

FINANCIAL HIGHLIGHTS

The Bank registered a growth of 16% in total assets from March 2023 to March 2024 to close at Rs 54.7bn (December 2023: Rs 52.2bn).

Net loans and advances book grew by 8%, largely contributed by the offshore segment, closing at Rs27.7 billion at March 2024 against Rs25.6 billion as at March 2023 (December 2023:Rs28 billion).

As at March 2024, the total deposit closed at Rs 47.5 billion, growing by 25% against that of March 2023 (Rs 44.8 billion as at December 2023).

After booking net additional impairment provisions of Rs39m, the Bank closed the first quarter of the year with profit after tax of Rs120.9 million compared to Rs140.9million for quarter ended March 2023 (net recoveries of Rs 8m).

The Bank's Capital Adequacy Ratio remained stable at 16.64% as at March 2024 (March 2023: 17.41% and December 2023: 16.85%) against a regulatory limit of 12.50%.

The bank reported a consolidated Liquidity Coverage Ratio (LCR) of 229% at end of March 2024 (March 2023: 236%, December 2023: 327%) v/s a regulatory 100% requirement.

INTERIM UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

| | Unaudited | Audited |
|--------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| | 31 March 2024 | 31 December 2023 |
| | Rs 000 | Rs 000 |
| ASSETS | | |
| Cash and cash equivalents | 12,949,609 | 8,462,698 |
| Derivative assets held for risk management | 110,164 | 4,580 |
| Loans and advances to banks | 9,210,403 | 8,873,984 |
| Loans and advances to customers | 18,461,567 | 19,129,086 |
| Investment in financial instruments measured at fair value through other comprehensive income (FVTOCI) | 3,703,099 | 2,427,459 |
| Investment in financial instruments measured at amortised cost | 7,646,583 | 10,617,591 |
| Right-of-use assets | 66,019 | 69,774 |
| Property and equipment | 411,578 | 420,993 |
| Intangible assets | 124,582 | 124,338 |
| Deferred tax assets | 34,401 | 31,539 |
| Other assets | 1,957,404 | 2,008,376 |
| Total Assets | 54,675,409 | 52,170,418 |
| LIABILITIES | | |
| Deposits from customers | 47,472,600 | 44,847,282 |
| Derivative liabilities held for risk management | 19,912 | 39,434 |
| Other borrowed funds | 1,043,142 | 1,299,929 |
| Subordinated liabilities | 1,077,162 | 1,112,897 |
| Pension obligations | 121,264 | 121,264 |
| Current tax liabilities | 48,848 | 36,942 |
| Other liabilities | 538,177 | 482,325 |
| Leased liabilities | 75,531 | 79,065 |
| Total Liabilities | 50,396,636 | 48,019,138 |
| EQUITY | | |
| Stated capital | 1,456,456 | 1,456,456 |
| Retained earnings | 2,142,036 | 2,021,147 |
| Other reserves | 680,281 | 673,677 |
| Total Equity | 4,278,773 | 4,151,280 |
| Total Equity and Liabilities | 54,675,409 | 52,170,418 |

This interim unaudited condensed financial information was approved and authorised for issue by the Board of Directors on 14 May 2024.

Director Director

INTERIM UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2024

| | Unaudited | Unaudited |
|---------------------------------------------------|----------------------------------|----------------------------------|
| | Three months ended 31 March 2024 | Three months ended 31 March 2023 |
| | Rs 000 | Rs 000 |
| Cash and cash equivalents at beginning of period | 8,462,698 | 6,898,615 |
| Net cash from/(used in) operating activities | 3,112,461 | (454,005) |
| Net cash from investing activities | 1,673,352 | 1,140,809 |
| Net cash (used in)/from financing activities | (298,902) | 146,593 |
| Net increase in cash and cash equivalents | 4,486,911 | 833,397 |
| Cash and cash equivalents at end of period | 12,949,609 | 7,732,012 |

INTERIM UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2024

| | Unaudited | Unaudited |
|--------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| | Three months ended 31 March 2024 | Three months ended 31 March 2023 |
| | Rs 000 | Rs 000 |
| Interest income | 655,002 | 521,400 |
| Interest expense | (309,209) | (220,660) |
| Net interest income | 345,793 | 300,740 |
| Fee and commission income | 82,316 | 78,768 |
| Fee and commission expense | (40,166) | (33,098) |
| Net fee and commission income | 42,150 | 45,670 |
| Net gain on dealing in foreign currencies and derivatives | 69,859 | 62,278 |
| Net gain from derecognition of financial assets measured at fair value through other comprehensive income (FVTOCI) | 2 | 336 |
| Other operating loss | (13) | (2) |
| Operating income | 457,791 | 409,022 |
| Personnel expenses | (176,176) | (160,380) |
| Depreciation and amortisation | (22,839) | (27,783) |
| Other expenses | (89,749) | (76,924) |
| Non-interest expense | (288,764) | (265,087) |
| Profit before impairment and income tax | 169,027 | 143,935 |
| Net impairment (loss)/reversal on financial assets | (38,994) | 8,146 |
| Profit before income tax | 130,033 | 152,081 |
| Income tax expense | (9,144) | (11,160) |
| Profit for the period | 120,889 | 140,921 |
| Other Comprehensive income : | | |
| <i>Items that will not be classified subsequently to profit or loss:</i> | | |
| Movement in fair value reserve for equity instruments at FVTOCI | 6,743 | (1,108) |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | |
| Reclassification of gain on disposal of FVTOCI debt instruments during the period | (2) | (336) |
| Loss allowance on debt instruments held at FVTOCI | 1,129 | 147 |
| (Loss)/gain on FVTOCI debt instruments during the period | (1,266) | 34,016 |
| Other comprehensive income for the period | 6,604 | 32,719 |
| Total comprehensive income for the period | 127,493 | 173,640 |

INTERIM UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2024

| | Stated capital | Revaluation surplus | Statutory reserve | General Banking reserve | Fair value reserve | Retirement Benefit Plan Reserve | Retained earnings | Total equity |
|-------------------------------------------|----------------|---------------------|-------------------|-------------------------|--------------------|---------------------------------|-------------------|--------------|
| | Rs 000 | Rs 000 | Rs 000 | Rs 000 | Rs 000 | Rs 000 | Rs 000 | Rs 000 |
| 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 | - | - | - | - | - | - | 140,921 | 140,921 |
| Other comprehensive income | - | - | - | - | 32,719 | - | - | 32,719 |
| Total comprehensive income for the period | - | - | - | - | 32,719 | - | 140,921 | 173,640 |
| Balance as at 31 March 2023 | 1,456,456 | 133,818 | 537,625 | 68,906 | (91,030) | (84,447) | 1,787,003 | 3,808,331 |
| Balance as at 01 January 2024 | 1,456,456 | 133,818 | 650,996 | 69,780 | (62,711) | (118,206) | 2,021,147 | 4,151,280 |
| Profit for the period | - | - | - | - | - | - | 120,889 | 120,889 |
| Other comprehensive income | - | - | - | - | 6,604 | - | - | 6,604 |
| Total comprehensive income for the period | - | - | - | - | 6,604 | - | 120,889 | 127,493 |
| Balance as at 31 March 2024 | 1,456,456 | 133,818 | 650,996 | 69,780 | (56,107) | (118,206) | 2,142,036 | 4,278,773 |

Liquidity Coverage Ratio - Quarter ending March 2024

| (Consolidated in MUR'000s) | TOTAL UNWEIGHTED VALUE (quarterly average of monthly observations) | TOTAL WEIGHTED VALUE (quarterly average of monthly observations) |
|-----------------------------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------------------|
| High-quality liquid assets | 8,253,624 | 8,253,624 |
| Total high-quality liquid assets (HQLA) | | |
| CASH OUTFLOWS | | |
| Retail deposits and deposits from small business customers, of which: | | |
| <i>Less stable deposits</i> | 14,970,371 | 1,497,037 |
| Unsecured wholesale funding, of which: | | |
| <i>Non-operational deposits (all counterparties)</i> | 14,196,607 | 5,678,643 |
| <i>Unsecured debt</i> | 2,799,340 | 2,799,340 |
| Additional requirements, of which: | | |
| <i>Credit and liquidity facilities</i> | 550,069 | 120,657 |
| Other contractual funding obligations | 20,747 | 20,747 |
| Other contingent funding obligations | 339,685 | 16,984 |
| TOTAL CASH OUTFLOWS | 32,876,818 | 10,133,407 |
| CASH INFLOWS | | |
| Secured funding | 14,005,199 | 14,005,199 |
| Inflows from fully performing exposures | 755,134 | 377,567 |
| Other cash inflows | 33,361 | 33,361 |
| TOTAL CASH INFLOWS | 14,793,694 | 14,416,127 |
| | | TOTAL ADJUSTED VALUE |
| TOTAL HQLA | | 8,253,624 |
| TOTAL NET CASH OUTFLOWS | | 3,604,032 |
| LIQUIDITY COVERAGE RATIO (%) | | 229% |
| QUARTERLY AVERAGE OF DAILY HQLA | | 8,123,397 |

Notes: The reported values for 'quarterly average of monthly observations' are based on January, February and March 2024 month end figures.

The reported values for 'quarterly average of daily HQLA' are based on business days figures over 1st January 2024 to 31st March 2024's period.

Comments:

- As at the end of March 2024 the Bank's quarterly average LCR was 229% compared to 327% as at December 2023, significantly above the regulatory minimum of 100%.
- This is driven by an excess of MUR 4.6Bn 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.