

FINANCIAL HIGHLIGHTS

Total assets grew by 15% from September 2022 to September 2023 to close at Rs 50.6bn (December 2022: Rs 46.8bn).

The Bank's net loan and advances books, both local and offshore, registered a year-on-year growth of 13% closing at Rs24.2 billion at September 2023 (December 2022:Rs25.3 billion).

Deposit books stood at Rs 43.1b billion growing by 20% against that of September 2022 (Rs 38.2 billion as at December 2022)

The Bank closed the quarter under review with profit after tax of Rs159.2 million compared to Rs105.5million for quarter ended September 2022. The Bank's performance was supported by improved interest margins, assets growth and impairment recoveries.

The Bank's Capital Adequacy Ratio remained strong at 17.45% as at September 2023 (September 2022: 19.76% and December 2022: 17.76%) against a regulatory limit of 12.50%.

The consolidated Liquidity Coverage Ratio (LCR) stood at of 304% at end of September 2023 reflecting strong liquidity position of the bank (30 September 2022: 400%, December 2022: 276%).

The Bank continued in consolidating growth in its performance, liquidity level and capital position.

INTERIM UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	Unaudited 30 September 2023 Rs 000	Audited 31 December 2022 Rs 000
ASSETS		
Cash and cash equivalents	12,348,660	6,898,615
Derivative assets held for risk management	83,602	3,116
Non-current assets held-for-sale	45,000	45,000
Loans and advances to banks	5,488,990	5,147,185
Loans and advances to customers	18,764,352	20,180,265
Investment in financial instruments measured at fair value through other comprehensive income (FVTOCI)	3,325,011	1,402,874
Investment in financial instruments measured at amortised cost	8,034,053	10,922,555
Right-of-use assets	73,530	76,965
Property and equipment	381,253	403,005
Intangible assets	122,417	133,583
Deferred tax assets	33,448	44,515
Other assets	1,914,419	1,571,519
Total Assets	50,614,735	46,829,197
LIABILITIES		
Deposits from customers	43,117,723	38,242,254
Derivative liabilities held for risk management	21,570	26,439
Other borrowed funds	1,628,696	2,932,664
Subordinated liabilities	1,103,855	1,289,279
Pension obligations	89,119	84,453
Current tax liabilities	21,615	22,657
Other liabilities	609,551	512,143
Lease liabilities	82,481	84,617
Total Liabilities	46,674,610	43,194,506
EQUITY		
Stated capital	1,456,456	1,456,456
Retained earnings	1,843,838	1,646,082
Other reserves	639,831	532,153
Total Equity	3,940,125	3,634,691
Total Equity and Liabilities	50,614,735	46,829,197

This interim unaudited condensed financial information was approved and authorised for issue by the Board of Directors on 13 November 2023.

DirectorDirector

INTERIM UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

	Unaudited Nine months ended 30 September 2023 Rs 000	Unaudited Nine months ended 30 September 2022 Rs 000
Cash and cash equivalents at beginning of period	6,898,615	10,449,280
Net cashfrom/(used in) operating activities	6,299,142	(2,309,422)
Net cash from/(used in) investing activities	917,736	(1,397,973)
Net (used in)/from financing activities	(1,766,833)	71,586
Net increase/(decrease) in cash and cash equivalents	5,450,045	(3,635,809)
Cash and cash equivalents at end of period	12,348,660	6,813,471

INTERIM UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS STATEMENT AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2023

	Unaudited Three months ended 30 September 2023 Rs 000	Unaudited Nine months ended 30 September 2023 Rs 000	Unaudited Three months ended 30 September 2022 Rs 000	Unaudited Nine months ended 30 September 2022 Rs 000
Interest income	610,482	1,708,066	344,364	924,246
Interest expense	(301,187)	(787,404)	(98,039)	(250,225)
Net interest income	309,295	920,662	246,325	674,021
Fee and commission income	123,565	279,395	101,455	281,551
Fee and commission expense	(40,543)	(104,492)	(30,328)	(94,842)
Net fee and commission income	83,022	174,903	71,127	186,709
Net gain on dealing in foreign currencies and derivatives	61,775	201,017	37,228	128,372
Net gain from derecognition of financial assets measured at fair value through other comprehensive income (FVTOCI)	381	734	52	2,975
Other operating (loss)/profit	-	(2)	25	(3)
Operating income	62,156	201,749	37,305	131,344
Personnel expenses	(182,861)	(517,536)	(146,005)	(430,678)
Depreciation and amortisation	(28,299)	(84,049)	(23,858)	(71,901)
Other expenses	(71,314)	(236,291)	(66,638)	(204,896)
Non-interest expenses	(282,474)	(837,876)	(236,501)	(707,475)
Profit before impairment and income tax	171,999	459,438	118,256	284,599
Net impairment (loss)/reversal on financial assets	(1,151)	41,453	3,448	20,104
Profit before income tax	170,848	500,891	121,704	304,703
Income tax expense	(11,664)	(35,762)	(16,243)	(39,264)
Profit for the period	159,184	465,129	105,461	265,439
Other Comprehensive income :				
Items that will not be classified subsequently to profit or loss:				
Remeasurement of defined pension obligation,net of tax	4,819	4819	(17,783)	(17,783)
Revaluation on building, net of tax	(743)	-	-	-
Movement in fair value reserve for equity instruments at FVTOCI	(2,188)	(1,801)	(949)	6,560
Items that may be reclassified subsequently to profit or loss:				
Reclassification of gain on disposal of FVTOCI debt instruments during the period	(381)	(734)	(52)	(2,975)
Loss allowance on debt instruments held at FVTOCI	8,851	12,806	585	416
Gain/(loss) on FVTOCI debt instruments during the period	56,921	91,715	(309)	(18,314)
Other comprehensive income/(loss) for the period	67,279	106,805	(18,508)	(32,096)
Total comprehensive income for the period	226,463	571,934	86,953	233,343

INTERIM UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

	Stated capital Rs 000	Revaluation surplus Rs 000	Statutory reserve Rs 000	General Banking reserve Rs 000	Fair value reserve Rs 000	Retirement Benefit Plan Reserve Rs 000	Retained earnings Rs 000	Total equity Rs 000
Balance as at 01 January 2022	1,456,456	97,313	463,551	57,868	(19,256)	(69,804)	1,725,369	3,711,497
Profit for the period	-	-	-	-	-	-	265,439	265,439
Other comprehensive loss	-	-	-	-	(14,313)	(17,783)	-	(32,096)
Total comprehensive income for the period	-	-	-	-	(14,313)	(17,783)	265,439	233,343
Transfer to general banking reserve	-	-	-	6,424	-	-	(6,424)	-
Dividend	-	-	-	-	-	-	(168,000)	(168,000)
Balance as at 30 September 2022	1,456,456	97,313	463,551	64,292	(33,569)	(87,587)	1,816,384	3,776,840
Balance as at 01 January 2023	1,456,456	133,818	537,625	68,906	(123,749)	(84,447)	1,646,082	3,634,691
Profit for the period	-	-	-	-	-	-	465,129	465,129
Other comprehensive income	-	-	-	-	101,986	4,819	-	106,805
Total comprehensive income for the period	-	-	-	-	101,986	4,819	465,129	571,934
Transfer to general banking reserve	-	-	-	873	-	-	(873)	-
Dividend	-	-	-	-	-	-	(266,500)	(266,500)
Balance as at 30 September 2023	1,456,456	133,818	537,625	69,779	(21,763)	(79,628)	1,843,838	3,940,125

Liquidity Coverage Ratio - Quarter ending September 2023

(Consolidated in MUR'000s)	TOTAL UNWEIGHTED VALUE (quarterly average of monthly observations)	TOTAL WEIGHTED VALUE (quarterly average of monthly observations)
High-quality liquid assets	7,323,744	7,323,744
Total high-quality liquid assets (HQLA)		
CASH OUTFLOWS		
Retail deposits and deposits from small business customers, of which:		
Less stable deposits	13,524,497	1,352,450
Unsecured wholesale funding, of which:		
Non-operational deposits (all counterparties)	13,107,370	5,242,948
Unsecured debt	2,524,622	2,524,622
Additional requirements, of which:		
Credit and liquidity facilities	563,388	121,509
Other contractual funding obligations	-	-
Other contingent funding obligations	789,751	39,488
TOTAL CASH OUTFLOWS	30,509,628	9,281,016
CASH INFLOWS		
Secured funding	9,184,070	9,184,070
Inflows from fully performing exposures	885,374	442,687
Other cash inflows	4,875	4,875
TOTAL CASH INFLOWS	10,074,319	9,631,632
		TOTAL ADJUSTED VALUE
TOTAL HQLA		7,323,744
TOTAL NET CASH OUTFLOWS		2,407,908
LIQUIDITY COVERAGE RATIO (%)		304%
QUARTERLY AVERAGE OF DAILY HQLA		7,334,923

Notes: Notes: The reported values for ‘quarterly average of monthly observations’ are based on July, August and September 2023 month end figures.
The reported values for ‘quarterly average of daily HQLA’ are based on business days figures over 1st July 2023 to 30th September 2023’s period.

COMMENTS:
- As at the end of September 2023 the Bank’s quarterly average LCR was 304% compared to 271% as at June 2023, significantly above the regulatory minimum of 100%.
- This is driven by an excess of MUR 4.9Bn of High Quality Liquid Assets (HQLA) over Net Cash Outflows (NCO).
- The Bank’s stock of High-Quality Liquid Assets (HQLA) is proactively managed to ensure high levels of liquidity.
- Liquidity levels are monitored daily.
- Formal reviews of the Bank’s liquidity position and limits takes place monthly in the management ALCO Committee and quarterly in the Board Risk Management Committee.