

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	Unaudited Sep-23 Rs 000	Unaudited Sep-22 Rs 000	Audited Dec-22 Rs 000
ASSETS			
Cash and cash equivalents	7,571,685	3,408,211	5,031,845
Loans and advances to banks	4,947,682	3,417,731	4,082,741
Loans and advances to customers	13,419,530	12,597,290	13,265,759
Investment securities	1,351,668	2,607,530	1,686,317
Derivative financial instruments	122	-	133
Property and equipment	42,365	53,798	51,202
Intangible assets	50,833	24,287	25,646
Deferred tax assets	65,285	66,881	67,514
Other assets	3,316,212	2,424,610	2,993,788
Total assets	30,765,382	24,600,338	27,204,945
LIABILITIES			
Deposits from banks	3,831,782	1,902,245	3,149,054
Deposits from customers	15,199,367	13,534,308	11,675,660
Borrowed funds	5,350,778	4,854,219	6,882,728
Subordinated liability	863,134	-	464,654
Derivative financial instruments	-	6,645	-
Current tax liabilities	10,533	652	868
Provisions	103,555	74,831	101,023
Other liabilities	2,767,506	1,945,884	2,500,985
Total liabilities	28,126,655	22,318,784	24,774,972
Equity			
Share capital	2,398,825	2,218,065	2,398,825
Retained earnings	116,660	(48,227)	(74,308)
Reserves	123,242	111,716	105,456
Total equity	2,638,727	2,281,554	2,429,973
Total liabilities and equity	30,765,382	24,600,338	27,204,945

These financial statements have been approved by the Board of Directors on 13th November 2023.



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 2023

	Unaudited Quarter ended Sep-23 Rs 000	Unaudited Quarter ended Sep-22 Rs 000	Unaudited Nine months ended Sep-23 Rs 000	Unaudited Nine months ended Sep-22 Rs 000	Audited Year ended Dec-22 Rs 000
Interest income	380,037	184,928	1,050,128	462,608	691,792
Interest expense	(213,489)	(56,885)	(554,817)	(144,103)	(244,476)
Net interest income	166,548	128,043	495,311	318,505	447,316
Fee and commission income	24,668	22,143	66,461	72,435	97,312
Fee and commission expense	(6,138)	(7,840)	(17,105)	(19,213)	(29,956)
Net fee and commission income	18,530	14,303	49,356	53,222	67,356
Net trading income	13,654	19,663	44,245	58,305	85,493
Net gain from sale of securities	-	3,105	-	3,105	3,104
Other revenue	2,622	745	4,695	1,188	2,427
	34,806	37,816	98,296	115,820	158,380
Revenue	201,354	165,859	593,607	434,325	605,696
Personnel expenses	(59,194)	(53,167)	(172,059)	(164,907)	(257,730)
Operating lease expenses	(1,175)	(2,488)	(5,763)	(7,431)	(12,034)
Depreciation and amortisation	(9,200)	(15,317)	(27,033)	(46,112)	(58,570)
Other expenses	(44,011)	(37,350)	(121,637)	(110,562)	(160,524)
	(113,580)	(108,322)	(326,492)	(329,012)	(488,858)
Operating profit	87,774	57,537	267,115	105,313	116,838
Net impairment gain/(loss) on financial assets	36,421	20,295	(57,039)	64,429	57,514
Profit before tax	124,195	77,832	210,076	169,742	174,352
Taxation charge	(7,684)	(29,753)	(12,763)	(29,753)	(29,757)
Profit for the period	116,511	48,079	197,313	139,989	144,595
Other comprehensive income, net of tax:					
<i>Items that may be reclassified to profit or loss</i>					
Net change in fair value of financial assets through other comprehensive income	9,251	(9,785)	17,786	(23,853)	(51,802)
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurement of retirement benefit obligations	(6,345)	-	(6,345)	(552)	(9,550)
Other comprehensive income/(loss) for the period	2,906	(9,785)	11,441	(24,405)	(61,352)
Total comprehensive income for the period	119,417	38,294	208,754	115,584	83,243

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

As at 30 September 2023

	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
Balance at 01 January 2022	2,218,065	107,164	-	28,405	(187,664)	2,165,970
Increase in share capital	180,760	-	-	-	-	180,760
Total comprehensive income						
Profit for the year	-	-	-	-	144,595	144,595
Other comprehensive income	-	-	-	(51,802)	(9,550)	(61,352)
Transfer to statutory reserve	-	21,689	-	-	(21,689)	-
Total comprehensive income	-	21,689	-	(51,802)	113,356	83,243
Balance at 31 December 2022	2,398,825	128,853	-	(23,397)	(74,308)	2,429,973
Balance at 01 January 2023	2,398,825	128,853	-	(23,397)	(74,308)	2,429,973
Total comprehensive income						
Profit for the period	-	-	-	-	197,313	197,313
Other comprehensive income	-	-	-	17,786	(6,345)	11,441
Transfer to statutory reserve	-	-	-	-	-	-
Total comprehensive income	-	-	-	17,786	190,968	208,754
Balance at 30 September 2023	2,398,825	128,853	-	(5,611)	116,660	2,638,727

INTERIM CONDENSED STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2023

	Unaudited Nine months ended Sep-23 Rs 000	Unaudited Nine months ended Sep-22 Rs 000	Audited Year ended Dec-22 Rs 000
Cash flows from operating activities			
Profit before tax	210,076	169,742	174,352
Adjustments for:			
- Depreciation and amortisation	27,033	46,112	58,570
- Net impairment loss/(gain) on financial assets	57,039	(64,429)	(57,514)
- Net gain on sales of property and equipment	(3,634)	-	(230)
- Net gain on sales of securities	-	(3,105)	(3,104)
- Net interest income	(495,311)	(318,505)	(447,316)
- Unrealised foreign exchange (gain)/loss	(5,906)	9,982	(12,434)
	(210,703)	(160,203)	(287,676)
Changes in:			
- Loans and advances to banks	(816,026)	(183,991)	(885,279)
- Loans and advances to customers	(53,478)	719,011	31,431
- Investment securities	317,844	(401,515)	382,594
- Other assets	(258,942)	594,834	(32,608)
- Deposits from banks	646,294	(1,207,323)	56,882
- Deposits from customers	3,507,204	(1,219,957)	(2,951,093)
- Other liabilities	99,181	(457,965)	881
	3,231,374	(2,317,109)	(3,684,868)
Interest received	1,015,510	479,158	665,222
Interest paid	(408,187)	(129,177)	(203,743)
Income tax paid	(868)	(869)	(869)
Net cash used in operating activities	3,837,829	(1,967,997)	(3,224,258)
Cash flows from investing activities			
- Acquisition of property and equipment	(8,499)	(2,361)	(2,870)
- Proceeds from sales of property and equipment	18,716	-	1,175
- Acquisition of intangible assets	(34,956)	(7,362)	(7,298)
Net cash (used in)/generated from investing activities	(24,739)	(9,723)	(8,993)
Cash flows from financing activities			
- Proceeds from issue of subordinated liability	399,918	-	459,598
- (Repayment)/proceeds from issue of borrowed funds	(1,706,126)	461,872	2,454,531
- Proceeds from issue of shares	-	-	180,760
- Payment of lease liabilities	(14,544)	(21,103)	(25,698)
- Interest paid on lease liabilities	(1,416)	(2,276)	(2,951)
Net cash used in financing activities	(1,322,168)	438,494	3,066,240
Net decrease in cash and cash equivalents	2,490,922	(1,539,227)	(1,67,011)
Cash and cash equivalents at 01 January	5,031,845	5,112,014	5,112,014
Effect of exchange rate fluctuations on cash and cash equivalents held	48,918	(164,576)	86,842
Cash and cash equivalents at end of period	7,571,685	3,408,211	5,031,845

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 2022, 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 nine months ended 30 September 2023.

FINANCIAL HIGHLIGHTS

The Bank continued to maintain a strong performance during the third quarter of its financial year, and for the nine months under review, the operating income on a comparable basis increased by 154% to reach Rs 267.1 million.

This resulted in a rise by more than 40% of the net profit after tax, which stood at Rs 197.3 million.

While non-interest income decreased by 15% mainly due to unfavourable market conditions, net interest income witnessed a growth of 56%, boosted by improved margin on assets.

Revenue increased by 37% to reach Rs 593.6 million. Operating expenses were contained, thus leading to an appreciable improvement of the cost-to-income ratio: 55% as opposed 75.8% last year.

The Bank's net loans and advances book registered a growth of 6% during the nine months under review, sustained by its foreign activities, and stood at Rs 18.4 billion as at end of September 2023.

The impairment ratio decreased to 5.6% over the same period (September 2022: 6.6% and December 2022: 5.9%).

The deposit base reached Rs 19.0 billion, demonstrating a noteworthy 28% rise from December 2022.

The capital adequacy ratio improved to 16.52% (15.60% in December 2022), well above the minimum regulatory requirement of 12.50%.

The Bank's liquidity position remained strong, as reflected in the consolidated LCR, which stood at 480% as at end of September 2023.