



36. STAFF STRENGTH

As at June 30, 2026 (continued)

Continued

MFR's own staff strength at the end of the period

Average number of employees during the period

Credit / Staff	Working / Support	Total
Staff	Staff	Staff
751	678	1,429
196	52	252
927	732	1,659
927	732	1,659
As at June 30, 2025 (continued)		
758	682	1,440
210	52	262
968	734	1,702

MFR's own staff strength at the end of the period

37. NUMBER OF BRANCHES

Branches	June 30, 2026		June 30, 2025	
	Branches	Staff	Branches	Staff
Branches at the beginning of the period	114	112	114	112
Less: Closed during the period	1	1	1	1
Branches at the end of the period	113	111	113	111

40. DEFINED BENEFIT PLAN

40.1 General Description

As disclosed in note 4.0.2 the Bank operates an unfunded gratuity scheme for all its employees, who have completed minimum qualifying period of service. Gratuities are payable to the employees at the retirement or termination or death, resignation or permanent disability. The normal retirement age is 60 years.

The gratuity is payable under the following policy rule:

Length of service less than 3 years: Nil

Length of service greater than 3 years: One month's basic salary for each year of service

40.2 Number of Employees under the Scheme

The number of employees covered under the following defined benefit schemes are:

June 2026	December 2025
Numbers	Numbers
1,104	1,087

40.3 Principal actuarial assumptions

The disclosure made below are based on the information included in the actuarial valuation report of the Bank as at June 30, 2026.

June 2026	December 2025
Numbers	Numbers
1,104	1,087

Discount rate used for grant and loan charge

Discount rate for period year and obligation

Expected rate of salary increase

June 2026	December 2025
Numbers	Numbers
1,104	1,087

40.4 Fair value of obligations

June 2026	December 2025
Numbers	Numbers
1,104	1,087

40.5 Movement in payable under defined benefit schemes

Opening balance

Contribution made during the period / year

Charge for the period / year

The measurement has recognised in OCI during the period / year

Less: Benefits paid

Closing balance

June 2026	December 2025
Numbers	Numbers
1,104	1,087

40.6 Charge for defined benefit plans

Current service cost

Interest cost

Expected return

June 2026	December 2025
Numbers	Numbers
1,104	1,087

40.7 No measurement recognised in OCI during the period / year

Level 1 gains or losses

Measurement assumptions

Experience adjustment

Total measurement recognised in OCI

June 2026	December 2025
Numbers	Numbers
1,104	1,087

40.8 Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected rate of salary increase. The sensitivity analysis below have been prepared on the basis of reasonably possible changes of the actuarial assumptions occurring at the end of the reporting period, while holding all other actuarial assumptions constant.

June 2026	December 2025
Numbers	Numbers
1,104	1,087

100 bps increase in discount rate

100 bps decrease in discount rate

100 bps increase in expected rate of salary increase

100 bps decrease in expected rate of salary increase

June 2026	December 2025
Numbers	Numbers
1,104	1,087

40.9 Expected charge for the next financial period / year

June 2026	December 2025
Numbers	Numbers
1,104	1,087

41. RELATED PARTY TRANSACTIONS

During the year, the Bank's related parties comprise all directors, key management personnel, shareholders, associated company and employee related Ltd. Transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	June 30, 2026					December 31, 2025				
	CEO	Key management personnel	Directors	Associate/Related Party	Key management personnel	CEO	Key management personnel	Directors	Associate/Related Party	Key management personnel
ADVANCES										
Opening balance	25,000,000	115,875,000	-	-	-	25,000,000	115,875,000	-	-	-
Advances - transfer in / transfer out	(2,880,000)	(7,238,000)	-	-	-	(2,880,000)	(7,238,000)	-	-	-
Advances during the period / year	1,000,000	10,710,000	-	-	-	1,000,000	10,710,000	-	-	-
Repaid during the period / year	(1,000,000)	(9,791,700)	-	-	-	(1,000,000)	(9,791,700)	-	-	-
Closing balance	25,120,000	119,555,300	-	-	-	25,120,000	119,555,300	-	-	-
OTHER ASSETS										
Interest - mark up received	-	-	-	-	-	-	-	-	-	-
DEPOSITS AND OTHER ACCOUNTS										
Opening balance	1,963,817	65,415,297	54,901	5,772,393,411	15,326	1,963,817	65,415,297	54,901	5,772,393,411	15,326
Advances due to change in related parties net	(1,963,817)	(17,238,000)	-	-	-	(1,963,817)	(17,238,000)	-	-	-
Received during the period / year	100,000,000	51,400,000	801,800	6,979,360,000	555,654,000	100,000,000	51,400,000	801,800	6,979,360,000	555,654,000
Withdrawn during the period / year	(100,000,000)	(51,400,000)	(801,800)	(6,979,360,000)	(555,654,000)	(100,000,000)	(51,400,000)	(801,800)	(6,979,360,000)	(555,654,000)
Closing balance	0	19,577,297	-	120,100,000	120,100,000	0	19,577,297	-	120,100,000	120,100,000
OTHER LIABILITIES										
Mark-up / return - interest payable	-	-	-	-	-	-	-	-	-	-
TRANSACTION DURING THE YEAR										
Interest	222,000	1,000,000	-	-	-	222,000	1,000,000	-	-	-
Mark-up / return - interest earned	-	-	-	-	-	-	-	-	-	-
EXPENSES										
Mark-up / return - interest expense	277,000	1,140,000	800,000	-	-	277,000	1,140,000	800,000	-	-
Contribution to provision fund	-	-	-	-	-	-	-	-	-	-

Continued

