews the following aspects of business specifically from a risk indicator perspective and suitably record the deliberations during the monthly meeting:

- Review of business growth and portfolio quality.
- Discuss and review the reported details of PAR, Key Risk Threshold breaches (KRI's), consequent responses and review of operational loss events, if any.
- Review of process compliances including audit performance across the organization.
- Review of HR management, training and employee attrition.
- Review of new initiatives and product/policy/process changes.
- Discuss and review performance of IT systems.
- Review the status of strategic projects initiated.
- Review, where necessary, policies that have a bearing on the operational risk management and recommend amendments.
- Discuss and recommend suitable controls/mitigations for managing operational risk and assure that adequate resources are being assigned to mitigate the risks.
- Review analysis of frauds, potential losses, non-compliance, breaches etc. and determine corrective measures to prevent their recurrences.
- Understand changes and threats, concur on areas of high priority and possible actions for managing/mitigating the same.

At subsidiary level - Risk management strategies

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting the industry or geographical location.

The following management strategies and policies are adopted by the Company to manage the various key risks.

Political Risk mitigation measures:

- Low cost operations and low pricing for customers.
- Customer centric approach, high customer retention.
- Rural focus.
- Systematic customer awareness activities.
- High social focused activities.
- Adherence to client protection guidelines.
- Robust grievance redressal mechanism.
- Adherence to regulatory guidelines in letter and spirit.

Concentration risk mitigation measures:

- District centric approach.
- District exposure cap.
- Restriction on growth in urban locations.
- Maximum disbursement cap per loan account.
- Maximum loan exposure cap per customer.
- Diversified funding resources.

Operational & HR Risk mitigation measures:

- Stringent customer enrolment process.
- Multiple products.
- Proper recruitment policy and appraisal system.
- Adequately trained field force.
- Weekly & fortnightly collections higher customer touch, lower amount of instalments.
- Multilevel monitoring framework.
- Strong, Independent and fully automated Internal Audit function.
- Strong IT system with access to real time client and loan data.

Liquidity risk mitigation measures:

- Diversified funding resources.
- Asset liability management.
- Effective fund management.
- Maximum & minimum liquidity ratio thresholds

Expansion risk mitigation measures:

- Contiguous growth.
- District centric approach.
- Rural focus.
- Branch selection based on census data & credit bureau data.
- Three level survey of the location selected

The Group is exposed through its operations to the following financial risks:

- Capital risk;
- Credit risk;
- Fair value or cash flow interest rate risk;
- Foreign exchange risk;
- Other market price risk; and
- Liquidity risk.

There have been no substantive changes in the Group's exposure to financial instrument risks and its objectives, policies, and processes for measuring and managing such risks in the current financial period. This note explains how these risks impact the financial statements.

5.1. Capital risk management

The Group aims to optimize the business which can only be achieved with a sound financial framework in place, combining healthy long-term profitability, sound capital adequacy and maximizing the return to stakeholders through the optimization of the debt and equity balance. Therefore, the Group seeks to maintain a strong capital position, by means of an integrated capital planning and control, regularly reviewed by the Asset & Liability Committee at subsidiary level. Capital management risk is therefore considered low. The Group's overall strategy remains unchanged from the previous year.

The capital structure of the Group consists of net debt (borrowings as detailed in note 26 offset by cash and bank balances) and equity of the Group (comprising issued capital, reserves, retained earnings and non-controlling interests as described in note 28 and note 29).

The Group is not subject to any externally imposed capital requirements at consolidated level. CA Grameen is subject to compliance with statutory requirements on 'Capital to risk assets ratio' ("CRAR"), as imposed by the Reserve Bank of India ("RBI") of a minimum of 15%. As per the audited statutory financial statements of 31 March 2025 the CRAR of CA Grameen standalone is reported well above the statutory requirements at 25.43% (31 March 2024; 23.13%).

When reviewing and approving the business plan of the subsidiaries, the Group sets the target capitalization at the level of the subsidiary. The capitalization is measured as the ratio between the total assets of the subsidiary minus its cash, cash equivalents and liquid investments versus its equity. Another parameter that is used to measure and monitor the leverage of subsidiaries is the ratio Finance Debt over Equity (D:E). As at 31 March 2025 the Group has maintained a moderate leverage ratio of 2.62 times (31 March 2024: 3.03 times) and the Group may leverage further and expand the business without needing to fund-raise additional equity capital.

Debt to Equity	31 March 2025	31 March 2024
	EUR	EUR
Borrowings	2,225,109,502	2,435,024,916
Less: cash & cash equivalents	-153,154,172	-128,631,732
Net debt	2,071,955,330	2,306,393,184
Equity	789,474,123	759,943,093
Total equity	789,474,123	759,943,093
Debt to equity ratio	2.62	3.03

5.2. Credit risk

Credit risk is the risk of financial loss to the Group if the counterparty to a financial instrument, whether a customer or otherwise, fails to meet its contractual obligations toward the Group. Credit risk is the core business risk of the Group. The Group therefore has high appetite for this risk but low tolerance and the governance structures including the internal control systems are particularly designed to manage and mitigate this risk. The Group is mainly exposed to credit risk from loans to customers (including loans transferred to special purpose vehicles under securitization agreements, excluding loans sold under assignment presented as off balance sheet assets).

The major subsidiary company CreditAccess Grameen is a credit-only Institution and is predominantly involved in Group Lending. The credit risk may arise due to over borrowing by customers or over lending by other financial institutions competitors, gaps in joint-liability collateral and repayment issues due to external factors such as political, community influence, regulatory changes and natural disasters (storm, earthquakes, fires, floods) and intentional default by customers.

To address credit risk, the subsidiary has stringent credit policies for customer selection. To ensure the credit worthiness of the customers, stringent underwriting policies such as credit investigation, both in-house and field credit verification is in place. In addition, subsidiary follows a systematic methodology in the selection of new geographies where to open branches considering factors such as the portfolio at risk and over indebtedness of the proposed area/region, potential for micro-lending and socioeconomic risk evaluation (e.g.; the risk of local riots or natural disasters). A credit bureau rejections analysis is also regularly carried out in the subsidiary.

Credit risk is being managed by continuously monitoring the borrower's performance if borrowers are paying on time based on their loan dues. The subsidiary ensures stringent monitoring and quality operations through both field supervision (branch/area/region staff supervision, quality control team supervision) and management review. Management at the subsidiary's head office closely monitors credit risk through system generated reports (e.g., PAR status and PAR movement, portfolio concentration analysis and vintage analysis) and Key Risk Indicators (KRIs) which include proactive actionable thresholds limits (acceptable, watch and breach) developed by CRO, revised at the MLRC, and at the Risk Committee at the Board level.

Notes to the Consolidated Financial Statements

Some of the main strategies to mitigate credit risk are:

- 1. Maintain stringent customer enrolment process,
- 2. Undertake systematic customer awareness activities/ programs,
- 3. Reduce geographical concentration of portfolio,
- 4. Maximum loan exposure to member as determined from time to time,
- 5. Modify product characteristics if needed (e.g., longer maturity for group clients in case the loan is above a certain threshold),
- 6. Carry out due diligence of new employees and adequate training at induction,
- 7. Decrease field staff turnover,
- 8. Supporting technologies: core banking solution, credit bureau checks, GPS tagging and KYC checks.

The exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the country in which the customers are located, as these factors may have an influence on the credit risk.

Break down of the loans to customers by stages is provided in this note whereas breakdown by maturity is provided in note 5.4 and movement schedules of carrying amount and impairment allowance are provided in note 19.

As at reporting date, the impairment allowance is 5.07% (31 March 2024: 1.95%) of the Exposure At Default (EAD). A further 100 basis points increase in the impairment, resulting in 6.07% (31 March 2024: 2.95%) on EAD, would have a negative impact of EUR 27,922,600 (31 March 2024: EUR 28,666,802) on profit before tax.

Cash and cash equivalents and derivative instruments contain an element of risk of the counterparties being unable to meet their obligations. This financial credit risk is monitored and minimized per type of financial instrument by limiting Group's counterparties to a sufficient number of major financial institutions.

The Group maintains the idle liquidity with primary institutions of the country where they operate. The gross amount of financial assets represents the maximum credit exposure. The probability of credit risk on cash and cash equivalent is considered negligible.

The Group has no outstanding commitments towards its customers.

Further, disclosures regarding other receivables, which are neither past due nor impaired, are provided in note 22.

Below table shows maximum on balance sheet credit risk exposure:

On Balance-sheet Credit Risk Exposure	31 March 2025	31 March 2024
	EUR	EUR
Loans to customers - Net	2,627,218,688	2,785,204,284
Cash and cash equivalents	153,154,172	128,631,732
Other financial assets	132,907,282	183,271,097
Total	2,913,280,142	3,097,107,113

Consolidated summary table for Expected Credit Loss (ECL) for the Group is as below:

31 March 2025					
Stages	Exposure At Default Probability of Default (EAD) (PD)		Loss Given Default (LGD)	ECL with overlay	ECL Rate
	EUR	w-avg.%	w-avg.%	EUR	%age
Stage 1	2,606,993,807	0.6% to 2.6%	61% to 100%	27,793,393	1.07%
Stage 2	52,238,059	50% to 97%	61% to 100%	27,594,844	52.83%
Stage 3	133,028,128	30% to 100%	61% to 100%	86,244,505	64.83%
Total as at 31 March 2025	2,792,259,994			141,632,742	5.07%

PD % and LGD % are disclosed as ranges because these relate to various products and product groups in CA Grameen.

At 31 March 2025, consolidated ECL allowance as percentage to EAD is equal to 5.07% (31 March 2024: 1.95%). Further details on ECL estimation approach and definitions are given in note 3.4.6.2.

31 March 2024					
Stages	Exposure At Default Probability of Default (EAD) (PD)		Loss Given Default (LGD)	ECL with overlay	ECL Rate
	EUR	w-avg.%	w-avg.%	EUR	%age
Stage 1	2,822,238,085	0,7% to 2%	63% to 100%	26,025,803	0.92%
Stage 2	10,749,906	50% to 95%	63% to 100%	5,985,884	55.68%
Stage 3	33,692,253	30% to 100%	63% to 100%	23,837,631	70.75%
Total as at 31 March 2024	2,866,680,244			55,849,319	1.95%

5.3. Market risk

Market risk arises from the Group's use of interest bearing, tradable and foreign currency denominated financial instruments. Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

5.3.1. Cash flow interest rate risk

Interest rate risk arises as an associated risk from the Group's primary business. Overall interest rate risk appetite for the Group is considered at low to moderate level.

The Group is exposed to cash flow interest rate risk mainly from borrowings at a variable rate.

As at 31 March 2025 a significant portion of Group's external borrowing bears floating interest rate.

The Group analyses the interest rate exposure on a quarterly basis and perform sensitivity analysis by applying simulation techniques in order to monitor and control the current and projected interest rate margin.

As at reporting date, if interest rate on interest-bearing assets and liabilities are estimated to be 100 basis points higher/lower, all other variables held constant, pre-tax profit would have an estimated decrease/increase of EUR 8,246,627 (31 March 2024; EUR 13,148,108) respectively.

In this sensitivity test the assumptions for a rate change is applied to:

- a) Regenerated loans to customers after maturity of existing ones, for the remaining term estimated by using weighted average maturity for all loans to customers maturing within one year,
- b) Cash and cash equivalents estimated to be invested only 25%,
- c) Fixed rate borrowings obtained after maturity of existing ones, for the remaining term estimated by using the weighted average maturity of liabilities maturing within one year, and
- d) All variable rate borrowing are included.

The management considers that 100 basis points will be the likely change in INR and EUR interest rates over the next year, being the period up to the next point at which the Group expects to make these disclosures.

The Company is of the opinion that the interest rate sensitivity analyses is not fully representative of the quantum of risk that the Group is exposed to. Indeed, the Group has the tools and ability to maintain over time a stable interest rate margin and therefore minimizing the interest rate risk.

This conclusion is based on the reason that the combined effect of the short- term duration of the loan book together with a double-digit growth of the portfolio is such that a large portion of the Group portfolio is recycled on quarterly basis. The Group applies a fixed interest rate on the loans to customers, however fresh loans bear an interest rate that factors in the prevailing cost of funding at the time of disbursement.

The interest rate risk exposure of the Group's interest-bearing financial instruments is as follows:

	31 March 2025	31 March 2024
	EUR	EUR
Fixed rate instruments		
Financial assets	2,901,683,062	3,024,265,213
Financial liabilities	798,539,568	825,176,948
Variable rate instruments		
Financial assets	-	-
Financial liabilities	1,414,307,074	1,597,918,325

A 100 basis-point increase/decrease of the variable interest rates borrowings only, would decrease/increase the consolidated pre-tax profit by EUR 14,143,071 (31 March 2024: EUR 15,979,183).

For the purpose of this disclosure financial assets include the gross loan portfolio and investments while financial liabilities include the gross finance debt.

5.3.2. Foreign exchange risk

Foreign exchange risk "currency risk" arises when Group entities enter into transactions denominated in a currency other than their functional currency. Currency risk arises as an associated risk from the Group's primary business and the Group does not actively take trading positions. Group's appetite on market risk is low to medium and direct currency risk is largely hedged to remain within conservative boundaries. Overall currency risk for the Group is considered at medium level. The Group hedges the foreign currency exchange rate risks on these loans, denominated in foreign currencies, through the use of swaps and forward foreign currency exchange contracts with broadly matching terms (e.g. nominal amount, period of risk exposure).

The exposure is the nominal amount of loan balances as at balance sheet date.

The effectiveness of all outstanding hedge contracts is monitored on a regular basis throughout the life of the hedges.

The Group aims to fund expenses and investments in the respective currency and to manage foreign exchange risk at a local level by matching the currency in which revenue is generated and expenses are incurred. Only products and services purchased from abroad may lead to foreign currency denominated expenses and liabilities.

The Group's net exposure un-hedged to foreign exchange risk is EUR 19,875 (31 March 2024: EUR 77,255) mainly in USD.

The effect of a 10% strengthening of the local currencies against EUR at the reporting date on the consolidated unhedged foreign currency denominated net assets carried at the reporting date would, all other variables held constant, result in an decrease/increase in pre-tax profit of EUR 1,988 (31 March 2024: EUR 7,725).

5.3.3. Other market price risk.

At the reporting date, the Group does not hold assets that are exposed to market price risk.

5.4. Liquidity risk

Liquidity risk arises from the Group's management of working capital and the repayment obligations of principal and interest on debt instruments. It explains the risk that the Group may encounter difficulty in meeting its financial obligations as they fall due.

The Group's risk appetite is to maintain enough liquidity to meet its obligations and to ensure that the subsidiary disburses loans to its borrowers and repays loans to its lenders and therefore is considered at medium level.

The Boards of Directors of the subsidiaries are responsible to ensure that the relevant company will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, the policy is to seek equity and long term debt to finance the loans to customers. Each Company receiving debt financing has an Asset and Liability policy and a Board committee in charge of its supervision and implementation.

The liquidity risk policies of each Group entity are maintained and applied locally by the finance and treasury function, whilst the Board Assets and Liabilities committees are responsible to verify full compliance to the policy periodically. At the end of the financial period, the cash flow projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

Loans to customers have shorter maturities compared to financial liabilities. Shorter maturities of assets allow sufficient flexibility to be liquid for all the liabilities at their maturity.

The following table shows liquidity gap by categorization of the balance sheet per contractual maturities of the carrying amounts of assets and liabilities. It presents, per instrument, the timing of the cash flows of undiscounted principal as well as of the fair market values, wherever required, as described in balance sheet and accompanying notes to the accounts. Expected cash flows resulting from undrawn commitments are not included in the liquidity gap analysis.

31 March 2025	Up to 3 months	Between 3 and 12 months	Sub-total current	Between 1 and 2 years	Between 2 and 5 years	Over five years	Maturity undefined	Sub-total non-current	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Assets									
Intangible fixed assets	115,329	20,623	135,952	21,476	147,238	51,558,592	7,521,883	59,249,189	59,385,141
Tangible fixed assets	-	110,634	110,634	111,196	584,904	14,196,497	-	14,892,597	15,003,231
Loans to customers – Gross	450,736,373	1,131,524,198	1,582,260,571	828,488,026	347,547,770	10,555,063	-	1,186,590,859	2,768,851,430
Impairment allowance	- 9,214,412	- 22,860,379	- 32,074,791	- 16,667,260	- 92,708,062	- 182,629	-	- 109,557,951	- 141,632,742
Loans to customers - net	441,521,961	1,108,663,819	1,550,185,780	811,820,766	254,839,708	10,372,434	-	1,077,032,908	2,627,218,688
Other financial assets	64,839,561	31,733,248	96,572,809	36,258,823	-	75,650	-	36,334,473	132,907,282
Derivative financial instruments	2,735,694	8,207,085	10,942,779	-	-	-	-	-	10,942,779
Deferred tax assets	-	-	-	-	-	38,448,226	514,725	38,962,951	38,962,951
Other assets	13,488,326	4,887,718	18,376,044	9,360,431	2,850,535	3,597,205	-	15,808,171	34,184,215
Cash and cash equivalents	153,154,172	-	153,154,172	-	-	-	-	-	153,154,172
Total assets	675,855,043	1,153,623,127	1,829,478,170	857,572,692	258,422,385	118,248,604	8,036,608	1,242,280,289	3,071,758,459
Liabilities									
Finance debt	297,278,068	840,768,608	1,138,046,676	813,121,183	271,183,479	10,031,811	_	1,094,336,473	2,232,383,149
Post-employment benefit obligations		2,004,534	2,004,534	-		-	_	-	2,004,534
Insurance contract liabilities	_	-	_,,,	20,028,757	3,461,339	64,886	-	23,554,982	23,554,982
Derivative financial instruments	879,367	2,638,101	3,517,468	-	-	-	-	-	3,517,468
Other liabilities	15,209,940	9,256,118	24,466,058	1,912,175	1,719,617	-	-	3,631,792	28,097,850
Total liabilities	313,367,375	854,667,361	1,168,034,736	835,062,115	276,364,435	10,096,697	-	1,121,523,247	2,289,557,983
Gap per bucket	362,487,668	298,955,766	661,443,434	22,510,577	- 17,942,050	108,151,907	8,036,608	120,757,042	782,200,476
Cumulative Gap	362,487,668	661,443,434	661,443,434	683,954,011	666,011,961	774,163,868	782,200,476	-	-
Cumulative Gap %-age	116%	57%	57%	34%	29%	34%	70%	-	_

31 March 2024	Up to 3 months	Between 3 and 12 months	Sub-total current	Between1 and 2 years	Between 2 and 5 years	Over five years	Maturity undefined	Sub-total non-current	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Assets									
Intangible fixed assets	-	-	-	-	-	54,726,047	7,710,395	62,436,442	62,436,442
Tangible fixed assets	-	-	-	35,390	-	13,714,636	-	13,750,026	13,750,026
Loans to customers – Gross	457,235,511	1,253,415,216	1,710,650,727	908,988,298	215,406,159	6,008,419	-	1,130,402,876	2,841,053,603
Impairment allowance	- 5,139,273	- 13,907,714	- 19,046,987	- 10,216,151	- 26,462,301	- 123,880	-	- 36,802,332	- 55,849,319
Loans to customers - net	452,096,238	1,239,507,502	1,691,603,740	898,772,147	188,943,858	5,884,539	-	1,093,600,544	2,785,204,284
Other financial assets	150,758,571	32,453,039	183,211,610	-	-	59,487	-	59,487	183,271,097
Derivative financial instruments	1,013,724	3,041,172	4,054,896	-	-	-	-	-	4,054,896
Deferred tax assets	-	-	-	-	-	15,235,061	-	15,235,061	15,235,061
Other assets	22,465,671	6,996,744	29,462,415	2,965,755	10,237,745	6,171,978	-	19,375,478	48,837,893
Cash and cash equivalents	128,631,732	-	128,631,732	-	-	-	-	-	128,631,732
Total assets	754,965,936	1,281,998,457	2,036,964,393	901,773,292	199,181,603	95,791,748	7,710,395	1,204,457,038	3,241,421,431
Liabilities									
Finance debt	317,134,481	948,975,977	1,266,110,458	1,361,063,510	94,349,695	24,722,781	-	1,480,135,986	2,746,246,444
Post-employment benefit obligations	419,686	1,259,953	1,679,639	-	-	-	-	_	1,679,639
Insurance contract liabilities	-	3,949,693	3,949,693	3,411,219	1,374,827	-	-	4,786,046	8,735,739
Other liabilities	25,209,054	8,315,360	33,524,414	2,513,630	-	-	-	2,513,630	36,038,044
Total liabilities	342,763,221	962,500,983	1,305,264,204	1,366,988,359	95,724,522	24,722,781	-	1,487,435,662	2,792,699,866
Gap per bucket	412,202,715	319,497,474	731,700,189	- 465,215,067	103,457,081	71,068,967	7,710,395	- 282,978,624	448,721,565
Cumulative Gap	412,202,715	731,700,189	731,700,189	266,485,122	369,942,203	441,011,170	448,721,565	_	_
Cumulative Gap %-age	120%	56%	56%	10%	13%	16%	30%	-	-

6. Interest and similar income

			2024/2025			2023/2024
			EUR			EUR
	India	Netherlands	Total	India	Netherlands	Total
Interest on loans to customers	598,863,488	-	598,863,488	536,013,918	-	536,013,918
Interest on cash and cash- equivalents	12,044,006	319,171	12,363,177	9,760,801	620,494	10,381,295
Total	610,907,494	319,171	611,226,665	545,774,719	620,494	546,395,213

Interest and similar income contains interest income on loan to customers, on investments, bank and saving accounts, loan processing and loan administration fees. The interest and similar income is calculated on the effective interest rate basis.

This section does not include the interest and similar income from off-balance sheet portfolio.

7. Interest and similar expenses	2024/2025	2023/2024
	EUR	EUR
Interest on external borrowing	213,114,950	191,835,026
Interest on bank overdrafts or Negative Interest on credit balance with banks	8,612	23,110
Interest on Right of Use Assets	1,308,877	1,128,833
Other fees and expenses	209,615	498,103
Total	214,642,054	193,485,072

Interest and similar expenses consist of interest and other expense (e.g. disbursement fees, upfront fees, admin fees, monitoring fees, commitment fees, etc.) that an entity incurs in connection with the borrowing of funds (e.g. loan, overdraft, securitization not allowed for derecognition).

Interest expenses are calculated on the effective interest rate basis.

8. Other income	2024/2025	2023/2024
	EUR	EUR
Gain on derecognition of loans to customers	2,586,870	10,239,768
Gain on short term investments	5,774,907	3,842,957
Miscellaneous proceeds	11,501,670	10,958,628
Total	19,863,447	25,041,353

Gain on derecognition of loans to customers refers to direct assignment transactions whereby the originator transfer the loans to customers to third parties, derecognizing them from the balance sheet and recognizing upfront a gain on such sale (refer to note 3.4.7 'Transfer of financial assets').

Gain on short term investments relate to the capital gain on the investment in short term liquid funds.

Miscellaneous proceeds relates mainly to proceeds from the distribution of third party services.

9. Gross insurance result		2024/2025		2023/2024
		EUR		EUR
Insurance revenue		13,966,341		4,653,699
Losses on claims	- 5,108,273		- 698,821	
Amortisation of Insurance acquisition cash flows	- 3,239,904		-	
Other directly attributable expenses	- 3,209,070		- 3,791,287	
Losses / reversals and unwind of onerous contracts	- 6,461,968		- 2,332,910	
Net expenses from reinsurance contracts	- 19,373	_	-	
Insurance Service Expenses		- 18,038,588		- 6,823,018
Total Insurance service result		- 4,072,247		- 2,169,319
Other insurance and operating expenses		- 141,176		- 52,741
Underwriting result		- 4,213,423		- 2,222,060
Net finance benefit / (expense) from insurance and reinsurance contracts		- 329,688		- 25,117
Net investment result		2,798,604		2,204,252
Total		- 1,744,507		- 42,925

10. Credit loss expense	2024/2025	2023/2024
	EUR	EUR
Impairment expense on group loans to customers (principal and interest)	209,824,178	49,058,371
Impairment expense on Individual retail finance loans to customers (principal and interest)	2,681,698	1,258,984
Recoveries of written-off loans to customers (principal and interest)	- 3,196,016	- 5,311,406
Total	209,309,860	45,005,949

During FY24/25, CreditAcces Grameen has undertaken accelerated write-off of loan accounts with 180+ days past due (dpd) and non-paying accounts. Early risk recognition, conservative provisioning and accelerated write-off during Q3/Q4 of FY24/25 and in the first quarter of the upcoming year 2026 shall be undertaken to normalize the asset quality by the second quarter of FY25/26.

11. Personnel expenses	2024/2025	2023/2024
	EUR	EUR
Wages and salaries	70,947,538	66,280,091
Social security costs	54,447	53,636
Share-based payment expenses (note 33)	2,645,123	2,107,325
Pension costs – defined contribution plans	5,545,154	5,102,195
Pension costs – defined benefit plans (note 32)	1,620,166	1,772,615
Other staff costs	416,131	269,349
Total	81,228,559	75,585,211

Remuneration of non-executive directors is disclosed under Related Parties (note 34).

The average number of employees Full Time Equivalent (FTE) based on their function:

	2024/2025	2023/2024
	FTE	FTE
Field staff	19,056	17,432
Back office staff	1,952	1,992
Total	21,008	19,424

The average number of employees Full Time Equivalent (FTE) based on their geographical location:

	2024/2025	2023/2024
	FTE	FTE
Netherlands	4	4
India	21,004	19,420
Total	21,008	19,424

12. Expenses by nature

12. Expended by flataire	2024/2025	2023/2024
	EUR	EUR
Depreciation tangible assets (note 15)	1,639,444	1,300,261
Depreciation right of use assets (note 16)	2,848,428	2,005,043
Sub total (depreciation of tangible assets)	4,487,872	3,305,304
Result on disposal of tangibles assets	-36,210	
Amortization intangible assets (note 14)	2,517,889	-11,001 2,477,600
		2,477,690
Depreciation and amortization	6,969,551	5,771,993
Travel and lodging	14,551,252	13,754,621
Legal fees	379,770	107,021
Other professional fees	5,414,450	3,758,870
Rental (for the use of tangible assets, exempted from IFRS16)	4,262,406	3,872,465
Repairs and maintenance	4,623,047	3,274,392
Taxes (other than Corporate Income Tax) and licenses	1,598,893	1,659,184
Communication and IT	1,481,899	1,626,450
Staff training and benefits expenses	1,695,755	1,749,636
Directors fees	978,754	946,082
Office expenses	1,318,927	1,209,851
Bank charges	834,751	669,625
Donations	2,609,206	1,355,139
Insurances for risks of the Group	1,115,177	952,886
Utilities	816,683	771,535
Audit and accounting	451,643	494,941
Marketing and advertising	872	942
Shared services recharge (to companies demerged in FY19/20)	- 83,853	- 40,964
Other operating expenses	1,694,662	1,969,813
Other operating expenses	43,744,294	38,132,489

Auditors' fee (Group auditor)

Grant Thornton Accountants B.V. is the external auditor of CreditAccess India B.V., as referred to in Section 1(1) of the Dutch Accounting Firms Oversight Act ('Wet toezicht accountantsorganisaties' or 'Wta').

The fee listed below relate to all services provided by Grant Thornton Accountants B.V. and their member firms, to CreditAccess India Group worldwide.

	2024/2025	2023/2024
	EUR	EUR
Audit annual accounts	329,601	275,000
Other audit assignments	-	-
Other non-audit services	6,728	-
Total	336,329	275,000

13. Tax expense

	2024/2025	2023/2024
	EUR	EUR
(i) Tax expense and share of tax of equity accounted associates and joint ventures		
Current tax expense/(income)		
Current tax on profits for the period	43,453,270	60,586,379
Adjustment for under/(over) provisioning of prior periods	- 451,057	67,540
Total current tax	43,002,213	60,653,919
Deferred tax expense/(income)		
Origination and reversal of temporary differences (note 27)	-23,717,693	- 5,770,745
Recognition of previously unrecognized deferred tax assets	-	-
Total deferred tax	- 23,717,693	- 5,770,745
Total	19,284,520	54,883,174
Deferred tax expense/(income) recognised directly in other comprehensive income	806,836	520,361
Total	806,836	520,361

The reasons for the difference between the actual current tax expense charged for the period and the tax expense resulting from applying the standard corporate tax rate to the profits for the period are as follows:

	2024/2025	2023/2024
	EUR	EUR
Result before taxation	73,448,915	213,411,514
Tax using the Company's domestic tax rate of 25,8% (2023/2024: 25.8%)	18,949,820	55,060,171
Difference in tax rates foreign jurisdictions	- 289,892	- 1,373,844
DTA not recognized (because of uncertainty of compensation)	701,814	595,653
Tax impact of conversion from local GAAP (used as basis for tax computation) to IFRS	36	- 38,102
Other expenses not deductible/(income not taxable)	- 77,258	639,296
Total tax expense	19,284,520	54,883,174
	2024/2025	2023/2024
Effective tax rate	26.3%	25.7%

The effective tax rate is impacted by the fact that the main subsidiary has profits, while the holding company has losses that are not deferred.

Estimates and assumptions

The Group companies are subject to income tax in the jurisdictions where they run business and judgements are required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Group recognises tax liabilities based on estimates of whether additional taxes and interest will be due. Despite the management's belief that the tax return positions are supportable, it also acknowledges that certain positions may be challenged and may not be fully sustained upon review by tax authorities.

The Company believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including past experience and interpretations of tax law. This assessments on deferred tax relies on estimates and assumptions on future results based on the business plan of the Group. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

Unrecognized DTA

Deferred tax assets are not recognized in respect of tax losses and other temporary differences for which management believes it is not probable that such assets will be recovered.

Total unused tax losses for which no deferred tax assets has been recognized amounts to EUR 38.3 mln (31 March 2024; EUR 36.1 mln). Further details are provided in note 27.

Tax on each component of other comprehensive income is as follows:

		2024/2025			2023/2024	
	Before		After	Before		After
	tax	Tax	tax	tax	Tax	tax
	EUR	EUR	EUR	EUR	EUR	EUR
Exchange gains/(losses) on the translation of foreign operations	- 14,300,098	-	- 14,300,098	- 3,717,763	-	- 3,717,763
Cash-flow hedges - Effective portion of changes in fair-value	- 3,299,738	830,544	- 2,469,194	- 2,067,384	520,360	- 1,547,024
Remeasurement of defined benefit pension schemes	- 701,162	176,545	- 524,617	- 122,934	30,023	- 92,911
Change in fair-value of financial investments	163,933	- 23,869	140,064	69,548	- 10,126	59,422
	- 18,137,065	983,220	- 17,153,845	- 5,838,533	540,257	- 5,298,276

14. Intangible fixed assets

	Client base and trademark	Goodwill	Software	Intangible assets under development	Total
	EUR	EUR	EUR	EUR	EUR
(i) Cost					
1 April 2023	22,384,787	49,796,185	4,690,937	448,983	77,320,892
Additions;					
externally acquired	-	-	199,195	816,994	1,016,189
internally developed	-	-	-	-	-
Disposals	-	-	-	-	-
Foreign exchange rate movements	- 183,027	- 407,156	27,436	- 4,006	- 566,753
Reclassifications	-	-	731,508	- 731,508	-
31 March 2024	22,201,760	49,389,029	5,649,076	530,463	77,770,328
Additions;					
externally acquired	-	-	213,634	803,938	1,017,572
internally developed	-	-	-	-	_
Disposals	-	-	-	-	-
Foreign exchange rate movements	- 542,814	- 1,207,518	- 211,437	- 12,561	- 1,974,330
Reclassifications	-	-	827,556	- 827,556	-
31 March 2025	21,658,946	48,181,511	6,478,829	494,284	76,813,570
(ii) Accumulated amortisation and impairment					
1 April 2023	9,735,814	-	3,187,258	-	12,923,072
Amortisation charge	1,788,621	-	689,069	-	2,477,690
Impairment Losses	-	_	-	-	-
Disposals	-	-	-	-	-
Foreign exchange	- 86,610	-	19,734	-	- 66,876
31 March 2024	11,437,825	-	3,896,061	-	15,333,886
Amortisation charge	1,793,211	-	775,981	-	2,569,192
Impairment losses	-	_	-	-	-
Disposals	-	-	-	-	-
Foreign exchange movements	- 310,658	-	-163,991	-	- 474,649
31 March 2025	12,920,378	-	4,508,051	-	17,428,429
(iii) Net book value					
31 March 2024	10,763,935	49,389,029	1,753,015	530,463	62,436,442
31 March 2025	8,738,568	48,181,511	1,970,778	494,284	59,385,141

The client base originates from the purchase price allocation on acquiring the controlling interest in MMFL in March 2020. It is amortized on a straight line basis over the useful economic life of ten years.

Goodwill is further disclosed in note 17. Intangible assets under development relates mainly to software enhancements at CA-Grameen.

15. Tangible fixed assets

Amount in Euro	Land and buildings	Leasehold improvements	Office Equipment	Furniture and fixtures	Computer equipment	Vehicles	Under construction	Total
(i) Cost or valuation								
1 April 2023	4,281,328	1,279,980	3,090,404	2,185,196	12,422,103	142,956	72,707	23,474,674
Additions	944,246	199,940	537,161	363,783	4,053,716	25,781	-	6,124,627
Disposals	- 823,462	-	- 121,190	- 10,891	- 402,611	-	-	- 1,358,154
Reclassifications	-	-	-	-	72,707	-	- 72,707	-
Foreign exchange movements	- 118,774	- 45,471	- 61,175	34,829	- 746,138	48,463	-	- 888,266
31 March 2024	4,283,338	1,434,449	3,445,200	2,572,917	15,399,777	217,200	-	27,352,881
Additions	1,274,037	132,917	2,170,109	373,328	2,235,680	13,091	-	6,199,162
Disposals	- 448,215	-	- 1,157,903	- 26,984	- 273,206	- 49,936	-	- 1,956,244
Reclassifications	174,135	- 174,135	-	-	-	-	-	-
Foreign exchange movements	- 119,453	- 33,133	- 101,332	-68,899	- 410,826	- 4,674	-	- 738,317
31 March 2025	5,163,842	1,360,098	4,356,074	2,850,362	16,951,425	175,681	-	30,857,482
(ii) Accumulated depreciat	tion and impairment							
1 April 2023	2,044,157	956,131	2,079,224	1,420,069	5,806,720	49,685	-	12,355,986
Depreciation	661,990	110,552	457,378	222,645	1,836,528	16,211	-	3,305,304
Disposals	- 823,462	-	- 76,905	- 10,159	- 401,738	-	-	- 1,312,264
Foreign exchange movements	- 101,347	18,869	- 54,085	25,315	- 684,187	49,264	-	- 746,171
31 March 2024	1,781,338	1,085,552	2,405,612	1,657,870	6,557,323	115,160	-	13,602,855
Depreciation	814,650	83,442	856,675	248,694	2,521,622	16,990	-	4,542,073
Impairment losses	-	-	-	-	-	-	-	-
Reclassifications	44,442	- 44,442	-	-	-	-	-	-
Disposals	- 441,743	-	- 1,132,597	- 23,121	- 270,140	- 49,936	-	- 1,917,537
Foreign exchange movements	- 48,416	- 25,991	- 53,637	-44,436	- 198,413	- 2,247	-	- 373,140
31 March 2025	2,150,271	1,098,561	2,076,053	1,839,007	8,610,392	79,967	-	15,854,251
(iii) Net book value								
31 March 2024	2,502,000	348,897	1,039,588	915,047	8,842,454	102,040	-	13,750,026
31 March 2025	3,013,571	261,537	2,280,021	1,011,355	8,341,033	95,714	-	15,003,231

16. Leases (IFRS 16)

Movement schedule of carrying amounts

	Buildings	Leasehold improvements	Computer equipment	Total
	EUR	EUR	EUR	EUR
Right of use assets				
31 March 2024	1,838,054	130,644	8,097,831	10,066,529
Movements during the period				
Reclassifications	130,644	-130,644	-	-
Additions	1,274,037	-	1,815,330	3,089,367
Disposals	- 10,873	-	- 330	- 11,203
Depreciation	- 813,849	-	- 2,034,579	- 2,848,428
Foreign exchange movements	- 51,372	-	- 188,525	- 239,897
31 March 2025	2,366,641	0	7,689,727	10,056,368

The balance of 'Right of use assets' is uncluded under 'Tangible fixed assets' on the consolidated statement of financial position

Lease liability				
31 March 2024	2,185,886	130,644	9,617,700	11,934,230
Movements during the period				
Reclassifications	130,644	-130,644	-	-
Additions	1,264,873	-	1,815,330	3,080,203
Accretion of interest	261,134	-	1,047,743	1,308,877
Payments (reducing the lease-liability)	- 1,046,763	-	- 2,710,107	- 3,756,870
Foreign exchange movements	- 61,046	-	- 237,948	- 298,994
31 March 2025	2,734,728	0	9,532,718	12,267,446
General lease term	1-10 year		1-10 year	
Expenses relating to short-term leases and low va	alue assets			4,262,406
Maturity of lease liabilities is as follows:				
Within 1 year				2,830,419
Between 1 and 2 years				3,113,965
Between 2 and 5 years				3,459,150
Over 5 years				2,863,912
				12,267,446

The balance of 'Lease liability' is uncluded under 'Finance debt' on the consolidated statement of financial position

Movement schedule of carrying amounts

	Buildings	Leasehold improvements	Computer equipment	Total
	EUR	EUR	EUR	EUR
Right of use assets				
31 March 2024	1,566,895	-	5,791,053	7,357,948
Movements during the period				
Additions	944,246	176,102	3,708,345	4,828,693
Disposals	- 1,085	-	- 334	-1,419
Depreciation	- 660,863	- 44,944	- 1,299,236	-2,005,043
Foreign exchange movements	- 11,139	- 514	- 101,997	-113,650
31 March 2025	1,838,054	130,644	8,097,831	10,066,529
Lease liability				
31 March 2024	1,871,426	-	7,017,277	8,888,703
Movements during the period				
Additions	944,246	158,706	3,708,345	4,811,297
Terminations	-	-	-	-
Accretion of interest	258,669	13,812	856,352	1,128,833
Payments (reducing the lease-liability)	- 872,333	- 37,523	- 1,900,337	- 2,810,193
Foreign exchange movements	- 16,122	- 4,351	- 63,937	- 84,410
31 March 2025	2,185,886	130,644	9,617,700	11,934,230
General lease term	1-10 year	4-5 years	1-10 year	
Expenses relating to short-term leases and low value	assets			3,872,465
Maturity of lease liabilities is as follows:				
Within 1 year				2,192,201
Between 1 and 2 years				2,236,391
Between 2 and 5 years				2,428,508
Over 5 years				5,077,130
				11,934,230

17. Goodwill and impairment

The carrying amount of goodwill is allocated to the cash generating units (CGUs) as follows:

Goodwill carrying	Goodwill carrying
	amount
2024/2025	2023/2024
EUR	EUR
7,710,395	7,773,959
- 188,512	- 63,564
-	-
7,521,883	7,710,395
41,678,634	42,022,226
- 1,019,006	- 343,592
-	-
40,659,628	41,678,634
48,181,511	49,389,029
EUR	EUR
49,389,029	49,796,185
- 1,207,518	- 407,156
-	-
48,181,511	49,389,029
	7,710,395 - 188,512 - 7,521,883 41,678,634 - 1,019,006 - 40,659,628 48,181,511 EUR 49,389,029 - 1,207,518 -

CreditAccess India aquired a controlling interest in CA Grameen in FY14/15 by purchasing a majority shareholding. CA Grameen acquired a controlling interest in MMFL effective March 2020 by purchasing a majority shareholding.

Goodwill for these acquisitions was recognized based on the purchase price allocation

Impairment Testing

The Group tests cash-generating units with goodwill annually for impairment, or more frequently if there is an indication that a cash-generating unit to which goodwill has been allocated may be impaired. The recoverable amount of a cash generating unit is the higher of the cash-generating unit's fair value less cost of disposal ('FVLCD') and its value-inuse.

For the purpose of annual impairment testing, goodwill is allocated to the operating segments expected to benefit from the synergies of the business combinations in which the goodwill arises. MMFL and CA Grameen are defined as one cash generating unit which represents the lowest level at which the goodwill is monitored. The business operations and assets of MMFL and CA Grameen are combined and utilised to generate revenues.

Calculation of the value-in-use is determined by covering a detailed five-year forecast approved by the management. The present value of the expected cash flows of each cash generating unit is determined by applying a suitable discount rate reflecting current market assessments of the time value of money.

The pre-tax discount rate applied is 15,1% and the growth rate assumption is 5%. It is considered that a reasonably possible change in the key assumptions would not cause an impairment. To verify this, management have also considered the market approach which also resulted in significant headroom and no impairment.

18. Non-controlling Interests (NCI)

CreditAccess Grameen Limited

As per 31 March 2025 the Company holds 106,109,028 shares of CA Grameen or 66.43% (31 March 2024; 106,109,028 shares / 66.58%).

Highlights of financial information of CA Grameen is provided below:

Statement of comprehensive income	2024/2025	2023/2024
	EUR	EUR
Interest and similar income	610,890,670	545,766,316
Interest and similar expenses	- 214,615,972	- 193,391,017
Net interest income	396,274,698	352,375,299
Other income	19,863,446	25,041,353
Credit loss expenses	- 209,309,861	- 45,005,949
Total operating expenses	- 128,757,450	- 116,430,153
Net result after taxation	58,524,743	161,042,420
Total comprehensive income	55,530,684	159,406,140
Attributable to:		
Controlling interest	37,037,584	108,409,112
Non-controlling interest	18,493,100	50,997,028
Statement of cash flows		
Cash flows from operating activities	135,520,043	- 518,793,936
Cash flows from investing activities	66,775,017	-119,180,501
Cash flows from financing activities	-183,857,625	611,898,242
Net cash inflows/(outflows)	18,437,435	- 26,076,195
not out minors (outliers)	10,401,400	20,010,100
Financial position	31 March 2025	31 March 2024
·	EUR	EUR
Assets	3,009,052,275	3,200,257,895
Liabilities	2,256,209,958	2,471,372,360
Equity	752,842,317	728,885,535
Total equity and liabilities	3,009,052,275	3,200,257,895
The total non-controlling interest at year-end consists of	31 March 2025	31 March 2024
the following:	EUR	EUR
CreditAccess Grameen Ltd.	252,729,166	243,593,546
CreditAccess Life Insurance Ltd.	4,327,282	4,801,055
		· · ·
Total	257,056,448	248,394,601

There may be some immaterial presentational difference between EU IFRS and Ind-AS numbers.

19. Loans to customers

	31 March 2025	31 March 2024
	EUR	EUR
Gross carrying amount		
Group loans	2,602,846,894	2,763,154,143
Individual loans	166,004,536	77,899,460
	2,768,851,430	2,841,053,603
Impairment allowance		
Group loans	- 137,427,516	- 54,184,246
Individual loans	- 4,205,226	- 1,665,073
	- 141,632,742	- 55,849,319
Loans to customers - Net	2,627,218,688	2,785,204,284
	31 March 2025	31 March 2024

	31 March 2025	31 March 2024
	EUR	EUR
Loans to customers - Gross	2,768,851,430	2,841,053,603
Less: Impairment allowance	- 141,632,742	- 55,849,319
Loans to customers - Net	2,627,218,688	2,785,204,284

31 March 2025	CreditAccess	Total	
	FVTOCI Amortized Cost		Total
	EUR	EUR	EUR
Loans to customers - Gross	-	2,768,851,430	2,768,851,430
Impairment on loans to customers	-	- 141,632,742	- 141,632,742
Loans to customers - Net	-	2,627,218,688	2,627,218,688

31 March 2024	CreditAccess	Consolidated	
	FVTOCI	Amortized Cost	Total
	EUR	EUR	EUR
Loans to customers - Gross	-	2,841,053,603	2,841,053,603
Impairment on loans to customers	-	- 55,849,319	- 55,849,319
Loans to customers - Net	-	2,785,204,284	2,785,204,284

Discounted cashflow method is used for the fair valuation of loans to customer falling in hold to collect and sell category (referred in note 3.4.6.1 i.e. FVTOCI) and the discount rate used was the prevailing lending rate of CA Grameen. The fair value of FVTOCI was similar to amortized cost at the start of the year and hence no gain/(loss) on remeasurement, required under IFRS 9, was recognized in opening balance for FVTOCI. The carrying value of the current and non-current portion of loans to customers presented at amortized cost approximates the fair value.

For loans to customers, an analysis of changes in gross carrying amounts and related ECL allowance is as below:

Amount in EUR	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - 1 April 2024	2,796,789,915	10,682,918	33,580,770	2,841,053,603
New assets originated/acquired	2,196,203,313	-	-	2,196,203,313
Assets repaid or derecognized (excluding write offs)	- 2,061,973,212	- 9,588,445	- 7,008,263	-2,078,569,920
Transfers to Stage 1 from other stages	3,220,852	- 2,706,276	- 514,576	-
Transfers to Stage 2 from other stages	- 161,740,408	161,857,856	- 117,448	-
Transfers to Stage 3 from other stages	- 122,498,266	- 108,384,439	230,882,705	-
Accrued interest	108,048	1,061,431	2,231,159	3,400,638
Amounts written off	-	_	- 123,823,210	-123,823,210
Foreign exchange adjustments	- 65,842,183	- 991,736	- 2,579,075	-69,412,994
Gross carrying amount - 31 March 2025	2,584,268,059	51,931,309	132,652,062	2,768,851,430
ECL allowance - 1 April 2024	26,025,803	5,985,885	23,837,631	55,849,319
New assets originated	23,596,632	-	-	23,596,632
Assets repaid or derecognized (excluding write offs)	- 20,467,339	- 5,234,700	- 4,759,989	-30,462,028
Transfers to Stage 1 from other stages	1,773,031	-1,440,079	- 332,952	-
Transfers to Stage 2 from other stages	- 1,724,657	1,800,611	- 75,954	-
Transfers to Stage 3 from other stages	- 1,307,088	- 57,670,780	58,977,868	-
Impact on ECL of exposures transferred between stages during the year	571,061	84,105,325	132,597,187	217,273,573
Accrued interest	4,565	577,815	1,515,320	2,097,700
Amounts written off	-	-	- 123,823,210	-123,823,210
Foreign exchange adjustments	- 678,615	- 529,233	- 1,691,396	-2,899,244
ECL allowance - 31 March 2025	27,793,393	27,594,844	86,244,505	141,632,742
Net carrying amount as at 31 March 2025	2,556,474,666	24,336,465	46,407,557	2,627,218,688
Gross carrying amount - 1 April 2023	2,137,733,245	4,866,550	26,437,391	2,169,037,186
New assets originated/acquired	2,560,427,761	-	-	2,560,427,761
Assets repaid or derecognized (excluding write offs)	- 1,831,504,596	- 3,287,256	- 3,740,358	- 1,838,532,210
Transfers to Stage 1 from other stages	1,225,439	- 894,851	- 330,588	-
Transfers to Stage 2 from other stages	- 31,786,443	31,831,700	- 45,257	-
Transfers to Stage 3 from other stages	- 22,619,257	- 21,909,633	44,528,890	-
Accrued interest	3,452,726	139,223	- 33,937	3,558,012
Amounts written off	-	-	- 32,990,272	- 32,990,272
Foreign exchange adjustments	- 20,138,960	- 62,815	- 245,099	- 20,446,874
Gross carrying amount - 31 March 2024	2,796,789,915	10,682,918	33,580,770	2,841,053,603
ECL allowance - 1 April 2023	17,596,268	2,350,631	18,962,325	38,909,224
New assets originated	23,845,377	-	-	23,845,377
Assets repaid or derecognized (excluding write offs)	- 15,866,220	- 1,684,704	- 2,643,364	- 20,194,288
Transfers to Stage 1 from other stages	733,512	- 497,955	- 235,557	-
Transfers to Stage 2 from other stages	- 296,798	328,546	- 31,748	-
Transfers to Stage 3 from other stages	- 215,293	- 11,978,013	12,193,306	-
Impact on ECL of exposures transferred between stages during the year	373,717	17,418,607	28,767,363	46,559,687
Accrued interest	32,823	82,359	- 9,600	105,582
Amounts written off	-	-	- 32,990,272	- 32,990,272
Foreign exchange adjustments	- 177,583	- 33,586	- 174,822	- 385,991
ECL allowance - 31 March 2024	26,025,803	5,985,885	23,837,631	55,849,319
Net carrying amount as at 31 March 2024	2,770,764,112	4,697,033	9,743,139	2,785,204,284

Total Portfolio (On and Off Balance Sheet)	31 March 2025	31 March 2024
	EUR	EUR
On balance sheet – loans to customers – Net	2,627,218,688	2,785,204,284
Off balance sheet – loans to customers – Net	34,782,208	108,348,974
Total	2,662,000,896	2,893,553,258

The off balance sheet - loans to customers represent the loans to customers derecognized because these are sold to third parties. After the sale, the Group continues to provide collection services on the off balance sheet loans to customers.

20. Derivative financial instruments

	31 March 2025	31 March 2024
	EUR	EUR
Derivative financial assets		
Hedging derivative financial instruments	10,942,779	4,054,896
Derivative financial liabilities		
Hedging derivative financial instruments	- 3,517,468	-
Total	7,425,311	4,054,896

Foreign exchange risk arises when a Group-company enters into transactions denominated in a currency other than its functional currency. Where the risk is considered to be significant, the treasury enters into a matching hedging contract with a primary financial institution according to the prevailing foreign exchange risk policy.

As at year-end CA-Grameen has entered into Currency Swaps in relation to loans taken in foreign currency, thereby hedging its exposure to foreign currency exchange rate movements.

	31 March 2025	31 March 2024
	EUR	EUR
USD 363,000,000 / INR 29,686,190,000 notional amount, with a total fair value of	10,776,850	
EUR 25,000,000 / INR 2,224,000,000 notional amount, with a total fair value of	165,929	
	10,942,779	
USD 105,000,000 / INR 8,843,700,000 notional amount, with a total fair value of	- 3,517,468	
USD 442,000,000 / INR 36,128,570,000 notional amount, with a total fair value of		4,054,896
Total	7,425,311	4,054,896

21. Other financial assets

CA-GR and CA-LI have invested temporary liquidity surplus in securities, as follows;

	31 March 2025	31 March 2024
	EUR	EUR
Government securities, including bonds and treasury bills	87,679,810	86,249,308
Other bonds and debentures	13,293,086	7,366,525
Mutual funds	31,858,736	89,595,777
Others	75,650	59,487
Total	132,907,282	183,271,097
Financial assets at amortised cost	68,874,831	71,053,466
Financial assets at fair value	64,032,451	112,217,631
Total	132,907,282	183,271,097

22. Other assets

	31 March 2025	31 March 2024
	EUR	EUR
Collateral against borrowing	17,070,497	22,223,947
Corporate income tax	3,591,082	6,171,939
Other tax and social security	1,169,139	440,598
Staff loans and advances	1,408,986	1,534,071
Security deposits (cash collateral for rent of offices and branches)	1,737,559	4,811,603
Advances	162,790	922,732
Net interest receivable (apart from Loans to customers)	1,802,762	1,208,506
Prepayments	2,610,471	2,106,691
Others	4,630,929	9,417,806
Total	34,184,215	48,837,893

The carrying values of all above assets approximate the fair values.

Others include mainly income on assignment deals which is yet to be received.

Other Assets do not contain any impaired assets.

23. Transfers of financial assets

The following table provides a summary of financial assets (loans to customers) that have been transferred in such a way that part or all of the transferred financial assets do not qualify for de-recognition, together with the associated liabilities:

Securitizations	31 March 2025	31 March 2024
	EUR	EUR
Carrying amount of transferred assets measured at amortized cost	28,524,508	3,100,123
Carrying amount of associated liabilities (Debt securities - measured at amortized cost)	26,635,146	2,464,054
Net position	1,889,362	636,069

24. Other liabilities

		31 March 2025		31 March 2024
		EUR		EUR
Trade payables		3,014,281		2,139,218
Employee liabilities				
Accrual for annual leave	4,436,365		3,619,595	
Other employee payables (salaries, bonus, etc.)	7,164,812	11,601,177	7,492,763	11,112,358
Insurances		677,771		2,193,220
Accrued expenses		1,409,813		1,247,465
Corporate income tax		1,944,953		-
Other tax and social security		2,598,933		2,857,213
Direct assignment liability		4,620,821		12,657,437
Other liabilities		2,230,101		3,831,133
Total		28,097,850		36,038,044

The carrying values of all above liabilities approximate the fair values.

Insurances relate mainly to life insurance claims and premiums originated by insurance products distributed by CA Grameen to its customers.

Direct assignment liability relates to the collection amounts payable to investors in relation to assignment transactions originated by CA Grameen, which is actually paid in subsequent period.

25. Insurance contract liabilities

Movements in carrying amounts, by remaining coverage and incurred claims;

Liabilities	for remaining	COVERAGE

	<u>Liabilities for remaining coverage</u>						
	Excluding loss component	Loss component	Subtotal	<u>Liability for incurred</u> <u>claims</u>	Total		
	EUR	EUR	EUR	EUR	EUR		
Opening assets	-	-	-	-	-		
Opening liabilities	6,363,004	2,321,979	8,684,983	50,756	8,735,739		
Net opening balance	6,363,004	2,321,979	8,684,983	50,756	8,735,739		
Insurance revenue	-14,150,365	-	-14,150,365	-	-14,150,365		
Incurred claims and other insurance service expenses	7,270,617	-	7,270,617	5,109,406	12,380,023		
Losses and reversals of losses on onerous contracts	-	3,805,777	3,805,777		3,805,777		
Insurance services expenses	7,270,617	3,805,777	11,076,394	5,109,406	16,185,800		
Amortisation of insurance acquisition cashflows	2,222,013.00	-	2,222,013		2,222,013		
Insurance services result	-4,657,735	3,805,777	-851,958	5,109,406	4,257,448		
Insurance finance expenses from insurance contracts recognised in profit or loss	1,121,880	-	1,121,880	-	1,121,880		
Effects of movements in exchange rates	-455,440	-162,458	-617,898	-10,634	-628,532		
_	-3,991,295	3,643,319	-347,976	5,098,772	4,750,796		
Cashflows							
Premiums received including investment component	21,253,125	-	21,253,125	-	21,253,125		
Claims and other expenses paid (including investment components)	-470,191	-	-470,191	-4,608,132	-5,078,323		
Insurance acquisition cash flows	-6,106,355	-	-6,106,355	<u> </u>	-6,106,355		
Total cashflows	14,676,579	-	14,676,579	-4,608,132	10,068,447		
Closing assets	-	-	-	-	-		
Closing liabilities	17,048,288	5,965,298	23,013,586	541,396	23,554,982		
Net closing balance	17,048,288	5,965,298	23,013,586	541,396	23,554,982		

25. Insurance contract liabilities

Movements in carrying amounts, by measurement components;

	Estimates of the present value of future cashflows	Risk adjustment	CSM (Contractual Service margin)	Total
Opening assets	EUR	EUR	EUR	EUR
Opening liabilities	6,057,477	405,763	2,272,499	8,735,739
Net opening balance	6,057,477	405,763	2,272,499	8,735,739
Changes relating to current service CSM recognized for services provided			-1,949,197	1 040 407
Risk adjustment recognized for risk	-	-	-1,949,197	-1,949,197
expired	-	-476,123	-	-476,123
Experience adjustments	-1,019,234	-	-	-1,019,234
Changes relating to future service				
Contracts recognized in the period	2,137,502	1,432,538	4,004,834	7,574,874
Changes in estimates that adjust the	62,758	37,101	-100,234	-375
CSM Changes in estimates that do not adjust the CSM	-33	-	-	-33
Changes relating to past service Adjustments to liabilities for incurred claims	-	-	-	-
Insurance service results	1,180,993	993,516	1,955,403	4,129,912
Insurance finance expenses	827,131	64,576	230,172	1,121,879
Effects of movements in exchange rates	-379,416	-28,220	-93,360	-500,996
Cashflows				
Premiums received including investment component	21,253,125	-	-	21,253,125
Claims and other expenses paid (including investment components)	-5,078,322	-	-	-5,078,322
Insurance acquisition cash flows	-6,106,355	-	-	-6,106,355
Total cashflows	10,068,448	-	-	10,068,448
Closing assets	-	-	-	-
Closing liabilities	17,754,633	1,435,635	4,364,714	23,554,982
Net closing balance	17,754,633	1,435,635	4,364,714	23,554,982

26. Finance debt

The Finance debt consists of:	31 March 2025	31 March 2024
	EUR	EUR
Interest-bearing loans and borrowings		
Principal amounts	2,210,387,805	2,420,675,208
Effective interest adjustments	- 7,273,647	- 13,126,142
Loans and borrowings	2,203,114,158	2,407,549,066
Interest payable	9,727,898	15,541,620
	2,212,842,056	2,423,090,686
Lease liabilities	12,267,446	11,934,230
Total	2,225,109,502	2,435,024,916

The book value of the finance debt approximates the fair value, because there are no sharp changes to the interest rate environment and to the credit risk of Group companies from the date of securing the finance debt and the closing date.

The currency profile of the Group's borrowings is as follows:

	31 March 2025	31 March 2024
Currency	EUR	EUR
EUR	25,000,000	-
INR	1,752,655,489	2,011,832,363
USD	432,732,316	408,842,845
Total	2,210,387,805	2,420,675,208
The maturity profile of the Group's borrowings is as follows:	31 March 2025	31 March 2024
The matarity profile of the Group o Borrowinge to do follows.	EUR	EUR
Current	1,126,363,305	1,097,116,455
Non-current	1,084,024,500	1,323,558,753
Total	2,210,387,805	2,420,675,208

Loan covenants

All loans given to Group entities contain operational, financial and legal covenants. A breach of one or more covenants by the borrower may empower the lender to request an acceleration of the repayment of the outstanding amount of principal and the interest. During FY24/25 CA Grameen had breached 7 loan covenants, in terms of non-compliance with the prescribed conditions. However no loan repayment has been accelerated by any counterparty during the year and the Company is confident that no adverse measures will be taken by the lenders. For the breaches CA Grameen has received waivers from the lenders and none of them have indicated any intention to initiate remedial actions, while the Company has consistently met its debt servicing obligations.

The term loans are secured by unsecured microfinance loans to the extent of minimum 100% of outstanding. Further in respect of borrowings drawn during 4th quarter of FY24/25 aggregating to EUR 73.6 mln (drawn during last quarter of previous year 228.7 mln, subsequently assigned), CA Grameen is in the process of assigning the book debts in due course as per sanction terms. The borrowings have not been guarateed by directors or others. Term loans availed during the year were applied for the purpose for which the loans were obtained, other than temporary deployment pending application.

Pledged assets

The Group has placed deposits as collateral for borrowings. Reference is made to note 22 for the related amounts. The terms and conditions stipulate that these securities shall be held by the lender on account of the borrower for the repayment of the said loan and/or any other amount payable by the borrower to the lender, and the lender is authorized to withdraw/utilize/appropriate the proceeds, interest due thereon towards repayment of loan without reference to the borrower.

In case of event of default by way of repayment and/or when there are circumstances indicating Group's inability to meet the repayment obligations, the terms and conditions stipulate the borrower to authorize and irrevocably appoint the lender and/or its officer as its attorney to do whatever may be required to do in the exercise of all or any of the powers conferred on the lender including to recover, receive, collect, demand, sue for any of book debts, money receivables, money outstanding, claims, bills, supply bills of the borrower while the borrower shall bear the expenses that may be incurred in this regard.

Notes to the Consolidated Financial Statements

The lender or any person or persons appointed or nominated by it shall have the right at all times with or without notice to the borrower and if so required as attorney for and in the name of the borrower to enter in all premises, where the hypothecated assets including the premises where the books of accounts or other records documents etc. relating to the hypothecated assets are lying or left and to inspect value and take particulars of the same and/or to take abstracts from such books of account etc and the borrower shall produce all such records, books, vouchers, evidences and other information as the bank or the person(s) appointed or nominated as aforesaid by the lender may require.

Undrawn borrowings

The Group has undrawn borrowing facilities available at financial year end, for which all conditions have been met, as follows:

31 March 2025	Floating rate	Fixed rate	Total
	EUR	EUR	EUR
Expiry within 1 year	-	-	-
Expiry within 1 and 2 years	54,256,948	-	54,256,948
Expiry in more than 2 years	48,162,258	73,920,949	122,083,207
Total	102,419,206	73,920,949	176,340,155
31 March 2024	Floating rate	Fixed rate	Total
	EUR	EUR	EUR
Expiry within 1 year	5,547,112	-	5,547,112
Expiry within 1 and 2 years	74,691,858	-	74,691,858
Expiry in more than 2 years	98,183,876	-	98,183,876
Total	178,422,846	-	178,422,846

27. Deferred tax

The movement on the deferred tax positions is as shown below:

	Asset	Liabilities	Asset	Liabilities
	2024/2025	2024/2025	2023/2024	2023/2024
	EUR	EUR	EUR	EUR
Opening balance	15,235,061	-	9,052,699	-
Foreign currency translation	- 796,639	-	- 98,618	-
Impact of difference between tax depreciation and depreciation/amortization charged to profit or loss account	226,878	-	80,216	-
Impact of disallowance of leave encashment	375,884	-	338,931	-
Impact of movement of impairment of financial instruments and others	22,575,199	-	3,186,842	-
Impact of conversion from Indian GAAP to IFRS	503,162	-	44,831	-
Tax charge/(credit) relating to components of other comprehensive income	806,836	-	520,361	-
Others	36,570	-	2,109,799	-
Closing Balance	38,962,951	-	15,235,061	-

Deferred tax is calculated in full on temporary differences under the liability method using the local tax rates

Deferred tax assets/(liabilities) are recognized in respect of tax losses/(profits) and other temporary differences giving rise to deferred tax assets/(liabilities) where management believes it is probable that these assets/(liabilities) will be recovered/(paid).

A deferred tax asset has not been recognized for the following:		31 March 2025 EUR	31 March 2024 EUR
Unused tax losses		38,289,414	36,130,890
		38,289,414	36,130,890
Netherlands	38,289,414 38,289,414		

In situations where no sufficient profits are expected to be used to compensate for the tax losses, no deferred tax asset has been recognized.

For the Dutch-part, as per changed tax-law on loss-compensation, no expiration-date applies anymore. Losses from fiscal-years starting 1 January 2013 are available indefinitely for compensation, however if taxable profit exceeds EUR 1 mln, the excess can be offset only for 50%.

Details of deferred tax assets and liabilities (after offsetting of balances within the same jurisdiction as permitted by IAS 12) during the period are shown below:

	Asset	Liability	Net	(charged)/ credited to profit or loss	(charged)/ credited to OCI
	31 March 2025	31 March 2025	31 March 2025	2024/2025	2024/2025
	EUR	EUR	EUR	EUR	EUR
Temporary difference on property and equipment	- 269,196	-	- 269,196	226,878	-
Employee retirement benefit liabilities	1,408,541	-	1,408,541	375,884	-
Impact of conversion from Indian GAAP to IFRS	548,021	-	548,021	503,162	-
Deferred tax on fair valuations	881,402	-	881,402	-	806,836
Impairment of financial instruments	34,015,575	-	34,015,575	23,149,779	-
Impact of 35D expenditure and others (CA-Grameen)	2,378,608	-	2,378,608	- 538,010	-
Tax asset/(liabilities)	38,962,951	-	38,962,951	23,717,693	806,836
Effects of offsetting	-	-	-	-	-
Net tax assets/(liabilities)	38,962,951	-	38,962,951	23,717,693	806,836

	Asset	Liability	Net	(charged)/ credited to profit or loss	(charged)/ credited to OCI
	31 March 2024	31 March 2024	31 March 2024	2023/2024	2023/2024
	EUR	EUR	EUR	EUR	EUR
Temporary difference on property and equipment	-504,485	-	- 504,485	79,095	-
Employee retirement benefit liabilities	1,065,202	-	1,065,202	338,931	-
Impact of conversion from Indian GAAP to IFRS	99,582	-	99,582	99,974	-
Deferred tax on fair valuations	46,061	-	46,061	- 45,017	520,361
Impairment of financial instruments	11,548,525	-	11,548,525	3,248,687	-
Impact of 35D expenditure and others (CA Grameen)	2,980,176	-	2,980,176	2,049,075	-
Tax asset/(liabilities)	15,235,061	-	15,235,061	5,770,745	520,361
Effects of offsetting	-	-	-	-	-
Net tax assets/(liabilities)	15,235,061	-	15,235,061	5,770,745	520,361

28. Share capital

Issued and fully paid capital	2024/2025	2024/2025	2023/2024	2023/2024
	Number	EUR	Number	EUR
'Ordinary shares' of 1 EUR each	36,120,162	36,120,162	36,120,162	36,120,162
'T shares' of 16 EUR each	5,368,507	85,896,112	5,368,507	85,896,112
'CALI shares' of 1 EUR each	1,004,689	1,004,689	1,004,689	1,004,689
	42,493,358	123,020,963	42,493,358	123,020,963
Opening balance	42,493,358	123,020,963	45,840,568	174,282,823
Capital restructuring	-	-	-	-
_	42,493,358	123,020,963	45,840,568	174,282,823
Cancellation of shares	-	-	- 3,347,210	- 51,261,860
Closing balance	42,493,358	123,020,963	42,493,358	123,020,963

29. Reserves

The following describes the nature and purpose of the most significant items in each reserve within equity. For detailed amounts, refer to the consolidated statement of changes in equity.

amounto, rolor to the	consolidation statement of shariges in equity.
Reserve	Description and purpose
Treasury shares	Treasury shares represent own Ordinary equity shares at purchase price. The total number of shares held in treasury is 282,103 (31 March 2024: 282,103).
Revaluation reserve	The revaluation reserve relates to the share in OCI of consolidated entities.
Translation reserve	The gains/losses arising on retranslating the net asset value of consolidated entities whereby their functional currency is different from the Group reporting currency (i.e. EUR).
Merger reserve	A merger reserve was recognized as the difference between the carrying amount of assets and liabilities acquired against (i) the value of paid up capital (including share premium) of the outstanding shares of the acquired entity (in case of the reverse merger in 2014 with Microventures Finance Group, SA, Luxembourg) or (ii) the amount of the investment in the acquired entity as carried in the books of CreditAccess (in case of the merger in 2015 with MFA SARL, Luxembourg and Microventures Investments SA SICAR, Luxembourg).
Other reserves	CreditAccess India B.V. launched the public listing of its core operating company CreditAccess Grameen Limited in India in FY18/19. The IPO comprised of a primary issuance and a secondary sale by CreditAccess Asia N.V. (predecessor of CreditAccess India B.V. prior to the demerger). The IPO has resulted in EUR 99 mln in Other Reserves (a value step up of EUR 60 mln due to the share issuance and net proceeds of EUR 39 mln due to the secondary sale). The remaining EUR 47 mln in Other Reserves is primarily driven by the value step up as a result of the Qualified Institutions Placement by CreditAccess Grameen in October 2020. During 2022/23 EUR 14 mln was moved to share capital at the time of reclassification of shares into Ordinary shares, CALI shares and non-voting T shares. As a result of the Share-cancellations during FY2023/24 the 'premium', amounting to EUR 55 mln, was deducted from Other reserves.
Retained earnings	It represents the cumulative profits/losses of prior periods and the current period. It also includes re-

measurements required on account of changes in accounting policies adopted by the Group.

30. Analysis of amounts recognized in other comprehensive income

	Revaluation Reserve	Translation Reserve	Total
	EUR	EUR	EUR
Period up to 31 March 2025			
Items that are or may be reclassified subsequent	ly to profit or loss:		
Exchange differences arising on translation of foreign operations	- 1,884,112	- 12,415,986	- 14,300,098
	- 1,884,112	- 12,415,986	- 14,300,098
Period up to 31 March 2024			
Items that are or may be reclassified subsequent	ly to profit or loss:		
Exchange differences arising on translation of foreign operations	-1,118,053	- 2,599,710	- 3,717,763
	- 1,118,053	- 2,599,710	- 3,717,763

31. Commitments and contingent liabilities

The group has commitments in relation to the future value of minimum lease payments which were not recognized through IFRS16 and committed expenditure for (in)tangible fixed assets.

Amounts are due as follows:	31 March 2025	31 March 2024
	EUR	EUR
Not later than one year	2,026,000	2,425,000
Later than one year and not later than five years	-	-
Later than five years	-	-
Total	2,026,000	2,425,000

In addition the group has other contingent liabilites amounting to EUR 433,000. (31 March 2024; EUR 471,000)

32. Post-employment benefit obligations

(i) Defined benefit scheme characteristics and funding

The Group operates post-employment defined benefit scheme for its employees, mainly in CA-Grameen.

It provides employees in India with a pension upon retirement.

The scheme is funded by the Company and employees contribute to the scheme. Contributions by the Company are calculated by a separate actuarial valuation based on the funding policies detailed in the scheme agreement. The scheme is insured. The insurer is responsible for the administration of the plan assets and for the definition of the investment strategy.

The Plan assets consist for 100% of investments with the insurer.

The scheme pension plan in the insurance contract does not contain real assets, the plan asset is the value of the insurance contract (accrued benefits against discount rate). There is no direct relation between the value of the insurance contract and the value of CreditAccess India B.V. or any other Group companies.

The scheme is legally separate from the Group.

The scheme is exposed to a number of risks, including:

- Investment risk: movement of discount rate used (high quality corporate bonds) against the return from plan assets.
- Interest rate risk: decreases/increases in the discount rate used (high quality corporate bonds) will increase/ decrease
 the defined benefit obligation.
- Longevity risk: changes in the estimation of mortality rates of current and former employees.
- Salary risk: increases in future salaries increase the gross defined benefit obligation.

Estimates and assumptions

The costs, assets and liabilities of the defined benefit schemes operated by the Group companies are determined using methods relying on actuarial estimates and assumptions. The Group takes advice from independent actuaries relating to the appropriateness of the assumptions.

(ii) Defined benefit obligation - actuarial assumptions

The principal actuarial assumptions used in calculating the present value of the defined benefit obligation include:

	Scheme CA Gramee				
	2024/2025	2023/2024			
Retirement age	60 Years	60 years			
Mortality rate	IALM (2012-14) Ultimate Age 20- = 0.9%, Age 30+ = 0.10% and 35+ = 0.12%	,			
Disability rate	5% of mortality rate rates	5% of mortality rate rates			
Average age	27.28 years	27.13 years			
Valuation method	Projected unit Credit	Projected unit Credit			

(iii)-a Reconciliation of post employment defined benefit obligation and fair value of scheme assets, in aggregate

	Defined benefit obligation		Fair value of scheme assets		Net defined scheme liability	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024
	EUR	EUR	EUR	EUR	EUR	EUR
Opening balance	5,074,693	3,585,561	3,395,054	2,403,599	1,679,639	1,181,962
Current service cost	1,300,309	1,524,328	-	-	1,300,309	1,524,328
Interest cost/(income)	319,857	248,287	-	-	319,857	248,287
Past service cost and settlements	-	-	-	-	-	-
Included in profit or loss	1,620,166	1,772,615	-	-	1,620,166	1,772,615
Return on plan assets	-	-	264,750	205,989	- 264,750	- 205,989
Actuarial changes arising from changes in demographical assumptions	- 217,498	- 149,436	-	-	- 217,498	- 149,436
Actuarial changes arising from changes in financial assumptions	306,359	808,799	-	-	306,359	808,799
Experience adjustments	561,108	- 674,228	- 51,883	- 134,144	612,991	- 540,084
Included in other comprehensive income	649,969	- 14,865	212,867	71,845	437,102	- 86,710
Employer contributions	-	-	1,703,807	1,176,569	- 1,703,807	- 1,176,569
Benefits paid	- 450,439	- 233,330	- 450,439	- 233,330	-	<u>-</u>
Other Movements	- 450,439	- 233,330	1,253,368	943,239	- 1,703,807	- 1,176,569
Foreign exchange differences	- 136,930	- 35,288	- 108,364	- 23,629	- 28,566	- 11,659
Closing balance	6,757,459	5,074,693	4,752,925	3,395,054	2,004,534	1,679,639

Represented by:	31 March 2025	31 March 2024
	EUR	EUR
- Scheme CA Grameen	1,998,664	1,679,639
- Scheme CA Life Insurance	5,870	-
Total	2,004,534	1,679,639

(iii)-b Reconciliation of post employment defined benefit obligation and fair value of scheme assets, per country

	Scheme - CA Grameen (India)			
	Defined benefit obligation	Fair-value of scheme assets	Net defined scheme liability	
	2024/2025	2024/2025	2024/2025	
	EUR	EUR	EUR	
Opening balance	5,074,693	3,395,054	1,679,639	
Current service cost	1,276,382	-	1,276,382	
Interest cost/(income)	318,553	-	318,553	
Past service cost and settlements	-	-	-	
Included in profit or loss	1,594,935	-	1,594,935	
Return on plan assets	-	263,391	- 263,391	
Actuarial changes arising from changes in demographical assumptions	- 217,498	-	- 217,498	
Actuarial changes arising from changes in financial assumptions	304,673	-	304,673	
Experience adjustments	562,352	- 51,883	614,235	
Included in other comprehensive income	649,527	211,508	438,019	
Employer contributions	-	1,666,526	- 1,666,526	
Benefits paid	- 449,758	- 449,758	-	
Other Movements	- 449,758	1,216,768	- 1,666,526	
Foreign exchange differences	- 155,111	- 107,708	- 47,403	
Closing balance	6,714,286	4,715,622	1,998,664	

	Sche	Scheme - CA Grameen (India)			
	Defined benefit obligation	Fair-value of scheme assets	Net defined scheme liability		
	2023/2024	2023/2024	2023/2024		
	EUR	EUR	EUR		
Opening balance	3,585,561	2,403,599	1,181,962		
Current service cost	1,524,328	-	1,524,328		
Interest cost/(income)	248,287	-	248,287		
Past service cost and settlements	-	-	-		
Included in profit or loss	1,772,615	-	1,772,615		
Return on plan assets	-	205,989	- 205,989		
Actuarial changes arising from changes in demographical assumptions	- 149,436	-	- 149,436		
Actuarial changes arising from changes in financial assumptions	808,799	-	808,799		
Experience adjustments	- 674,228	- 134,144	- 540,084		
Included in other comprehensive income	- 14,865	71,845	- 86,710		
Employer contributions	-	1,176,569	- 1,176,569		
Benefits paid	- 233,330	- 233,330	-		
Other Movements	- 233,330	943,239	- 1,176,569		
Foreign exchange differences	- 35,288	- 23,629	- 11,659		
Closing balance	5,074,693	3,395,054	1,679,639		

(iv) Sensitivity analysis

A sensitivity analysis extrapolating the impact on the defined benefit obligation as a result of reasonable changes in key assumptions at the end of the reporting period, keeping all other assumptions constant, is as follows:

Impact on defined benefit obligation	31 March 2025	31 March 2024
	EUR	EUR
1% increase in discount rate	- 456,628	- 349,568
1% decrease in discount rate	526,997	405,027
1% increase in the salary increase rate assumption	477,196	368,394
1% decrease in the salary increase rate assumption	- 420,623	- 323,285

(v) Others

The expected contributions to the plan for the next financial year amounts to EUR 2,447,755. (31 March 2024; EUR 2,150,288)

The fair values of each major class of plan assets are as follows:	31 March 2025	31 March 2024
	EUR	EUR
Cash and cash equivalents	-	-
Investments quoted in active markets	-	-
Unquoted investments	-	-
Others; Assets under insurance schemes	4,715,622	3,395,054
Total	4,715,622	3,395,054

33. Share-based payment

The Board of the Company has approved the Terms and Conditions of an employee share option plan named "IPO Incentive Plan" or "Liquidity Reward Plan (since 2020)".

The Liquidity Reward Plan consists of up to 1,200,000 options reserved to key managers fulfilling strategic positions within the Group. Options maybe granted annually in maximum 5 consecutive years. The actual number of granted options will be decided upon by the Board based on the achievement of Group financial targets and of individual KPIs of the key managers.

On November 2016, the Company has granted a first tranche consisting of 161,908 options (First Grant) with vesting period starting retroactively from 31st March 2016. On 7 September 2017, the Company has granted a second tranche consisting of 195,922 options (Second Grant) with vesting period starting retroactively from 31st March, 2017. On December 1st 2018, the Company has granted a third tranche consisting of 318,931 options (Third Grant) with vesting period starting retroactively from 31st March 2018. On November 20th 2019, the Company has granted a fourth tranche consisting of 216,994 options (Fourth Grant) with vesting period starting retroactively from 31st March 2019. On December 4th 2020, the Company has granted a fifth tranche consisting of 16,594 options (Fifth Grant) with vesting period starting retroactively from 31st March 2020. In FY21/22, the Company granted an additional number of 500 options under the Fifth Grant.

Furthermore, in FY24/25 the Company has forfeited 75,000 options across the five grants (FY23/24: 0).

Vesting is subject to a minimum of 36 months of service of the key manager and the Company execution of a Qualified IPO or the Liquidity Event, as described in the Governance Policy of the Company.

No amounts are paid or payable by the recipient upon grant of the options. The options carry neither rights to dividends nor voting rights. When exercisable each option can be converted into one equity share of the Company.

The Company does not have any re-purchase obligation regarding the issued options. Customary good leaver clauses apply to the Liquidity Reward Plan.

The fair-value of the options granted was determined using a Black-Scholes method of valuation with the following key assumptions for most recent grant: strike price EUR 16.80, underlying stock price EUR 16.80, dividend yield 0%, discount rate -0.321%, volatility of the stock equal to CA Grameen stock volatility at 51.54%.

The weighted average exercise price of options outstanding at 31 March 2025 was EUR 10,16 (31 March 2024: 9,21) and their weigted average remaining contractual life was 8.3 years (31 March 2024: 6.3 since the expected liquidity event moved with 2 years). Of the total number of options outstanding at 31 March 2025, none had vested and none were exercisable. At 31 March 2025 there were still 472,119 options available for grant (31 March 2024: 397,119).

Weighted

Weighted

			average exercise price		average exercise price	
			2024/2025	2024/2025	2023/2024	2023/2024
Options			(EUR)	Number	(EUR)	Number
Outstanding at beginning of period			9.21	802,881	9.21	802,881
Granted during the period			-	-	-	-
Forfeited during the period			-	-75,000	-	-
Lapsed during the period			-	-	-	-
Outstanding at end of period			10.16	727,881	9.21	802,881
				Vesting -		
Grants	Options granted	Grant date	Grant effective date	exercise period (from Grant effective	Strike price	Fair-value at grant date(IPO probability adjusted)
Grants Grant 1		Grant date 01/Nov/16		exercise period (from Grant		grant date(IPO probability adjusted)
	granted		effective date	exercise period (from Grant effective date)	EUR	grant date(IPO probability adjusted)
Grant 1	granted 161,908	01/Nov/16	effective date 31/Mar/16	exercise period (from Grant effective date) 11yrs	EUR 4.79	grant date(IPO probability adjusted) EUR 2.59
Grant 1 Grant 2	granted 161,908 195,922	01/Nov/16 07/Sept/17	effective date 31/Mar/16 31/Mar/17	exercise period (from Grant effective date) 11yrs 10yrs	EUR 4.79 7.46	grant date(IPO probability adjusted) EUR 2.59 1.62
Grant 1 Grant 2 Grant 3	161,908 195,922 318,931	01/Nov/16 07/Sept/17 01/Dec/18	31/Mar/16 31/Mar/17 31/Mar/18	exercise period (from Grant effective date) 11yrs 10yrs 9yrs	EUR 4.79 7.46 8.75	grant date(IPO probability adjusted) EUR 2.59 1.62 1.73

The amount charged to the profit or loss account through 'Other reserves' amounts to;

	2024/2025	2023/2024
	EUR	EUR
Fifth Grant	8,353	10,411
Fourth Grant	70,155	81,953
Third Grant	66,194	74,272
Second Grant	33,125	35,827
First Grant	40,239	43,544
	218,066	246,007
Re-allocation prior period	-	-
Remeasurement due to lapsed options	-	-
Remeasurement due to forfeited options	-113,106	-
	104,960	246,007

Furthermore CA-Grameen, operates an equity-settled share-based remuneration scheme for its employees.

Details are as follows:	Weighted average exercise price		Weighted average exercise price	
	2024/2025	2024/2025	2023/2024	2023/2024
Options	(EUR)	Number	(EUR)	Number
Outstanding at beginning of period	11.01 (INR 992.37)	2,674,354	7.17 (INR 640.99)	2,424,244
Granted during the period	10.52 (INR 955.54)	1,586,615	18.77 (INR 1,685.30)	759,800
Forfeited during the period	-	-	-	-
Exercised during the period	5.85 (INR 531.24)	-342,655	3.56 (INR 319.99)	-470,524
Lapsed/expired during the period	11.50 (INR 1,043.82)	-104,560	8.50 (INR 763.48)	-39,166
Outstanding at end of period	10.94 (INR 1,010.55)	3,813,754	11.01 (INR 992.37)	2,674,354

The exercise price of options outstanding at 31 March 2025 ranged between EUR 1.33 (INR 120.87) and EUR 18.56 (INR 1,685.30) with weighted average exercise price of EUR 11.13 (INR 1,010.55) and a weighted average remaining contractual life of 4.05 years. As at 31 March 2025, 1,127,429 options had vested and were exercisable. The fair-value of the options granted was determined using a Black-Scholes method of valuation.

With respect to the options granted during the year following applies;

Additional disclosures for Tranche XI - granted during the current year and TrancheX, IX,VIII,VII in previous years:					
Particulars	Tranche XI	Tranche X	Tranche IX	Tranche VIII	Tranche VII
Share price on the date of Grant (in Rs.)	913.90	1,685.30	915.30	597.30	768.85
Expected life	1-2.5 years	1-2.5 years	1-2.5 years	1-2.5 years	1-2.5 years
Price of the underlying share in the market at	913.90	1,656.00	915.30	597.30	768.85
the time of the option grant					
Expected dividends	0.00%	0.00%	0.00%	0.00%	0.00%
Expected volatality (%)					
1	37.51%	40.89%	45.60%	44.44%	58.89%
II.	41.84%	42.18%	47.21%	43.38%	52.16%
III	45.26%	45.27%	45.03%	51.03%	49.37%
IV	44.90%	46.14%	44.79%	49.42%	49.82%
Risk free interest rate (%)					
1	6.71%	7.15%	7.13%	5.10%	4.34%
II .	6.76%	7.17%	7.29%	5.65%	4.99%
III	6.80%	7.19%	7.40%	6.12%	5.62%
IV	6.82%	7.23%	7.44%	6.46%	6.03%
Fair value per option (in Rs.)					
1	144.70	306.96	198.44	116.67	184.06
II .	206.29	399.06	253.55	144.49	207.75
III	261.36	496.71	286.55	193.85	235.30
N.	296.01	571.04	321.99	214.58	270.19

The share-based remuneration expense (note 11) comprises:

	2024/2025	2023/2024
	EUR	EUR
Equity-settled schemes	2,645,123	2,107,325
Total	2,645,123	2,107,325

During the current or previous period, the Group did not enter into any share-based payment transactions with parties other than employees and related parties of the group as detailed in the note above.

34. Related party transactions

Related parties are the consolidated subsidiaries (refer to note 3.2), the companies demerged to CreditAccess SEA Group, shareholders of CreditAccess India B.V. and the key management personnel of CreditAccess India B.V.

All related party transactions have been entered at arm's length conditions.

Investments in subsidiaries are disclosed in note 44.

CreditAccess India provides shared facilities and resources to CreditAccess SEA Group for which a fee is charged.

There have been no significant transactions with any shareholder of CreditAccess India B.V.

Remuneration of the key management personnel:

The amounts disclosed below are the amounts recognized as an expense during the reporting period related to Key Management Personnel.

Key Management Personnel consist of: the executive- and non-executive directors of the Company.

The Non-Executive Directors receive a fixed annual remuneration. The Company did neither provide post-employment benefits, long-term employee benefits and termination benefits nor share-based payments, bonuses and profit shares to non-executive directors.

The remuneration of the Executive Directors consists of annual fixed remuneration and long term variable remuneration. During the financial year, no options were granted under the equity-settled share based remuneration scheme of CreditAccess India B.V. Refer to note 33 on shared-based payments.

F.Carini and K.J.M. Slobbe hold equity interest in the Company.

	Remuneration	Remuneration
	2024/2025	2023/2024
Non-executive directors	EUR	EUR
F.G.M. Moccagatta (Presiding Director)	210,000	210,000
S. Petruccioli	80,000	80,000
B. Corazza	75,000	75,000
L. Cremonesi	75,000	75,000
F. Carini	65,000	65,000
D. Mintz	65,000	65,000
P. Brichetti	65,000	65,000
M. Atzwanger	65,000	65,000
	700,000	700,000
Executive directors		
K.J.M. Slobbe (Executive director from 18 November 2022, CEO from 1 January 2023)	241,748	211,189
	241,748	211,189
Total (Non-executive + Executive)	941,748	911,189

35. Subsequent events

During FY24/25 CA Grameen had breached 7 loan covenants, in terms of non-compliance with the prescribed conditions. However no loan repayment has been accelerated by any counterparty during the year and the Company is confident that no adverse measures will be taken by the lenders. For the breaches CA Grameen has received waivers from the lenders and till date, none of them have indicated any intention to initiate remedial actions, while the Company has consistently met its debt servicing obligations.

In June 2025 CA Grameen has secured a USD 100 mln. multi-currency syndicated social loan facility

36. Notes supporting statement of cash flows

Cash and cash equivalents for the purpose of the statement of financial position and cash flows comprise:

	2024/2025	2023/2024
	EUR	EUR
Cash at bank and in hand available on demand	35,993,535	37,097,627
Short-term deposits	117,160,637	91,534,105
Total	153,154,172	128,631,732

Company Financial Statements CreditAccess India B.V.

Company Financial Statements

Company statement of profit or loss

company cratement of prom or root			
	Note	2024/2025	2023/2024
		EUR	EUR
Interest and similar income	38	319,171	620,494
Interest and similar expenses	39	- 7,305	- 80,243
Net interest income		311,866	540,251
Other income		33,808	24,512
Gross result		345,674	564,763
Personnel expenses	40	- 790,360	- 1,025,007
Depreciation and amortization		- 104,694	- 85,828
Other operating expenses	41	- 2,273,424	- 2,139,557
Operating expenses		- 3,168,478	- 3,250,392
Operating result before value adjustments		- 2,822,804	- 2,685,629
Result from foreign currency denominated transactions		- 2,372	- 528
Share in results of subsidiaries	44	37,889,497	109,695,758
		37,887,125	109,695,230
Result before taxation		35,064,321	107,009,601
Taxation on result		-	-
Result for the period		35,064,321	107,009,601

Company balance sheet

(before appropriation of result)	lote	31 March 2025 EUR	31 March 2024 EUR
Assets			
Non-current assets			
Intangible fixed assets	42	7,521,883	7,710,395
Tangible fixed assets	43	253,444	35,389
Investments in subsidiaries	44	512,429,261	498,956,530
Total Non-current assets		520,204,588	506,702,314
Current assets			
Other assets	45	274,368	112,585
Cash and cash equivalents	46	13,002,615	5,552,581
Total current assets		13,276,983	5,665,166
Total assets		533,481,571	512,367,480
Liabilities			
Short term liabilities			
Lease liabilities	43	104,843	6,465
Other liabilities	47	836,094	812,523
Total short term liabilities		940,937	818,988
Current assets minus short term liabilities		12,336,046	4,846,178
Assets minus short term liabilities		532,540,634	511,548,492
Long term liabilities			
Lease liabilities	43	122,959	-
Total long term liabilities		122,959	-
Total liabilities		1,063,896	818,988
Assets minus liabilities		532,417,675	511,548,492
Capital and reserves attributable to owners of the company	48		
Share capital		123,020,963	123,020,963
Treasury shares		- 320,433	- 320,433
Merger reserve		798,915	798,915
Translation reserve		- 71,073,930	- 58,657,944
Revaluation reserve		- 10,526,721	- 8,642,609
Other reserves		157,971,060	157,866,099
Retained earnings		332,547,821	297,483,501
Total equity		532,417,675	511,548,492
Total equity and liabilities		533,481,571	512,367,480

Notes to the Company financial statements

37. Accounting policies for the Company financial statements

The Company financial statements of CreditAccess India B.V., which form part of the consolidated financial statements for 31 March 2025 of the Group, have been prepared in accordance with the provisions of Part 9, Book 2 of the Dutch Civil Code. Pursuant to Section 362(8) of this Code, the same accounting policies were used as in the consolidated financial statements.

Assets and liabilities are measured, foreign currencies translated and profit determined in accordance with the same accounting policies of the consolidated financial statements as described earlier in this report. The carrying amount of the current portion of financial instruments approximates the fair value.

In the Company financial statements, entities over which the Company has significant influence or control are recognized using the equity method of accounting. If the share of losses of CreditAccess India B.V. exceeds the value of the ownership interest in an entity, the book value of the subsidiary is reduced to nil in the balance sheet and further losses are no longer recognized except to the extent that CreditAccess India B.V. has a legally enforceable or constructive obligation.

These standalone financial statements have been prepared on a going concern basis.

38. Interest and similar income

	2024/2025	2023/2024
	EUR	EUR
Interest on cash and cash-equivalents	319,171	620,494
Total	319,171	620,494

39. Interest and similar expenses

	2024/2025	2023/2024
	EUR	EUR
Interest on other external borrowing and similar expenses	-	77,036
Negative interest on bank-accounts	5	7
Interest on Right of Use Assets	7,300	3,200
Total	7,305	80,243

40. Personnel expenses

	2024/2025	2023/2024
	EUR	EUR
Wages and salaries	630,953	725,364
Share-based payments	104,960	246,007
Social security costs	54,447	53,636
Total	790,360	1,025,007

In FY 2024/2025, the average number of employees (Full Time Equivalent, rounded) was 4 (2023/2024: 4). See note 33 for more information on the share-based payments.

41. Other operating expenses

	2024/2025	2023/2024
	EUR	EUR
Legal fees	379,770	107,021
Directors' fees	700,000	700,000
Other professional fees	734,407	257,693
Audit and accounting	255,789	292,122
Insurance	46,630	51,609
Staff training and benefits	1,747	9,486
Rental and office expenses (exempted from IFRS16)	74,323	72,891
Taxes (other than corporate income tax) and licences	23,591	423,652
Travel and lodging	112,924	79,466
Bank charges	17,801	10,740
Other operating expenses	9,423	174,899
Marketing and advertising	872	942
Shared services recharge	- 83,853	- 40,964
Total	2,273,424	2,139,557

Taxes (other than corporate income tax) have decreased due to non-recoverable withholding tax, in prior year only. Other operating expenses have decreased due to a reversal of an earlier expense-recharge, in prior year only. Legal- and Other prefessional fees have increased due to expenses incurred in relation to executed projects.

42. Intangible fixed assets

Intangible fixed assets include Goodwill amounting to EUR 7,521,883 (31 March 2024: EUR 7,710,395). The movements during the period are as follows:

			2024/2025			2023/2024
			EUR			EUR
		Goodwill			Goodwill	
	Cost	Accumulated amortization and impairment	Net book value	Cost	Accumulated amortization and impairment	Net book value
Opening balance	7,710,395	-	7,710,395	7,773,959	-	7,773,959
Amortization and impairment	-	-	-	-	-	-
Foreign exchange rate movements	- 188,512	-	- 188,512	- 63,564	-	- 63,564
Closing balance	7,521,883	-	7,521,883	7,710,395	-	7,710,395

Refer to note 17 for Goodwill.

31 March 2025

43. Tangible fixed assets		
	31 March 2025	31 March 2024
	EUR	EUR
Lease assets (IFRS16)	249,001	31,525
Others	4,443	3,864
Total tangible fixed assets	253,444	35,389
Movement schedule of carrying amounts of Lease assets (IFRS16)	Buildings	Total
	EUR	EUR
Right of use assets		
31 March 2024	31,525	31,525
Movements during the period		
Additions	314,528	314,528.00
Depreciation	- 97,052	- 97,052
31 March 2025	249,001	249,001
Lease liability		
31 March 2024	6,465	6,465
Movements during the period		
Additions	314,528	314,528.00
Accretion of interest	7,300	7,300
Payments (reducing the lease liability)	- 100,491	- 100,491

The related lease contract is maturing in the subsequent financial year, but will be extended for another 3 years period. There are no significant expenses relating to lease payments not included in the measurement of lease liabilities.

227,802

2.5 years

227,802

Lease liabilities - Current/ Non-current	31 March 2025	31 March 2024
	EUR	EUR
Lease liabilities – Long term	122,959	-
Lease liabilities – Short term	104,843	6,465
Total	227,802	6,465

Details of carrying amounts of other tangible fixed assets	Leasehold improvements	Furniture and fixtures	Computer equipment	Total
	EUR	EUR	EUR	EUR
Cost	50,094	16,662	24,349	91,105
Accumulated Depreciation	- 50,094	- 16,662	- 19,906	- 86,662
Net book value at 31 March 2025	-	-	4,443	4,443

Details of carrying amounts of other tangible fixed assets	Leasehold improvements	Furniture and fixtures	Computer equipment	Total
	EUR	EUR	EUR	EUR
Cost	50,094	16,662	28,691	95,447
Accumulated Depreciation	- 50,094	- 16,662	- 24,827	- 91,583
Net book value at 31 March 2024	-	-	3,864	3,864

44. Investments in subsidiaries

The movements during the period are as follows:

	2024/2025	2023/2024
	EUR	EUR
Opening balance	498,956,530	427,404,619
Capital contributions	-	-
	-	-
Capital reductions	-	-
	-	-
Sale of shares in subsidiaries (while maintaining controlling interest)	-	- 30,064,889
Other sales	-	- 492
Net dividends received	- 10,305,182	-
Share in result of subsidiaries	37,889,498	109,695,757
Share in participations, directly through equity	- 1,884,112	-1,118,054
Exchange rate differences	- 12,227,473	- 6,960,411
Closing balance	512,429,261	498,956,530

On 30 June 2023 5.76% of the shares in CA-Grameen had been sold in the open market.

Share in result of subsidiaries mostly represent CA-India's portion of profits after tax of CA-Grameen, equal to EUR 39.0 mln. (FY23/24: 109.6 mln.)

45. Other assets

	31 March 2025	31 March 2024
	EUR	EUR
Prepayments	40,188	6,102
Tax and social security	27,863	2,249
Receivables from CreditAccess SEA B.V.	36,311	20,086
Other receivables	170,006	84,148
Total	274,368	112,585

46. Cash and cash equivalents

	31 March 2025	31 March 2024
	EUR	EUR
Cash at bank and in hand available on demand	13,002,615	5,552,581
Total	13,002,615	5,552,581

The amount consists of directly available bank current-account balances and petty cash.

47. Other liabilities	31 March 2025	31 March 2024
	EUR	EUR
Trade payables	92,396	81,330
Tax and social security	21,564	23,482
Employee liabilities	104,474	104,333
Other liabilities and accrued expenses	617,660	603,378
Total	836,094	812,523

Current/ Non-current	31 March 2025	31 March 2024
	EUR	EUR
Other liabilities – Long term	-	-
Other liabilities – Short term	836,094	812,523
Total	836,094	812,523

48. Equity

The movements during the year are as follows:

	Issued and paid-up capital	Treasury shares	Merger Reserve	Translation reserve	Revaluation reserve	Other reserves	Retained earnings	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
1 April 2024	123,020,963	-320,433	798,915	- 58,657,944	-8,642,609	157,866,099	297,483,501	511,548,492
Other movements during the year (refer to 'consolidated SOCE')	-	-	-	-12,415,986	-1,884,112	104,960	-	-14,195,138
Net result for the year	-	-	-	-	-	-	35,064,321	35,064,321
31 March 2025	123,020,963	-320,433	798,915	-71,073,930	-10,526,721	157,971,059	332,547,822	532,417,675

The difference in results and equity between the consolidated financial statements and the separate financial statemens is only due to the non-controlling interest which is mentioned separately in the consolidated financial statements.

	Issued and paid-up capital	Treasury shares	Merger Reserve	Translation reserve	Revaluation reserve	Other reserves	Retained earnings	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
1 April 2023	174,282,823	-320,433	798,915	- 56,058,234	-7,524,556	132,786,492	190,473,900	434,438,907
Cancellation of shares	- 51,261,860	-	-	-	-	-55,444,699	-	- 106,706,559
Other movements during the year (refer to 'consolidated SOCE')	-	-	-	-2,599,710	-1,118,053	80,524,306	-	76,806,543
Net result for the year	-	-	-	-	-	-	107,009,601	107,009,601
31 March 2024	123,020,963	-320,433	798,915	-58,657,944	-8,642,609	157,866,099	297,483,501	511,548,492

The difference in results and equity between the consolidated financial statements and the separate financial statemens is only due to the non-controlling interest which is mentioned separately in the consolidated financial statements.

48. Equity (continued)

The Revaluation reserve relates to the share in OCI of subsidiaries, while the Translation reserve relates to translating the net assets of foreign subsidiaries into EUR.

As at 31 March 2025, the amount of restricted legal reserves ('Wettelijke reserve') relating to applicable items as per Dutch civil code, book 2:373-4 and Dutch reporting standards ('RJ 240.229') amount to EUR 70,541,317 (31 March 2024: EUR 64,622,775). It relates to legal reserves of Indian subsidiaries.

The table below depicts the equity composition of the Company under Dutch GAAP:

	31 March 2025	31 March 2024
Share capital	123,020,963	123,020,963
Other reserves	6,307,574	26,421,254
Legal reserves (restricted)	70,541,317	64,622,775
Retained earnings	332,547,821	297,483,500
Total Equity	532,417,675	511,548,492

49. Commitments and contingent liabilities

The Company has current future obligations for its rented office amounting to EUR 227,802 (31 March 2024: EUR 6,465). An amount of EUR 104,843 (31 March 2024; EUR 6,465) is due within one year and EUR 122,960 (31 March 2024; EUR 0) is due between 2 and 5 years.

50. Subsequent events

There are no significant subsequent events to report.

51. Proposed appropriation of the result

The result of EUR 35,064,321 for the year ended 31 March 2025 is shown as 'Result for the period' until the shareholders of the Company approve the FY2024/2025 financial statements and the appropriation of the result.

At the general meeting of the shareholders a proposal will be put forth to approve the financial statements and to add the FY2024/2025 net result after taxes to Retained earnings.

Amsterdam, 17 July 2025

CreditAccess India B.V.

Executive Board:

K.J.M. (Koen) Slobbe

Non-executive Board:

F.G.M. (Francesco) Moccagatta

B. (Benedetta) Corazza

D.R. (Daniel) Mintz

F. (Federico) Carini

S. (Stefania) Petruccioli

M. (Michael) Atzwanger

P. (Paolo) Brichetti

L. (Lamberto) Cremonesi

Other Information

Statutory rules concerning appropriation of the result

Article 29 of the Company articles of association:

- 1- The Company will maintain separate profit reserve (winstreserves) for the benefit of the holders of each class of shares.
- 2- The General Meeting is authorized to allocate the profits shown in the adopted Annual Accounts, by adding amounts to the profit reserve(s) as maintained for the respective class(es) of shares or by making any (interim) distributions, with due observance of the following profit entitlement of the various classes of shares:
 - a the holders of T Shares are exclusively entitled to the Class T Result;
 - b the holders of Ordinary Shares are exclusively entitled to the Class O Result; and
 - c the holders of CALI Shares are exclusively entitled to the Class CALI Result.
- 3- The Company shall only be capable of making distributions to shareholders and other persons who are entitled to profits that qualify for distribution if the Company's equity is in excess of the reserves that must be set aside under the provisions of the law, whereby distributions can only occur in accordance with the following entitlement of the holders of the various classes of shares:
 - a distributions to the holders of T Shares can only be made from the Class T Assets or the balance of the share premium reserve or the profit reserve as maintained for the holders of T Shares, whereby the holders of T Shares are entitled to each distribution in proportion to the nominal amount paid-up on their T Shares;
 - b distributions to the holders of Ordinary Shares can only be made from the Class O Assets or the balance of the share premium reserve or profit reserve as maintained for the holders of Ordinary Shares, whereby the holders of Ordinary Shares are entitled to each distribution in proportion to the nominal amount paid-up on their Ordinary Shares; and
 - c distributions to the holders of CALI Shares can only be made from the Class CALI Assets or the balance of the share premium reserve or profit reserve as maintained for the holders of CALI Shares, whereby the holders of CALI Shares are entitled to each distribution in proportion to the nominal amount paid-up on their CALI Shares.
- 4- The General Meeting shall have the power to resolve upon distributions of dividend (including but not limited to interim distributions) or from the Company's reserves, provided that (i) the requirement referred to in paragraph 3 of this article, concerning the Company's equity, has been met and (ii) the Board of Directors has approved such resolution, which approval will only be withheld if the Board of Directors knows, or could reasonably be expected to foresee, that the distribution would prevent the Company from paying any of its due and payable debts.
- 5- In the calculation of the distribution of profits the shares which the Company holds in its own share capital shall be disregarded.
- 6- Distributions can be made in kind or in cash.
- 7- If, after making a distribution, the Company is unable to continue paying its due and payable debts, the directors will, subject to the provisions of prevailing law, be jointly and severally liable to the Company for the shortfall created by the distribution. A party receiving a distribution who knows or could reasonably be expected to foresee that the distribution make the Company unable to continue paying any of its due and payable debts, will be liable to the Company for payment of the shortfall created by the distribution, with said liability not to exceed the amount of the distribution received by that party and with due observance of the provisions of prevailing law.
- 8- Unless the Board of Directors decides on a different date, dividends shall be made payable immediately after they have been declared.
- 9- Dividends that have not been collected within five years after they have become payable, shall be forfeited to the Company.



NETHERLANDS

CreditAccess India B.V. WTC Amsterdam Tower 7-10 Strawinskylaan 1043 1077 XX Amsterdam The Netherlands

Email: info@creditaccess.com
Telephone: +31 (0)20 8080654

INDIA

CreditAccess Grameen Ltd. No.49, 46th Cross, 8th Block, Jayanagar Bengaluru 560070 - Karnataka India

Email: info@cagrameen.in
Telephone: +91 80 22637300

CreditAccess Life Insurance Ltd. #595, 1st Floor, 15th Cross, 1st Phase, J.P. Nagar Bengaluru - 560078 - Karnataka India

Email: contact@calife.in
Telephone: +91 80 6997 8070



To: the shareholders of CreditAccess India B.V.

Grant Thornton
Accountants en Adviseurs B.V.
Flemingweg 10
P.O. Box 2259
2400 CG Alphen aan den Rijn
The Netherlands

T 088 - 676 90 00 F 088 - 676 90 10 www.gt.nl

INDEPENDENT AUDITOR'S REPORT

A. Report on the audit of the financial statements

Our Opinion

We have audited the accompanying financial statements for the year ended 31 March 2025 of CreditAccess India B.V., based in Amsterdam. The financial statements comprise of the consolidated financial statements and the company financial statements.

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of CreditAccess India B.V. as at 31 March 2025 and of its result and its cash flows for 2024/2025 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- the accompanying company financial statements give a true and fair view of the financial position of CreditAccess India B.V. as at 31 March 2025 and of its result for the year ended 31 March 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 March 2025;
- the following statements for the year ended 31 March 2025; the consolidated statement of income, the consolidated statements of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows; and
- the notes comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

- the company statement of financial position as at 31 March 2025;
- 2 the company statement of income for the year ended 31 March 2025; and
- the notes comprising a summary of the accounting policies and other explanatory information.



Basis for Our Opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent CreditAccess India B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

Audit approach fraud risks

For the board's responsibilities regarding fraud, we refer to the following paragraph in the section 'responsibilities of management for the financial statements':

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In accordance with the objective in the Dutch Standards of Auditing, we have identified and assessed the risks at the level of the financial statements and assertions for material misstatement due to fraud. In doing so, we paid attention to the possibility of fraudulent financial reporting, the withdrawal of funds (assets) from the company and the possibility of bribery and corruption.

We obtained an understanding of the entity and its environment, and components of the internal control environment.

In the table below we describe the main fraud risks that required our (significant) attention and the related work performed by us.

Fraud risk identified	Audit v	work performed
Fraudulent customer records linked to risk of fraud in revenue recognition (occurrence and accuracy of interest income) and existence of the loan portfolio	-	Evaluated the design of the internal control environment and of the processes around Loan portfolio and interest earned on loans; Review of the revenue recognition policies for appropriateness and consistency with the prior period; Test of operating effectiveness on manual controls surrounding loans issued and test of automated control on the interest calculation;



	 Tested the accuracy of the interest calculation by recalculating an sample of the existence of the interest income; Tested the accuracy and completeness of loan portfolio by sampling loan portfolio and supporting loan documents. Rationalisation of the overall interest income calculation (Substantive analytical); Recalculation of the sample of the loan amortisation schedules; Test of detail on the interest, loan processing fees and other charges on sample basis and compare with the recorded amounts.
Risk of management override of controls	 Journal entry testing, specific procedures on the journal entries processed manually and user analysis were included; Examination of the consolidation entries and other adjustments made for the preparation of the financial statements; Reviewed significant accounting estimates for management biases that could result in material misstatement due to fraud. As part of this we performed a retrospective review and evaluated the judgements and decisions made by management in making the estimates in current year; Reviewed management's process for determining expected credit loss, including; an assessment of whether the method and assumptions chosen are appropriate and consistent with the board approved policy for measuring credit risk and lending exposure. Test completeness and accuracy of the calculation on a sample basis and reconciled to supporting loan documents. Tested the inputs in the model including comparison to accepted practice

We incorporated an element of unpredictability in our audit.



Audit approach going concern

Our responsibilities as well as the responsibilities of the management board, are outlined under the prevailing standards in the "C. Description of responsibilities regarding the financial statements" section below. In fulfilling our responsibilities, we performed the following procedures:

- Considering whether management's going concern assessment includes all relevant
 information of which we are aware as a result of our audit, inquired with management
 regarding the most important assumptions underlying their going concern assessment
 and considering whether management identified events or conditions that may cast
 significant doubt on the Company's ability to continue as a going concern
- verify that management has not identified any events or circumstances that may cast reasonable doubt on the entity's ability to continue as a going concern (hereinafter: going concern risks);
- We have analysed the company's financial position as at year-end and compared this
 to the previous financial years in terms of indicators that could identify significant
 going concern risks.
- Inquiries of management as to their knowledge of going concern risks beyond the period of management's assessment.

Our audit procedures have not provided any information contrary to the assumptions and considerations of the board on the going concern assumption used.

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information, that consists of:

- the Director's report;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.



Management is responsible for the preparation of the management board's report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

C. Description of responsibilities regarding the financial statements

Responsibilities of management board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our Responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

Identifying and assessing the risks of material misstatement of the financial statements,
whether due to fraud or error, designing and performing audit procedures responsive to
those risks, and obtaining audit evidence that is sufficient and appropriate to provide a
basis for our opinion. The risk of not detecting a material misstatement resulting from
fraud is higher than for one resulting from error, as fraud may involve collusion, forgery,
intentional omissions, misrepresentations, or the override of internal control;



- Obtaining an understanding of internal control relevant to the audit in order to design
 audit procedures that are appropriate in the circumstances, but not for the purpose of
 expressing an opinion on the effectiveness of the company's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- Evaluating the overall presentation, structure, and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising, and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

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

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Amsterdam, 17 July 2025

Grant Thornton Accountants en Adviseurs B.V.

D.Basant RA