

# Condensed financial statements for the year ended 30 June 2013

## AFRASIA BANK LIMITED AND ITS GROUP ENTITIES

### CONDENSED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

	THE GROUP			THE BANK		
	Year ended 30 June 2013	Year ended 30 June 2012	Year ended 30 June 2011	Year ended 30 June 2013	Year ended 30 June 2012	Year ended 30 June 2011
	MUR	MUR	MUR	MUR	MUR	MUR
Interest income	986,611,615	829,224,426	543,026,048	986,614,164	829,230,689	543,017,482
Interest expense	(620,362,470)	(506,702,114)	(324,266,104)	(620,367,037)	(506,702,307)	(324,271,915)
<b>Net interest income</b>	<b>366,249,145</b>	<b>322,522,312</b>	<b>218,759,944</b>	<b>366,247,127</b>	<b>322,528,382</b>	<b>218,745,567</b>
Fees and commission income	179,492,120	116,006,675	53,752,370	176,526,845	116,006,675	53,752,370
Fees and commission expense	(21,367,222)	(14,620,861)	(10,826,069)	(20,730,461)	(14,576,701)	(10,731,589)
<b>Net fees and commission income</b>	<b>158,124,898</b>	<b>101,385,814</b>	<b>42,926,301</b>	<b>155,796,384</b>	<b>101,429,974</b>	<b>43,020,781</b>
Net trading income	193,093,707	62,062,243	107,997,630	132,453,791	62,056,737	107,978,574
Other operating income	9,336,696	1,608,361	341,655	9,336,696	11,210,410	144,357
<b>Total operating income</b>	<b>726,804,446</b>	<b>487,578,730</b>	<b>370,025,530</b>	<b>663,833,998</b>	<b>497,225,503</b>	<b>369,889,279</b>
Reversal of impairment charge/ (Net allowance for credit impairment)	1,152,052	(24,874,478)	(25,299,641)	1,152,052	(24,874,478)	(25,299,641)
<b>Net operating income</b>	<b>727,956,498</b>	<b>462,704,252</b>	<b>344,725,889</b>	<b>664,986,050</b>	<b>472,351,025</b>	<b>344,589,638</b>
Personnel expenses	(197,632,225)	(172,852,372)	(126,720,957)	(197,632,225)	(172,852,372)	(126,720,957)
Depreciation of equipment	(4,695,949)	(3,227,502)	(3,058,647)	(4,694,856)	(3,226,406)	(3,046,724)
Amortisation of intangible assets	(5,714,166)	(4,031,198)	(3,812,237)	(5,714,166)	(4,031,198)	(3,812,237)
Other operating expenses	(118,000,522)	(92,310,605)	(68,561,015)	(116,857,206)	(91,881,232)	(68,297,982)
<b>Total operating expenses</b>	<b>(326,042,862)</b>	<b>(272,421,677)</b>	<b>(202,152,856)</b>	<b>(324,898,453)</b>	<b>(271,991,208)</b>	<b>(201,877,900)</b>
<b>Operating profit</b>	<b>401,913,636</b>	<b>190,282,575</b>	<b>142,573,033</b>	<b>340,087,597</b>	<b>200,359,817</b>	<b>142,711,738</b>
Share of profit of joint venture	16,283,494	6,777,014	5,703,724	-	-	-
Share of (loss)/profit of associates	(177,483,655)	93,403,802	2,662,251	-	-	-
<b>Profit before tax</b>	<b>240,713,475</b>	<b>290,463,391</b>	<b>150,939,008</b>	<b>340,087,597</b>	<b>200,359,817</b>	<b>142,711,738</b>
Tax expense	(37,678,683)	(20,086,630)	(26,552,498)	(37,491,675)	(20,092,051)	(26,567,883)
<b>Profit for the year</b>	<b>203,034,792</b>	<b>270,376,761</b>	<b>124,386,510</b>	<b>302,595,922</b>	<b>180,267,766</b>	<b>116,143,855</b>
<b>Other comprehensive income</b>						
Share of associates revaluation reserve	2,122,705	-	-	-	-	-
Exchange differences on translation of foreign operations	527,011	17,414,350	-	-	-	-
Hedge of a net investment in a foreign operation reserve	48,401	(17,429,109)	-	-	-	-
<b>Other comprehensive income for the year, net of income tax</b>	<b>2,698,117</b>	<b>(14,759)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>205,732,909</b>	<b>270,362,002</b>	<b>124,386,510</b>	<b>302,595,922</b>	<b>180,267,766</b>	<b>116,143,855</b>

### CONDENSED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2013

	THE GROUP			THE BANK		
	2013	2012	2011	2013	2012	2011
	MUR	MUR	MUR	MUR	MUR	MUR
<b>ASSETS</b>						
Cash and balances with the Central Bank	1,598,715,632	676,371,624	1,085,084,764	1,598,715,632	676,371,624	1,085,084,764
Due from banks	9,009,843,939	3,527,186,481	3,945,077,133	9,009,807,334	3,527,119,302	3,944,929,389
Derivative financial instruments	68,581,360	190,544,328	181,201,384	25,637,161	123,782,046	101,097,074
Financial investments - held-for-trading	532,685,518	1,162,543,500	441,804,000	532,685,518	1,162,543,500	441,804,000
Loans and advances to customers	14,007,752,016	12,784,321,295	8,549,378,712	14,007,752,016	12,784,435,754	8,549,378,712
Financial investments - available-for-sale	40,722,657	14,999,997	-	-	-	-
Financial investments - held-to-maturity	5,807,802,824	3,506,007,725	2,560,492,783	5,807,802,824	3,506,007,725	2,560,492,783
Investment in subsidiaries	-	-	-	383,115,237	363,163,638	25,000,000
Investment in joint venture	55,177,034	53,393,539	46,616,525	-	-	-
Investment in associates	225,313,514	408,444,360	7,684,689	-	-	5,022,438
Equipment	28,763,936	14,321,946	13,364,250	28,756,687	14,313,604	13,354,813
Intangible assets	15,420,212	17,094,812	13,591,022	15,420,212	17,094,812	13,591,022
Deferred tax assets	8,055,035	7,681,088	2,532,127	8,055,035	7,637,567	2,494,027
Other assets	165,323,024	29,440,868	19,907,408	41,951,992	29,365,439	19,900,410
<b>TOTAL ASSETS</b>	<b>31,564,156,701</b>	<b>22,392,351,563</b>	<b>16,866,734,797</b>	<b>31,459,699,648</b>	<b>22,211,835,011</b>	<b>16,762,149,432</b>
<b>LIABILITIES AND EQUITY</b>						
Due to banks	881,908,278	8,516,013	28,483,333	881,908,278	8,516,013	28,483,333
Derivative financial instruments	66,241,883	126,912,147	125,325,638	49,697,684	63,249,865	48,321,328
Deposits from customers	27,224,339,709	19,626,670,732	14,962,435,979	27,232,616,080	19,628,367,164	14,962,538,164
Debts issued	940,323,447	688,625,890	547,090,779	883,069,803	565,479,715	421,574,481
Amount due to subsidiary	-	-	-	57,253,644	123,146,176	125,516,298
Current tax liabilities	22,175,979	9,631,747	18,385,558	22,175,979	9,631,747	18,385,558
Other liabilities	231,773,086	150,243,695	116,129,669	138,309,815	131,281,959	97,941,160
<b>TOTAL LIABILITIES</b>	<b>29,366,762,382</b>	<b>20,610,600,224</b>	<b>15,797,850,956</b>	<b>29,265,031,283</b>	<b>20,529,672,639</b>	<b>15,702,760,322</b>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b>						
Issued capital	1,694,593,418	1,398,457,492	921,638,335	1,694,593,418	1,398,457,492	921,638,335
Retained earnings	290,049,913	289,421,575	100,758,107	290,007,317	189,817,849	91,263,376
Other reserves	212,750,988	93,872,272	46,487,399	210,067,630	93,887,031	46,487,399
<b>TOTAL EQUITY</b>	<b>2,197,394,319</b>	<b>1,781,751,339</b>	<b>1,068,883,841</b>	<b>2,194,668,365</b>	<b>1,682,162,372</b>	<b>1,059,389,110</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>31,564,156,701</b>	<b>22,392,351,563</b>	<b>16,866,734,797</b>	<b>31,459,699,648</b>	<b>22,211,835,011</b>	<b>16,762,149,432</b>

### REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS OF AFRASIA BANK LIMITED

The accompanying summary financial statements, which comprise the statements of financial position as at 30 June 2013, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, are derived from the audited financial statements of AfrAsia Bank Limited for the year ended 30 June 2013. We expressed an unmodified audit opinion on those financial statements in our report dated 24 September 2013. Those financial statements, and the summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those financial statements.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of AfrAsia Bank Limited.

#### Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of a summary of the audited financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, Financial Reporting Act 2004 and the Banking Act 2004.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, "Engagements to Report on Summary Financial Statements."

#### Opinion

In our opinion, the summary financial statements derived from the audited financial statements of AfrAsia Bank Limited for the year ended 30 June 2013 are consistent, in all material respects, with those financial statements, in accordance with International Financial Reporting Standards and comply with the Companies Act 2001 and Banking Act 2004.

#### Other matters

##### Companies Act 2001

We have no relationship with or interests in the Bank other than in our capacities as auditors, tax advisors and in dealings with the Group and the Bank in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Bank as far as it appears from our examination of those records.

##### Banking Act 2004

In our opinion, the financial statements have been prepared on a consistent basis and are complete, fair and properly drawn up and comply with the Banking Act 2004 and the regulations and guidelines of the Bank of Mauritius. The explanations or information called for or given to us by the officers or agents of the bank were satisfactory.

##### Financial Reporting Act 2004

The directors are responsible for preparing the corporate governance report. Our responsibility is to report on the extent of compliance with the Code of Corporate Governance (the "Code") as disclosed in the annual report and on whether the disclosure is consistent with the requirements of the Code.

In our opinion, the disclosure in the annual report is consistent with the requirements of the Code.

ERNST & YOUNG  
Ebène,  
Mauritius

ANDRE LAI WAN LOONG, A.C.A.  
Licensed by FRC

Date: 24 September 2013

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### CONDENSED STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2013

(a) THE GROUP	Issued capital	Retained earnings	Other reserves	Total
	MUR	MUR	MUR	MUR
At 1 July 2010	653,977,649	16,059,240	12,418,250	682,455,139
Profit for the year	-	124,386,510	-	124,386,510
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	124,386,510	-	124,386,510
Issue of shares	267,660,686	-	-	267,660,686
Share-based payments	-	-	3,953,869	3,953,869
Appropriation of reserves	-	(30,115,280)	30,115,280	-
Dividends	-	(9,572,363)	-	(9,572,363)
At 30 June 2011	921,638,335	100,758,107	46,487,399	1,068,883,841
At 1 July 2011	921,638,335	100,758,107	46,487,399	1,068,883,841
Profit for the year	-	270,376,761	-	270,376,761
Other comprehensive income	-	-	(14,759)	(14,759)
Total comprehensive income for the year	-	270,376,761	(14,759)	270,362,002
Issue of shares	476,819,157	-	-	476,819,157
Share-based payments	-	-	247,217	247,217
Appropriation of reserves	-	(47,152,415)	47,152,415	-
Dividends	-	(34,560,878)	-	(34,560,878)
At 30 June 2012	1,398,457,492	289,421,575	93,872,272	1,781,751,339
At 1 July 2012	1,398,457,492	289,421,575	93,872,272	1,781,751,339
Profit for the year	-	203,034,792	-	203,034,792
Other comprehensive income	-	-	2,698,117	2,698,117
Total comprehensive income for the year	-	203,034,792	2,698,117	205,732,909
Issue of shares	296,135,926	-	-	296,135,926
Share-based payments	-	-	1,842,167	1,842,167
Appropriation of reserves	-	(114,338,432)	114,338,432	-
Dividends	-	(88,068,022)	-	(88,068,022)
At 30 June 2013	1,694,593,418	290,049,913	212,750,988	2,197,394,319
(b) THE BANK	Issued capital	Retained earnings	Other reserves	Total
	MUR	MUR	MUR	MUR
At 1 July 2010	653,977,649	14,807,164	12,418,250	681,203,063
Profit for the year	-	116,143,855	-	116,143,855
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	116,143,855	-	116,143,855
Issue of shares	267,660,686	-	-	267,660,686
Share-based payments	-	-	3,953,869	3,953,869
Appropriation of reserves	-	(30,115,280)	30,115,280	-
Dividends	-	(9,572,363)	-	(9,572,363)
At 30 June 2011	921,638,335	91,263,376	46,487,399	1,059,389,110
At 1 July 2011	921,638,335	91,263,376	46,487,399	1,059,389,110
Profit for the year	-	180,267,766	-	180,267,766
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	180,267,766	-	180,267,766
Issue of shares	476,819,157	-	-	476,819,157
Share-based payments	-	-	247,217	247,217
Appropriation of reserves	-	(47,152,415)	47,152,415	-
Dividends	-	(34,560,878)	-	(34,560,878)
At 30 June 2012	1,398,457,492	189,817,849	93,887,031	1,682,162,372
At 1 July 2012	1,398,457,492	189,817,849	93,887,031	1,682,1