

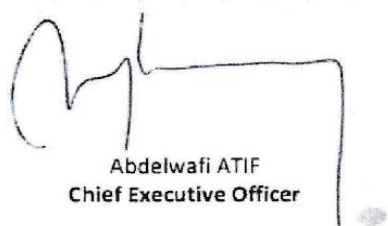


## INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

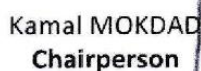
As at 30 September 2022

	Unaudited Sep-22 Rs 000	Unaudited Sep-21 Rs 000	Audited Dec-21 Rs 000
<b>ASSETS</b>			
Cash and cash equivalents	3,408,211	5,105,364	5,112,014
Loans and advances to banks	3,417,731	2,524,913	3,294,041
Loans and advances to customers	12,597,290	13,640,492	13,398,400
Investment securities	2,607,530	2,257,974	2,222,586
Derivative financial instruments	-	100	38
Investment held for sale	-	24,934	-
Property and equipment	53,798	98,252	90,277
Intangible assets	24,287	29,832	28,809
Deferred tax assets	66,881	92,459	95,983
Other assets	2,424,610	2,511,055	3,032,008
<b>Total assets</b>	<b>24,600,338</b>	<b>26,285,375</b>	<b>27,274,156</b>
<b>LIABILITIES</b>			
Deposits from banks	1,902,245	2,867,470	3,148,830
Deposits from customers	13,534,308	14,971,699	14,707,108
Borrowed funds	4,854,219	4,325,474	4,585,387
Derivatives financial instruments	6,645	-	-
Current tax liabilities	652	-	869
Provisions	74,831	72,340	89,824
Other liabilities	1,945,884	1,911,971	2,576,168
<b>Total liabilities</b>	<b>22,318,784</b>	<b>24,148,954</b>	<b>25,108,186</b>
<b>Equity</b>			
Share capital	2,218,065	2,218,065	2,218,065
Retained earnings	(48,227)	(245,585)	(187,664)
Reserves	111,716	163,941	135,569
<b>Total equity</b>	<b>2,281,554</b>	<b>2,136,421</b>	<b>2,165,970</b>
<b>Total liabilities and equity</b>	<b>24,600,338</b>	<b>26,285,375</b>	<b>27,274,156</b>

These financial statements have been approved by the Board of Directors on 9<sup>th</sup> November 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 quarter and nine months ended 30 September 2022

	Unaudited Quarter ended Sep-22 Rs 000	Unaudited Quarter ended Sep-21 Rs 000	Unaudited Nine months ended Sep-22 Rs 000	Unaudited Nine months ended Sep-21 Rs 000	Audited Year ended Dec-21 Rs 000
Interest income	184,928	138,176	462,608	397,927	544,364
Interest expense	(56,885)	(44,301)	(144,103)	(127,722)	(170,423)
<b>Net interest income</b>	<b>128,043</b>	93,875	<b>318,505</b>	270,205	373,941
Fee and commission income	22,143	24,193	72,435	66,957	92,477
Fee and commission expense	(7,840)	(4,746)	(19,213)	(16,691)	(22,934)
<b>Net fee and commission income</b>	<b>14,303</b>	19,447	<b>53,222</b>	50,266	69,543
Net trading income	19,663	19,111	58,305	56,142	75,790
Net gain on investment held at fair value through profit or loss	-	2,773	-	22,480	-
Net gain from sale of investment	-	-	-	-	22,849
Net gain from sale of securities	3,105	-	3,105	-	-
Other revenue	745	169	1,188	1,199	2,284
	<b>37,816</b>	41,500	<b>115,820</b>	130,087	170,466
<b>Revenue</b>	<b>165,859</b>	135,375	<b>434,325</b>	400,292	544,407
Personnel expenses	(53,167)	(56,097)	(164,907)	(168,013)	(236,948)
Operating lease expenses	(2,488)	(2,501)	(7,431)	(7,353)	(26,696)
Depreciation and amortisation	(15,317)	(16,869)	(46,112)	(57,290)	(58,056)
Other expenses	(37,350)	(43,666)	(110,562)	(101,184)	(129,237)
	<b>(108,322)</b>	(119,133)	<b>(329,012)</b>	(333,840)	(450,937)
<b>Operating profit</b>	<b>57,537</b>	16,242	<b>105,313</b>	66,452	93,470
Net impairment gain/(loss) on financial assets	20,295	(1,367)	64,429	(84,402)	(76,993)
<b>Profit/(loss) before tax</b>	<b>77,832</b>	14,875	<b>169,742</b>	(17,950)	16,477
Taxation (charge)/credit	(29,753)	-	(29,753)	-	2,655
<b>Profit/(loss) for the period</b>	<b>48,079</b>	14,875	<b>139,989</b>	(17,950)	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	(9,785)	7,033	(23,853)	(34,519)	(37,666)
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurement of retirement benefit obligations	-	-	(552)	10,924	6,538
<b>Other comprehensive income for the period</b>	<b>(9,785)</b>	7,033	<b>(24,405)</b>	(23,595)	(31,128)
<b>Total comprehensive income for the period</b>	<b>38,294</b>	21,908	<b>115,584</b>	(41,545)	(11,996)



## INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 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>-</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>-</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>-</b>	<b>28,405</b>	<b>(187,664)</b>	<b>2,165,970</b>
<b>Total comprehensive income</b>						
Profit for the period	-	-	-	-	139,989	139,989
Other comprehensive loss	-	-	-	(23,853)	(552)	(24,405)
Transfer to statutory reserve	-	-	-	-	-	-
Total comprehensive income	-	-	-	(23,853)	139,437	115,584
<b>Balance at 30 September 2022</b>	<b>2,218,065</b>	<b>107,164</b>	<b>-</b>	<b>4,552</b>	<b>(48,227)</b>	<b>2,281,554</b>



## INTERIM CONDENSED STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2022

	Unaudited Nine months ended Sep-22 Rs 000	Unaudited Nine months ended Sep-21 Rs 000	Audited Year ended Dec-21 Rs 000
<b>Cash flows from operating activities</b>			
<b>Profit/(loss) before tax</b>	<b>169,742</b>	(17,950)	16,477
Adjustments for :			
- Depreciation and amortisation	<b>46,112</b>	57,290	58,056
- Net impairment (gain)/loss on financial assets	<b>(64,429)</b>	84,402	76,993
- Net gain on investment held at fair value through profit or loss	-	(22,480)	-
- Profit on sale of investment	-	-	(22,849)
- Profit on sale of property and equipment	-	(230)	(294)
- Profit on sale of investment securities	<b>(3,105)</b>	-	-
- Net interest income	<b>(318,505)</b>	(270,205)	(373,941)
- Unrealised foreign exchange loss/(gain)	<b>9,982</b>	(1,448)	(1,133)
	<b>(160,203)</b>	(170,621)	(246,691)
<b>Changes in:</b>			
- Loans and advances to banks	<b>(183,991)</b>	(804,319)	(1,580,063)
- Loans and advances to customers	<b>719,011</b>	(1,175,140)	(870,785)
- Investment securities	<b>(401,515)</b>	(969,604)	52,987
- Other assets	<b>594,834</b>	(1,066,790)	(1,586,814)
- Deposits from banks	<b>(1,207,323)</b>	165,516	426,390
- Deposits from customers	<b>(1,219,957)</b>	538,309	223,887
- Other liabilities	<b>(457,965)</b>	1,020,370	1,711,257
	<b>(2,317,109)</b>	(2,462,279)	(1,869,832)
Interest received	<b>479,158</b>	384,132	512,345
Interest paid	<b>(131,453)</b>	(139,481)	(201,404)
Income tax paid	<b>(869)</b>	-	-
<b>Net cash used in operating activities</b>	<b>(1,970,273)</b>	(2,217,628)	(1,558,891)
<b>Cash flows from investing activities</b>			
- Proceeds from sale of investment in subsidiary	-	60,200	85,503
- Acquisition of property and equipment	<b>(2,361)</b>	(2,273)	(3,767)
- Proceeds from sale of property and equipment	-	1,175	1,526
- Acquisition of intangible assets	<b>(7,362)</b>	(11,604)	(15,630)
<b>Net cash (used in)/generated from investing activities</b>	<b>(9,723)</b>	47,498	67,632
<b>Cash flows from financing activities</b>			
- Repayment of borrowed funds	<b>461,872</b>	(290,512)	(24,902)
- Payment on lease liabilities	<b>(21,102)</b>	(21,840)	(13,818)
<b>Net cash generated from/(used in) financing activities</b>	<b>440,770</b>	(312,352)	(38,720)
<b>Net decrease in cash and cash equivalents</b>	<b>(1,539,227)</b>	(2,482,482)	(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>(164,576)</b>	1,289,976	344,123
<b>Cash and cash equivalents at end of period</b>	<b>3,408,211</b>	5,105,364	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 third semester ended 30 September 2022.

## **FINANCIAL HIGHLIGHTS**

The Bank remained resilient and a notable performance was witnessed on earning metrics for the period.

For the nine months ended 30 September 2022, the Bank reported a profit after tax was Rs 140 million, compared to a loss of Rs 18 million over the same period last year. This performance resulted from higher revenue and a net impairment gain on financial assets.

Indeed, revenue continued to show significant annual growth in 2022. When adjusted with the net gain of Rs 22 million from the sale of investment recognised in the accounts for the first 9 months of 2021, the increase in revenue was 15%, from Rs 378 million to Rs 434 million. This was largely attributable to higher yields on assets and the rise in commission income.

The cost to income ratio improved from 83.4% a year earlier to 75.8% for the period.

The Bank's gross loans and advances remained relatively flat during the quarter and amounted to Rs 17.2 billion in September 2022. The deposit base fell by 14% to Rs 15.4 billion at the end of September 2022 compared to December 2021 as a result of the strategy to exit some high-cost deposits.

With regards to credit risk, impaired assets were managed down from Rs 1.3 billion (NPL ratio of 7.5%) to Rs 1.1 billion at the end of September 2022 (NPL ratio of 6.6%). The exit of one of the largest non-performing exposures in the second quarter of 2022 and the absence of deterioration in credit risk over the period are the main reasons for this improvement. The specific provision coverage ratio remained at a satisfactory level of 59.9% in September 2022.

As at 30 September 2022, the MUR and all-currency liquidity coverage ratios were still above the respective regulatory requirements of 100%.

The Bank's Capital Adequacy Ratio stood at 12.95% against a regulatory limit of 12.50%.