



## INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 31 March 2022

	<b>Unaudited</b>	Unaudited	Audited
	<b>Mar-22</b>	Mar-21	Dec-21
	<b>Rs 000</b>	Rs 000	Rs 000
<b>ASSETS</b>			
Cash and cash equivalents	5,712,741	6,049,943	5,112,014
Loans and advances to banks	2,254,461	1,304,275	3,294,041
Loans and advances to customers	12,868,545	12,166,541	13,398,400
Investment securities	2,977,312	2,308,345	2,222,586
Derivative financial instruments	47	9,291	38
Investment in subsidiary	-	82,360	-
Property and equipment	79,300	119,219	90,277
Intangible assets	30,631	33,579	28,809
Deferred tax assets	95,983	92,459	95,983
Other assets	2,122,365	1,652,839	3,032,008
<b>Total assets</b>	<b>26,141,385</b>	23,818,851	27,274,156
<b>LIABILITIES</b>			
Deposits from banks	4,454,478	2,781,330	3,148,830
Deposits from customers	13,434,181	13,874,431	14,707,108
Borrowed funds	4,352,335	3,779,689	4,585,387
Current tax liabilities	869	-	869
Provisions	80,754	78,360	89,824
Other liabilities	1,627,680	1,126,218	2,576,168
<b>Total liabilities</b>	<b>23,950,297</b>	21,640,028	25,108,186
<b>Equity</b>			
Share capital	2,218,065	2,218,065	2,218,065
Retained earnings	(153,814)	(228,796)	(187,664)
Reserves	126,837	189,554	135,569
<b>Total equity</b>	<b>2,191,088</b>	2,178,823	2,165,970
<b>Total liabilities and equity</b>	<b>26,141,385</b>	23,818,851	27,274,156

These financial statements have been approved by the Board of Directors on 13<sup>th</sup> May 2022.

Abdelwafi ATIF  
Chief Executive Officer

Kamal MOKDAD  
Chairperson

Jean-Louis VINCIGUERRA  
Chairperson, Audit Committee



## INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2022

	<b>Unaudited Quarter ended Mar-22 Rs 000</b>	Unaudited Quarter ended Mar-21 Rs 000	Audited Year ended Dec-21 Rs 000
Interest income	<b>133,205</b>	132,467	544,364
Interest expense	<b>(42,650)</b>	(40,825)	(170,423)
<b>Net interest income</b>	<b>90,555</b>	91,642	373,941
Fee and commission income	<b>26,034</b>	21,665	92,477
Fee and commission expense	<b>(4,505)</b>	(4,780)	(22,934)
<b>Net fee and commission income</b>	<b>21,529</b>	16,885	69,543
Net trading income	<b>20,003</b>	15,212	75,790
Net gain on investment held at fair value through profit or loss	-	19,707	-
Net gain from sale of investment	-	-	22,849
Other revenue	<b>334</b>	2,765	2,284
	<b>41,866</b>	54,569	170,466
<b>Revenue</b>	<b>132,421</b>	146,211	544,407
Personnel expenses	<b>(55,021)</b>	(57,887)	(236,948)
Operating lease expenses	<b>(2,453)</b>	(2,221)	(26,696)
Depreciation and amortisation	<b>(15,407)</b>	(22,821)	(58,056)
Other expenses	<b>(33,682)</b>	(33,453)	(129,237)
	<b>(106,563)</b>	(116,382)	(450,937)
<b>Operating profit</b>	<b>25,858</b>	29,829	93,470
Net impairment gain / (loss) on financial assets	<b>7,992</b>	(20,066)	(76,993)
<b>Profit before tax</b>	<b>33,850</b>	9,763	16,477
Taxation credit	-	-	2,655
<b>Profit for the period</b>	<b>33,850</b>	9,763	19,132
<b>Other comprehensive income :</b>			
<i>Items that may be reclassified to profit or loss</i>			
Net change in fair value of financial assets through other comprehensive income	<b>(8,732)</b>	(8,906)	(37,666)
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of retirement benefit obligations	-	-	6,538
<b>Other comprehensive income for the period</b>	<b>(8,732)</b>	(8,906)	(31,128)
<b>Total comprehensive income for the period</b>	<b>25,118</b>	857	(11,996)



## INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2022

	Share Capital Rs 000	Statutory Reserve Rs 000	General Banking Reserve Rs 000	Fair Value Reserve Rs 000	Retained Earnings Rs 000	Total Rs 000
<b>Balance at 01 January 2021</b>	<b>2,218,065</b>	<b>104,294</b>	-	<b>66,071</b>	<b>(210,464)</b>	<b>2,177,966</b>
<b>Total comprehensive income</b>						
Profit for the year	-	-	-	-	19,132	19,132
Other comprehensive income	-	-	-	(37,666)	6,538	(31,128)
Transfer to statutory reserve	-	2,870	-	-	(2,870)	-
Total comprehensive income	-	2,870	-	(37,666)	22,800	(11,996)
<b>Balance at 31 December 2021</b>	<b>2,218,065</b>	<b>107,164</b>	-	<b>28,405</b>	<b>(187,664)</b>	<b>2,165,970</b>
<b>Balance at 01 January 2022</b>	<b>2,218,065</b>	<b>107,164</b>	-	<b>28,405</b>	<b>(187,664)</b>	<b>2,165,970</b>
<b>Total comprehensive income</b>						
Profit for the period	-	-	-	-	33,850	33,850
Other comprehensive loss	-	-	-	(8,732)	-	(8,732)
Transfer to statutory reserve	-	-	-	-	-	-
Total comprehensive income	-	-	-	(8,732)	33,850	25,118
<b>Balance at 31 March 2022</b>	<b>2,218,065</b>	<b>107,164</b>	-	<b>19,673</b>	<b>(153,814)</b>	<b>2,191,088</b>



## INTERIM CONDENSED STATEMENT OF CASH FLOWS

For the three months ended 31 March 2022

	Unaudited Quarter ended Mar-22 Rs 000	Unaudited Quarter ended Mar-21 Rs 000	Audited Year ended Dec-21 Rs 000
<b>Cash flows from operating activities</b>			
<b>Profit before tax</b>	<b>33,850</b>	9,763	16,477
Adjustments for :			
- Depreciation and amortisation	<b>15,407</b>	22,821	58,056
- Net impairment (gain) / loss on financial assets	<b>(7,992)</b>	20,066	76,993
- Net gain on investment held at fair value through profit or loss	-	(19,707)	-
- Profit on sale of investment	-	-	(22,849)
- Profit on sale of property and equipment	-	-	(294)
- Net interest income	<b>(90,555)</b>	(91,642)	(373,941)
- Unrealised foreign exchange gain	<b>(802)</b>	(14,630)	(1,133)
	<b>(50,092)</b>	(73,329)	(246,691)
<b>Changes in:</b>			
- Loans and advances to banks	<b>1,094,668</b>	344,028	(1,580,063)
- Loans and advances to customers	<b>697,374</b>	(21,936)	(870,785)
- Investment securities	<b>(755,155)</b>	(75,811)	52,987
- Other assets	<b>889,189</b>	(241,476)	(1,586,814)
- Deposits from banks	<b>1,223,875</b>	212,945	426,390
- Deposits from customers	<b>(1,421,413)</b>	(164,262)	223,887
- Other liabilities	<b>(971,097)</b>	254,876	1,711,257
	<b>707,349</b>	235,035	(1,869,832)
Interest received	<b>157,706</b>	132,676	512,345
Interest paid	<b>(37,048)</b>	(48,364)	(201,404)
Net cash generated from / (used in) operating activities	<b>828,007</b>	319,347	(1,558,891)
<b>Cash flows from investing activities</b>			
- Proceeds from sale of investment in subsidiary	-	-	85,503
- Acquisition of property and equipment	<b>(382)</b>	(210)	(3,767)
- Proceeds from sale of property and equipment	-	-	1,526
- Acquisition of intangible assets	<b>(5,871)</b>	(6,279)	(15,630)
Net cash (used in) / generated from investing activities	<b>(6,253)</b>	(6,489)	67,632
<b>Cash flows from financing activities</b>			
- Repayment of borrowed funds	<b>(309,816)</b>	(625,939)	(24,902)
- Acquisition of intangible assets	<b>(6,920)</b>	(7,191)	(13,818)
<b>Net cash used in financing activities</b>	<b>(316,736)</b>	(633,130)	(38,720)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>505,018</b>	(320,272)	(1,529,979)
Cash and cash equivalents at 01 January	<b>5,112,014</b>	6,297,870	6,297,870
Effect of exchange rate fluctuations on cash and cash equivalents held	<b>95,709</b>	72,345	344,123
<b>Cash and cash equivalents at end of period</b>	<b>5,712,741</b>	6,049,943	5,112,014



## **ACCOUNTING POLICIES**

The unaudited interim condensed financial statements have been prepared using the same accounting policies as those adopted in the audited financial statements for the year ended 31 December 2021, and in accordance with the Bank of Mauritius Guidelines on Public Disclosure of Information and IAS 34 'Interim Financial Reporting'. There have been no new standards or interpretations, which have been adopted in the first three months ended 31 March 2022.

## **FINANCIAL HIGHLIGHTS**

The Bank reported profit after tax of Rs 34 million for the first quarter of 2022, representing a year-on-year growth of Rs 24 million.

Excluding the one-off net gain on sale of investment in subsidiary of Rs 20 million recognized in the first quarter of 2021, the Bank's revenue grew by Rs 6 million and 5%, as compared to the corresponding quarter ended 31 March 2021, mainly attributable to higher fee and commission income, and trading income.

On the other hand, a decrease of 8% was registered in operating expenses in the first three months ended 31 March 2022. Hence, the cost to income ratio moved from 79.6% to 80.5% for the quarter under review.

The Bank's gross loans and advances decreased by Rs 1.6 billion from December 2021 to reach Rs 16.5 billion. In the current global economic context, investment opportunities remained subdued. Nevertheless, the Bank's asset book is expected to improve substantially during forthcoming quarters. Deposits remained nearly at the same level as December 2021, that is at Rs 17.9 billion. With an expansion of the term deposits as at end of March 2022, the CASA (Current Account Savings Account) ratio declined from 62.4% in December 2021 to 57.2% as at end of March 2022.

Impaired assets remained stable during the quarter under review, standing at Rs 1.4 billion as at March 2022. As a result of the contraction of the loans and advances base, the non-performing asset ratio increased from 7.5% in December 2021 to 8.3% in March 2022. For its part, the specific provision coverage ratio remained at a satisfactory level of 67.8%.

As at 31 March 2022, the MUR and all-currency liquidity coverage ratios continued to remain above the respective regulatory requirements of 100%.

With regards to capital requirement, the Bank's capital adequacy ratio closed at 13.60% (12.56% in December 2021), against a regulatory limit of 11.875%.