

**STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022**
ASSETS

Cash and balances with banks	40,626,551
Due from banks	59,475,508
Derivative financial instruments	326,688
Loans and advances to banks	12,615,878
Loans and advances to customers	29,116,493
Investment securities	70,937,273
Other assets	3,698,992
Property and equipment	123,955
Right of use assets	92,188
Intangible assets	352,149
Deferred tax assets	148,470
TOTAL ASSETS	217,514,145

EQUITY AND LIABILITIES
LIABILITIES

Due to banks	9,831
Deposits from banks	359,504
Deposits from customers	204,208,551
Borrowings from financial institution	130,754
Derivative financial instruments	164,167
Current tax liabilities	258,187
Lease liabilities	91,778
Other liabilities	1,359,209
Retirement benefit obligations	79,240
TOTAL LIABILITIES	206,661,221

EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

Ordinary shares	3,641,049
Class A shares	1,385,768
Retained earnings	4,238,391
Other reserves	1,587,716
TOTAL EQUITY	10,852,924

TOTAL EQUITY AND LIABILITIES

*The presentation of the statement of financial position for prior year has been amended in line with the order of liquidity. Cash and cash equivalents has been changed to Cash and balances with banks which entailed that short term placements are now excluded from cash and balances with banks and Due from banks now includes the short term placements.

	THE GROUP			THE BANK		
	As at 30 September 2022 Unaudited	As at 30 September 2021 Unaudited	As at 30 June 2022 Audited	As at 30 September 2022 Unaudited	As at 30 September 2021 Unaudited	As at 30 June 2022 Audited
	MUR'000	Restated* MUR'000	MUR'000	MUR'000	Restated* MUR'000	MUR'000
ASSETS						
Cash and balances with banks	40,626,551	45,911,569	46,935,661	40,626,544	45,911,559	46,935,652
Due from banks	59,475,508	61,034,663	47,333,177	59,475,508	61,034,663	47,333,177
Derivative financial instruments	326,688	472,881	371,979	326,688	472,881	371,979
Loans and advances to banks	12,615,878	8,879,244	11,990,476	12,615,878	8,879,244	11,990,476
Loans and advances to customers	29,116,493	19,147,095	27,256,624	29,116,493	19,147,095	27,256,624
Investment securities	70,937,273	56,209,911	70,965,299	70,937,273	56,209,911	70,965,299
Other assets	3,698,992	2,559,064	3,423,651	3,698,992	2,559,064	3,423,651
Property and equipment	123,955	133,789	119,206	123,955	133,789	119,206
Right of use assets	92,188	36,888	101,088	92,188	36,888	101,088
Intangible assets	352,149	308,950	362,436	352,149	308,950	362,436
Deferred tax assets	148,470	122,521	140,092	148,470	122,521	140,092
TOTAL ASSETS	217,514,145	194,816,575	208,999,689	217,514,138	194,816,565	208,999,680
EQUITY AND LIABILITIES						
LIABILITIES						
Due to banks	9,831	319	1,644	9,831	319	1,644
Deposits from banks	359,504	406,401	369,587	359,504	406,401	369,587
Deposits from customers	204,208,551	184,056,900	197,072,336	204,211,927	184,070,765	197,075,719
Borrowings from financial institution	130,754	-	140,547	130,754	-	140,547
Derivative financial instruments	164,167	287,614	166,845	164,167	287,614	166,845
Current tax liabilities	258,187	139,154	182,700	258,187	139,154	182,700
Lease liabilities	91,778	40,004	100,378	91,778	40,004	100,378
Other liabilities	1,359,209	414,539	694,194	1,357,888	409,376	693,221
Retirement benefit obligations	79,240	73,189	79,240	79,240	73,189	79,240
TOTAL LIABILITIES	206,661,221	185,418,120	198,807,471	206,663,276	185,426,822	198,809,881
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT						
Ordinary shares	3,641,049	3,641,049	3,641,049	3,641,049	3,641,049	3,641,049
Class A shares	1,385,768	1,385,768	1,385,768	1,385,768	1,385,768	1,385,768
Retained earnings	4,238,391	3,037,827	3,568,710	4,217,818	3,010,604	3,547,780
Other reserves	1,587,716	1,333,811	1,596,691	1,606,227	1,352,322	1,615,202
TOTAL EQUITY	10,852,924	9,398,455	10,192,218	10,850,862	9,389,743	10,189,799
TOTAL EQUITY AND LIABILITIES	217,514,145	194,816,575	208,999,689	217,514,138	194,816,565	208,999,680

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2022**

Interest income	1,067,116
Interest expense	(165,419)
Net interest income, calculated using EIR method	901,697
Fee and commission income	283,650
Fee and commission expense	(85,206)
Net fee and commission income	198,444
Net trading income	261,792
Other gains/(losses)	46
Other operating income	629
Total operating income	1,362,608
Net impairment loss on financial assets	(157,095)
Net operating income	1,205,513
Personnel expenses	(231,211)
Depreciation of property and equipment	(6,417)
Depreciation of right of use assets	(8,900)
Amortisation of intangible assets	(13,666)
Other operating expenses	(150,017)
Total operating expenses	(410,211)
Operating profit	795,302
Impairment credit on receivable from subsidiary	-
Profit before tax	795,302
Tax expense	(67,109)
Profit for the period/year	728,193
Other comprehensive income/(loss) that will not be reclassified to profit or loss:	
Remeasurement of retirement benefit obligations	-
Deferred tax on remeasurement of retirement benefit obligations	-
Fair value gain on equity instruments designated at fair value through other comprehensive income	-
Revaluation losses on equity instruments designated at fair value through other comprehensive income	-
Other comprehensive income for the period/year	-
Total comprehensive income for the period/year attributable to equity holders of the parent	728,193

	THE GROUP			THE BANK		
	Three months ended 30 September 2022 Unaudited	Three months ended 30 September 2021 Unaudited	Year ended 30 June 2022 Audited	Three months ended 30 September 2022 Unaudited	Three months ended 30 September 2021 Unaudited	Year ended 30 June 2022 Audited
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
Interest income	1,067,116	406,849	2,009,725	1,067,116	406,849	2,009,725
Interest expense	(165,419)	(125,457)	(515,805)	(165,419)	(125,112)	(517,607)
Net interest income, calculated using EIR method	901,697	281,392	1,493,920	901,697	281,737	1,492,118
Fee and commission income	283,650	235,150	1,049,649	283,650	235,150	1,049,649
Fee and commission expense	(85,206)	(85,192)	(347,114)	(85,206)	(85,191)	(347,113)
Net fee and commission income	198,444	149,958	702,535	198,444	149,959	702,536
Net trading income	261,792	333,378	1,168,066	261,794	333,378	1,166,494
Other gains/(losses)	46	(1,320)	(1,191)	46	(928)	(1,191)
Other operating income	629	-	-	629	-	-
Total operating income	1,362,608	763,408	3,363,330	1,362,610	764,146	3,359,957
Net impairment loss on financial assets	(157,095)	(8,587)	(65,818)	(157,095)	(8,587)	(65,818)
Net operating income	1,205,513	754,821	3,297,512	1,205,515	755,559	3,294,139
Personnel expenses	(231,211)	(182,532)	(801,729)	(231,211)	(182,532)	(801,729)
Depreciation of property and equipment	(6,417)	(6,931)	(40,062)	(6,417)	(6,931)	(40,062)
Depreciation of right of use assets	(8,900)	(7,630)	(31,669)	(8,900)	(7,630)	(31,669)
Amortisation of intangible assets	(13,666)	(9,508)	(52,236)	(13,666)	(9,508)	(52,236)
Other operating expenses	(150,017)	(125,880)	(677,129)	(149,662)	(125,560)	(676,229)
Total operating expenses	(410,211)	(332,481)	(1,602,825)	(409,856)	(332,161)	(1,601,925)
Operating profit	795,302	422,340	1,694,687	795,659	423,398	1,692,214
Impairment credit on receivable from subsidiary	-	-	-	-	-	9,824
Profit before tax	795,302	422,340	1,694,687	795,659	423,398	1,702,038
Tax expense	(67,109)	(80,579)	(265,421)	(67,109)	(80,579)	(265,421)
Profit for the period/year	728,193	341,761	1,429,266	728,550	342,819	1,436,617
Other comprehensive income/(loss) that will not be reclassified to profit or loss:						
Remeasurement of retirement benefit obligations	-	-	5,114	-	-	5,114
Deferred tax on remeasurement of retirement benefit obligations	-	-	(305)	-	-	(305)
Fair value gain on equity instruments designated at fair value through other comprehensive income	-	-	2,381	-	-	2,381
Revaluation losses on equity instruments designated at fair value through other comprehensive income	-	-	(902)	-	-	(902)
Other comprehensive income for the period/year	-	-	6,288	-	-	6,288
Total comprehensive income for the period/year attributable to equity holders of the parent	728,193	341,761	1,435,554	728,550	342,819	1,442,905

STATEMENTS OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2022

THE GROUP	Ordinary shares	Class A shares	Retained earnings	Other reserves	Total	THE BANK	Ordinary shares	Class A shares	Retained earnings	Other reserves	Total
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000		MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
At 1 July 2021 (audited)	3,641,049	1,385,768	2,693,075	1,336,802	9,056,694	At 1 July 2021 (audited)	3,641,049	1,385,768	2,664,794	1,355,313	9,046,924
Profit for the period	-	-	341,761	-	341,761	Profit for the period	-	-	342,819	-	342,819
Total comprehensive income for the period	-	-	341,761	-	341,761	Total comprehensive income for the period	-	-	342,819	-	342,819
Appropriation of reserves	-	-	2,991	(2,991)	-	Appropriation of reserves	-	-	2,991	(2,991)	-
At 30 September 2021 (unaudited)	3,641,049	1,385,768	3,037,827	1,333,811	9,398,455	At 30 September 2021 (unaudited)	3,641,049	1,385,768	3,010,604	1,352,322	9,389,743
At 1 July 2021 (audited)	3,641,049	1,385,768	2,693,075	1,336,802	9,056,694	At 1 July 2021 (audited)	3,641,049	1,385,768	2,664,794	1,355,313	9,046,924
Profit for the year	-	-	1,429,266	-	1,429,266	Profit for the year	-	-	1,436,617	-	1,436,617
Other comprehensive income	-	-	4,809	1,479	6,288	Other comprehensive income	-	-	4,809	1,479	6,288
Total comprehensive income for the year	-	-	1,434,075	1,479	1,435,554	Total comprehensive income for the year	-	-	1,441,426	1,479	1,442,905
Appropriation of reserves	-	-	(258,410)	258,410	-	Appropriation of reserves	-	-	(258,410)	258,410	-
Dividends	-	-	(300,030)	-	(300,030)	Dividends	-	-	(300,030)	-	(300,030)
At 30 June 2022 (audited)	3,641,049	1,385,768	3,568,710	1,596,691	10,192,218	At 30 June 2022 (audited)	3,641,049	1,385,768	3,547,780	1,615,202	10,189,799
At 1 July 2022 (audited)	3,641,049	1,385,768	3,568,710	1,596,691	10,192,218	At 1 July 2022 (audited)	3,641,049	1,385,768	3,547,780	1,615,202	10,189,799
Profit for the period	-	-	728,193	-	728,193	Profit for the period	-	-	728,550	-	728,550
Total comprehensive income for the period	-	-	728,193	-	728,193	Total comprehensive income for the period	-	-	728,550	-	728,550
Appropriation of reserves	-	-	8,975	(8,975)	-	Appropriation of reserves	-	-	8,975	(8,975)	-
Dividends	-	-	(67,487)	-	(67,487)	Dividends	-	-	(67,487)	-	(67,487)
At 30 September 2022 (unaudited)	3,641,049	1,385,768	4,238,391	1,587,716	10,852,924	At 30 September 2022 (unaudited)	3,641,049	1,385,768	4,217,818	1,606,227	10,850,862

STATEMENTS OF CASH FLOWS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2022

	THE GROUP			THE BANK		
	Three months ended 30 September 2022 Unaudited	Three months ended 30 September 2021 Unaudited	Year ended 30 June 2022 Audited	Three months ended 30 September 2022 Unaudited	Three months ended 30 September 2021 Unaudited	Year ended 30 June 2022 Audited
	MUR'000	Restated MUR'000	MUR'000	MUR'000	Restated MUR'000	MUR'000
Net cash flows generated from/(used in) operating activities	6,053,806	(6,099,693)	(13,889,513)	6,053,808	(6,099,691)	(13,889,510)
Net cash flows used in investing activities	(3,045)	(33,775)	(138,299)	(3,045)	(33,775)	(138,299)
Net cash flows used in financing activities	(74,891)	(92,412)	(420,097)	(74,891)	(92,412)	(420,097)
Net cash flows for the period/year	5,975,870	(6,225,880)	(14,447,909)	5,975,872	(6,225,878)	(14,447,906)
Movement in cash and cash equivalents						
Cash and cash equivalents at 1 July	75,114,651	89,562,560	89,562,560	75,114,641	89,562,548	89,562,548
Net increase/(decrease) in cash and cash equivalents	5,975,870	(6,225,880)	(14,447,909)	5,975,872	(6,225,878)	(14,447,906)
Cash and cash equivalents at end of period/year	81,090,521	83,336,680	75,114,651	81,090,513	83,336,670	75,114,642

MANAGEMENT COMMENTS

Financial Highlights

For the three months ended 30 September 2022, AfrAsia Bank Limited (the "Bank") had a favourable financial performance to achieve a net profit after tax ("NPAT") of **MUR 728.6m**, representing a significant increase of **113%** compared to the same period last year (September 2021: MUR 342.8m). This performance was mainly driven by a general uptick in yield levels and improved fee income compared to the same period last year.

As a result of an increase in loans and advances, the Bank witnessed a rise of **220%** in net interest income to reach **MUR 901.7m** in this period from MUR 281.7m in September 2021.

Net fee and commission income, a major contributor to the NPAT rose by **32%** from MUR 150m in September 2021 to **MUR 198.4m** as at end of September 2022. This increase was primarily supported by a higher volume of transactions resulting in a growth in commissions.

The Bank's net trading income decreased by **21%** to reach **MUR 261.8m** for the three-month period ended 30 September 2022.

Net impairment on financial assets of **MUR 157.1m** has been catered for the period. The Bank will continuously monitor the prevailing economic conditions and reassess its impairment level accordingly.

Operating income and operating expenses grew by **78%** and **23%** respectively as compared to the same period last year. Cost-to-income ratio stood at **30%** as at end of September 2022 in spite of a strong surge in business volumes.

The Bank's balance sheet remains robust, with total assets standing at **MUR 217.5bn**, up **12%** compared to September 2021. Loans and advances improved by **MUR 13.7bn** to reach **MUR 41.7bn** (September 2021: MUR 28.0bn) as at end of September 2022 and loan-to-deposit ratio increased to **20%** from 15% in the same period last year.

On the liability side of the balance sheet, the Bank's deposits base rose from MUR 184.5bn as at end of September 2021 to **MUR 204.6bn** by the end of September 2022, representing a growth of **11%**, which demonstrates our customers' confidence level in the AfrAsia brand.

The Bank's total capital adequacy ratio stood at **15.38%** against a regulatory limit of 13.50% as at September 2022, in comparison to 16.09% as at September 2021.

The shareholders' equity of the Bank witnessed a growth of **16%** period-on-period to reach **MUR 10.9bn** (September 2021: MUR 9.4bn) as at end of September 2022 attributed to the Bank's positive bottom-line performance.

Global Economy

The International Monetary Fund has revised its growth forecast downward to 3.2% for 2022 and 2.7% in 2023. Contraction in GDP is expected around the world as a consequence of quantitative tightening by Central Banks.

Domestic Economy

The Mauritian economy, as any country dependent on international commodity terms of trade, victim of imported inflation and with a purchasing power disparaging due to the depreciation of the Mauritian Rupee, is facing effects of the global trade tensions, rising inflation rate and overall supply sided disruptions. Against this general backdrop in the world growth indicators, it is hard to foresee a potential stability in rise of commodity prices and in supply chain disruptions, as uncertainties taint our vision of recovery and inflation remains entrenched. In light of these ongoing developments, the Monetary Policy Committee recently unanimously decided to raise the Key Repo Rate by 100 basis point as an answer to the current inflation driven issues amongst others.

By Order of the Board
10 November 2022

For the information of stakeholders, AfrAsia Bank Limited is pleased to present its unaudited interim condensed financial statements for the three months ended 30 September 2022.

This notice is issued pursuant to the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

Copies of the unaudited interim condensed financial statements (which can also be viewed on the Bank's website www.afrasiabank.com) are available free of charge at the registered office of the Bank, Bowen Square, 10, Dr Ferrière Street, Port Louis, Mauritius. The statement of direct and indirect interests of officers, pursuant to Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, is also available free of charge, upon request at the registered office of the Bank.