

Unaudited Interim Financial Statements for the nine months ended 31 March 2019



AFRASIA BANK LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	As at 31 March 2019 Unaudited	As at 31 March 2018 Unaudited	As at 30 June 2018 Audited
	MUR'000	MUR'000	MUR'000
ASSETS			
Cash and balances with the Central Bank	3,914,793	3,106,381	3,196,233
Due from banks	57,681,801	45,040,744	51,943,156
Derivative financial instruments	54,658	351,009	208,490
Debt instruments at fair value through profit or loss	6,526,568	-	-
Financial investments - held-for-trading	-	3,010,745	2,958,296
Loans and advances to customers	27,379,858	27,410,945	28,066,483
Debt instruments at fair value through other comprehensive income	3,499,251	-	-
Financial investments - available-for-sale	-	4,457,337	4,055,941
Debt instruments at amortised cost	29,725,536	-	-
Financial investments - held-to-maturity	-	29,840,403	27,360,177
Investment in subsidiary	189,563	189,563	189,563
Property and equipment	178,961	196,874	189,854
Intangible assets	239,192	226,965	249,585
Other assets	2,034,493	1,790,997	1,841,173
Deferred tax assets	98,058	178,459	141,462
TOTAL ASSETS	131,522,732	115,800,422	120,400,413
LIABILITIES AND EQUITY			
Due to banks	49,833	265,421	932,755
Derivative financial instruments	57,168	79,537	64,382
Deposits from customers	123,081,374	108,029,766	111,385,467
Debts issued	232,264	692,282	600,208
Other liabilities	442,969	347,976	445,380
Retirement benefits obligation	41,688	23,000	41,688
Current tax liabilities	158,598	6,511	31,281
TOTAL LIABILITIES	124,063,894	109,444,493	113,501,161
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT			
Ordinary shares	3,641,049	3,210,407	3,641,049
Class A shares	1,385,768	1,385,768	1,385,768
Retained earnings	1,707,424	1,234,240	1,277,521
Other reserves	724,597	525,514	594,914
TOTAL EQUITY	7,458,838	6,355,929	6,899,252
TOTAL LIABILITIES AND EQUITY	131,522,732	115,800,422	120,400,413

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 31 MARCH 2019

	Nine months ended 31 March 2019 Unaudited	Nine months ended 31 March 2018 Unaudited	Year ended 30 June 2018 Audited
	MUR'000	MUR'000	MUR'000
Interest income	2,336,775	1,637,238	2,324,623
Interest expense	(606,601)	(513,387)	(695,565)
Net interest income	1,730,174	1,123,851	1,629,058
Fee and commission income	560,964	542,830	730,260
Fee and commission expense	(216,294)	(227,173)	(306,402)
Net fee and commission income	344,670	315,657	423,858
Net trading income	674,703	575,091	816,767
Other operating income	10,400	21,830	32,977
Total operating income	2,759,947	2,036,429	2,902,660
Net impairment loss on financial assets	(384,300)	(684,428)	(1,067,581)
Net operating income	2,375,647	1,352,001	1,835,079
Personnel expenses	(501,910)	(393,162)	(529,664)
Depreciation on property and equipment	(27,429)	(25,204)	(34,370)
Amortisation of intangible assets	(28,510)	(15,523)	(27,005)
Other operating expenses	(289,916)	(227,030)	(336,362)
Total operating expenses	(847,765)	(660,919)	(927,401)
Profit before tax	1,527,882	691,082	907,678
Tax expense	(205,573)	(46,839)	(141,224)
Profit for the period/year	1,322,309	644,243	766,454
Other comprehensive income that may be subsequently reclassified to profit or loss:			
Net gain on available-for-sale investments	-	9,459	10,722
Net gain on debt instruments at fair value through other comprehensive income	166	-	-
Other comprehensive income that will not be reclassified to profit or loss:			
Remeasurement of retirement benefits obligation	-	-	(11,611)
Deferred tax on remeasurement of retirement benefits obligation	-	-	819
	-	-	(10,792)
Other comprehensive income/(loss) for the period/year	166	9,459	(70)
Total comprehensive income for the period/year	1,322,475	653,702	766,384

STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 31 MARCH 2019

	Ordinary shares MUR'000	Class A shares MUR'000	Retained earnings MUR'000	Other reserves MUR'000	Total MUR'000
At 1 July 2017 (audited)	3,197,608	1,385,768	944,373	464,699	5,992,448
Profit for the period	-	-	644,243	-	644,243
Other comprehensive income	-	-	-	9,459	9,459
Total comprehensive income for the period	-	-	644,243	9,459	653,702
Share-based payments	-	-	-	(2,862)	(2,862)
Issue of shares	15,649	-	-	-	15,649
Indemnity costs	(2,850)	-	-	-	(2,850)
Appropriation of reserves	-	-	(54,218)	54,218	-
Dividends	-	-	(300,158)	-	(300,158)
At 31 March 2018 (unaudited)	3,210,407	1,385,768	1,234,240	525,514	6,355,929
At 1 July 2017 (audited)	3,197,608	1,385,768	944,373	464,699	5,992,448
Profit for the year	-	-	766,454	-	766,454
Other comprehensive (loss)/income	-	-	(10,792)	10,722	(70)
Total comprehensive income for the year	-	-	755,662	10,722	766,384
Share-based payments	-	-	-	(2,862)	(2,862)
Issue of shares	446,291	-	-	-	446,291
Indemnity costs	(2,850)	-	-	-	(2,850)
Appropriation of reserves	-	-	(122,355)	122,355	-
Dividends	-	-	(300,159)	-	(300,159)
At 30 June 2018 (audited)	3,641,049	1,385,768	1,277,521	594,914	6,899,252
At 30 June 2018 (audited)	3,641,049	1,385,768	1,277,521	594,914	6,899,252
Impact of adopting IFRS 9	-	-	(450,503)	-	(450,503)
Deferred tax effect on IFRS 9	-	-	21,122	-	21,122
Restated opening balance under IFRS 9	3,641,049	1,385,768	848,140	594,914	6,469,871
Profit for the period	-	-	1,322,309	-	1,322,309
Other comprehensive income	-	-	-	166	166
Total comprehensive income for the period	-	-	1,322,309	166	1,322,475
Appropriation of reserves	-	-	(129,517)	129,517	-
Dividends	-	-	(333,508)	-	(333,508)
At 31 March 2019 (unaudited)	3,641,049	1,385,768	1,707,424	724,597	7,458,838

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2019

	Nine months ended 31 March 2019 Unaudited	Nine months ended 31 March 2018 Unaudited	Year ended 30 June 2018 Audited
Net cash flows generated from operating activities	2,509,325	12,240,314	14,967,122
Net cash flows used in investing activities	(36,652)	(125,029)	(145,190)
Net cash flows used in financing activities	(676,281)	(718,760)	(539,193)
Net cash flows for the period/year	1,796,392	11,396,525	14,282,739
Movement in cash and cash equivalents			
Cash and cash equivalents at start of period/year	49,974,647	35,692,109	35,691,908
Net increase in cash and cash equivalents	1,796,392	11,396,525	14,282,739
Cash and cash equivalents at end of period/year	51,771,039	47,088,634	49,974,647
Operational cash flows from interest			
Interest paid	(687,016)	(470,312)	(662,889)
Interest received	1,945,589	1,664,475	2,808,635

MANAGEMENT COMMENTS

For the nine months ended 31 March 2019, AfrAsia Bank Limited (the 'Bank') registered an operating income of MUR 2.8bn, a strong increase of 35.5% compared to MUR 2.0bn for the same period last year. The Profit after tax for the period stood at MUR 1.3bn (MUR 644.2m for same period last year).

Total loans and advances to customers stood at MUR 27.4bn and deposits from customers at MUR 123.1bn as at the end of March 2019, that is, maintaining a healthy liquidity position. Deposits grew by 10.5% from June 2018 to March 2019. The Bank continues to secure a reasonable share of the market while remaining prudent in its lending.

The Bank's Capital Adequacy Ratio stood at 14.9% as at end of March 2019 against a regulatory limit of 12.9%. The Capital Adequacy Ratio was at 14.7% for the same quarter last year.

By Order of the Board
Company Secretary
9 May 2019

For the information of stakeholders, AfrAsia Bank Limited is pleased to present its interim unaudited financial statements for the nine months ended 31 March 2019.

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

Copies of the unaudited interim financial statements (which can also be viewed on the Bank's website www.afrasiabank.com) is available free of charge, upon request made to the Company Secretary, 4th Floor, IBL House, Caudan Waterfront, 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 from the Company Secretary.