

# Annual General Meeting

November 2019



# Chairman's Welcome and Opening Address

*Mr. Jean J. de Fondaumière*

## **Item 1 – To consider the Annual Report**

## **Item 2 – To receive the report of the Auditors**

*An unmodified audit report as per pages 163 to 169 of the Annual Report*

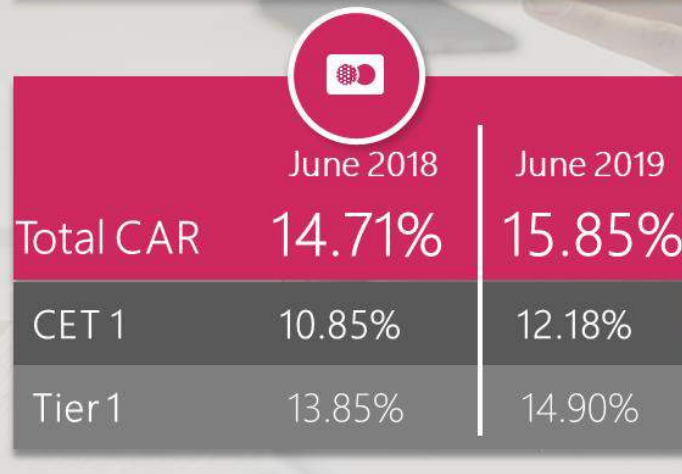
**Item 3** – To consider and approve the  
**Group's and Company's Audited Financial  
Statements for the year ended 30 June 2019**

# Overview of Financial Performance 2019

*Jennifer Jean-Louis*  
**Chief Financial Officer**

# Highlights for FY18/19

annual 19  
meeting

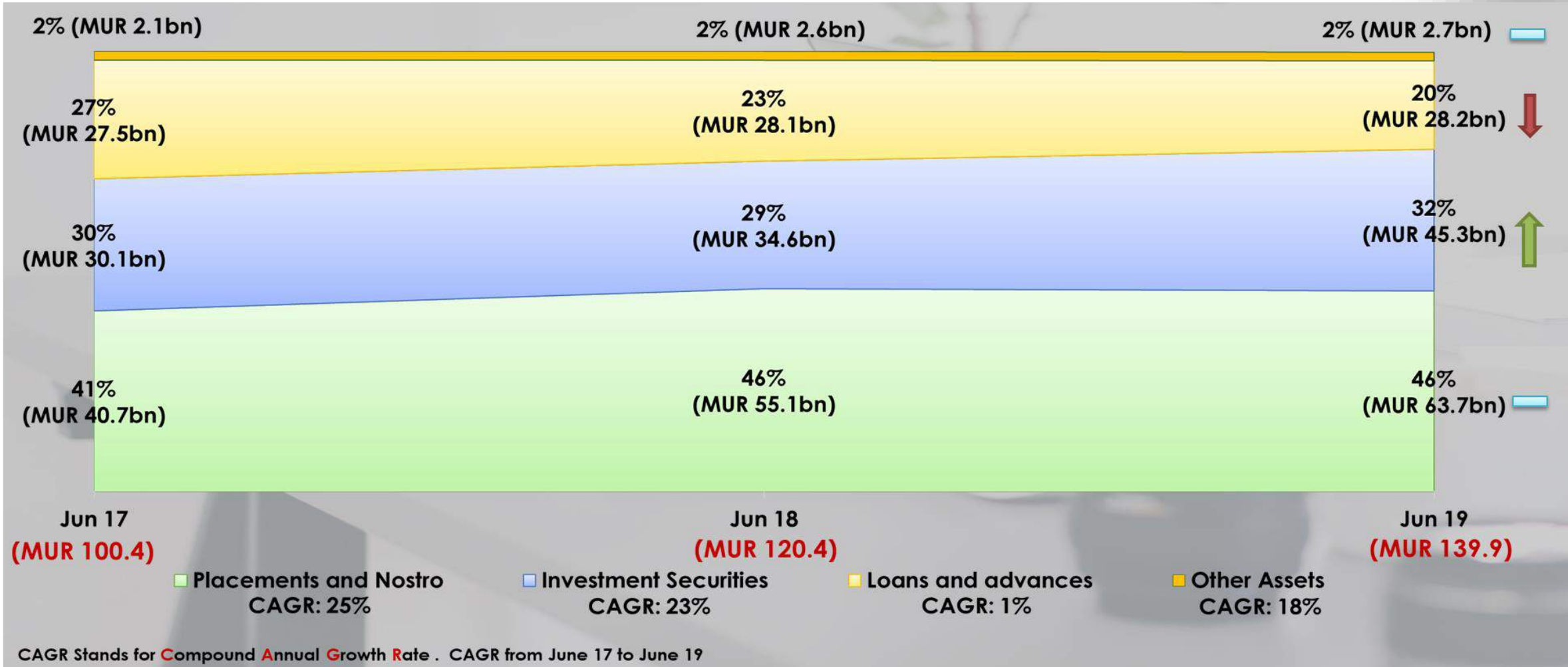


- Return on Average Equity (ROAE) for June 2019 stands at 25% (June 2018: 14%).
- Cost to Income ratio for FY19 is 30% (FY18: 32%).
- Loan to deposit ratio for June 2019 stands at 21% (June 2018: 25%).



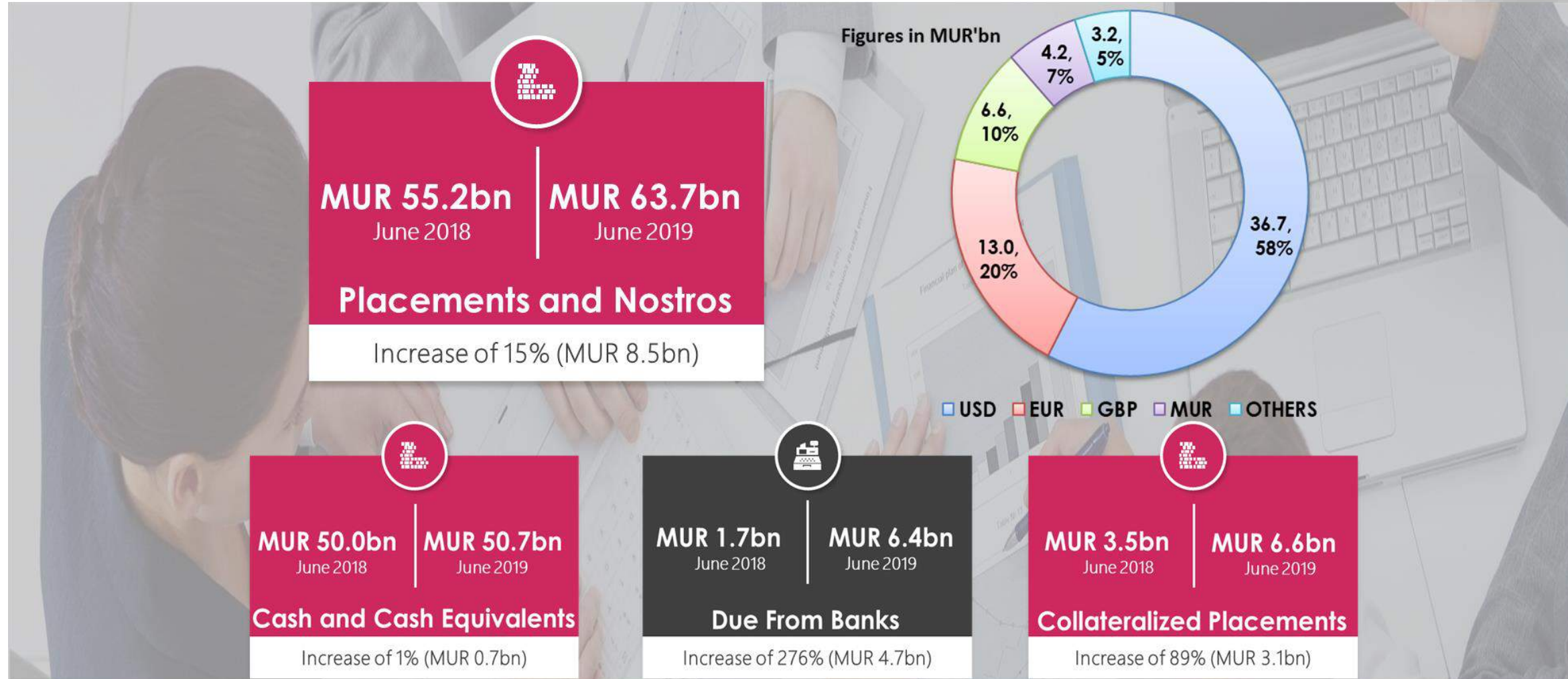
# Total Assets Mix

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meeting



# Placements and Nostros

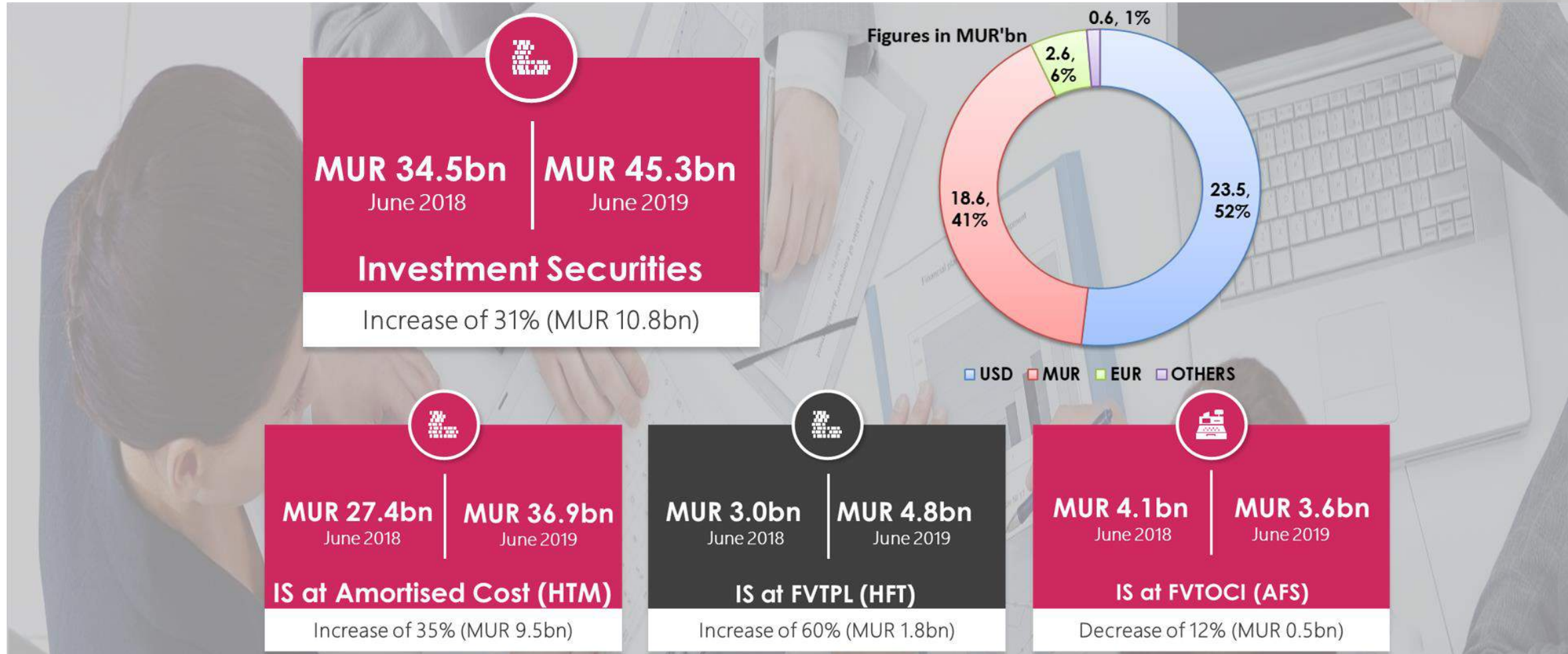
annual 19  
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# Investment Securities (IS)

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meeting

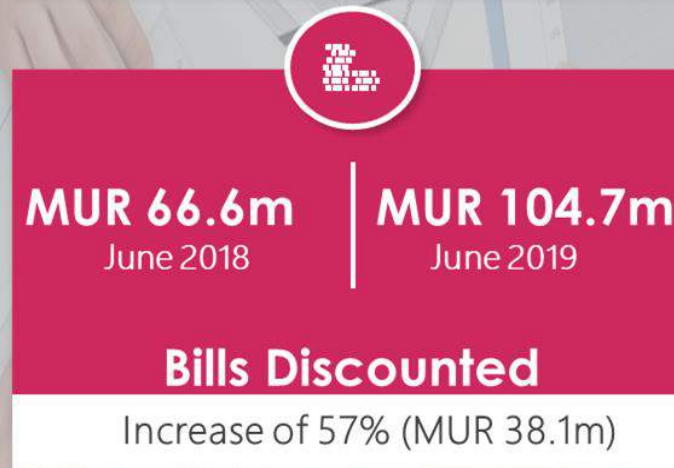
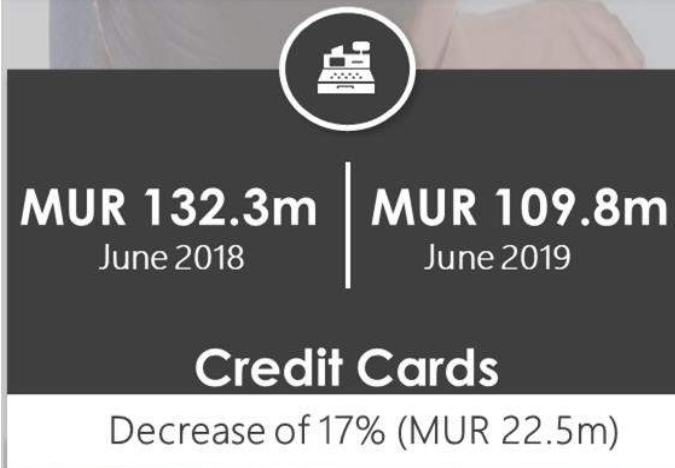
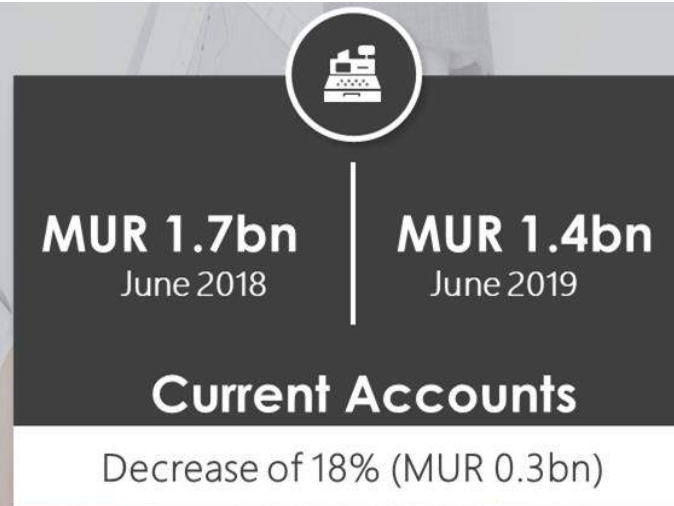


FVTPL stands for **F**air **V**alue **T**hrough **P**rofit and **L**oss

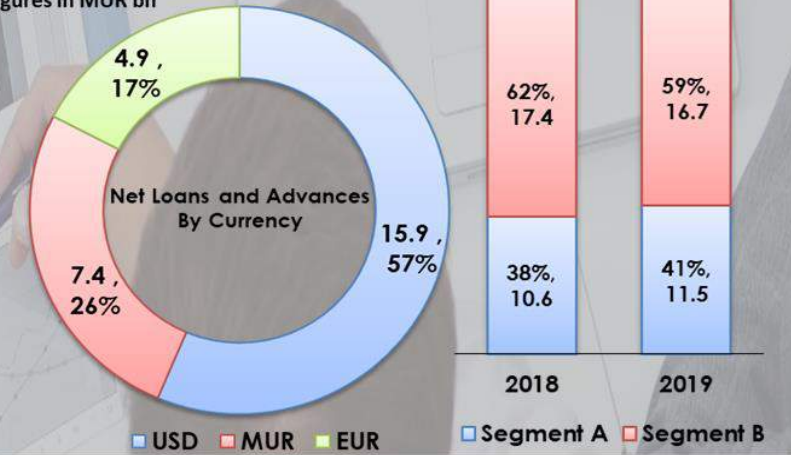
FVTOCI stands for **F**air **V**alue **T**hrough **O**ther **C**omprehensive **I**ncome

# Loans and Advances

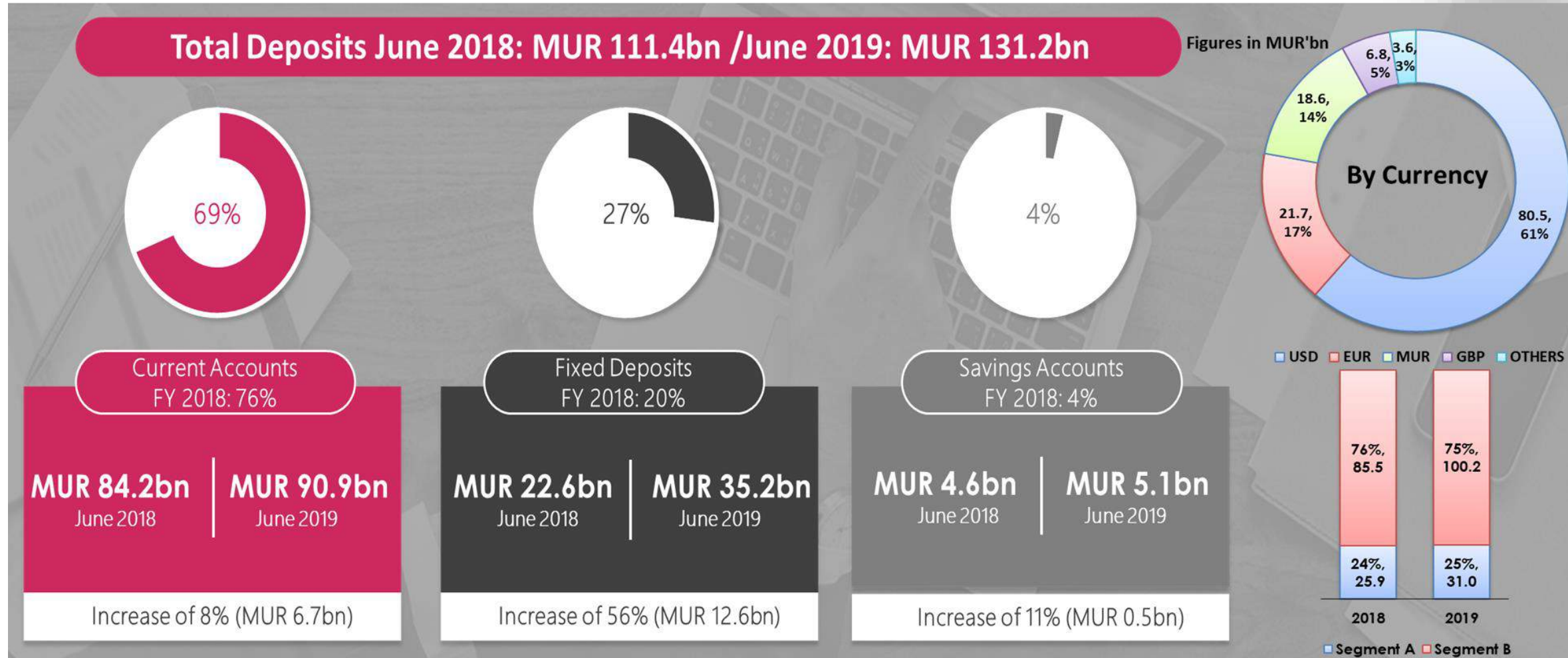
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Figures in MUR'bn



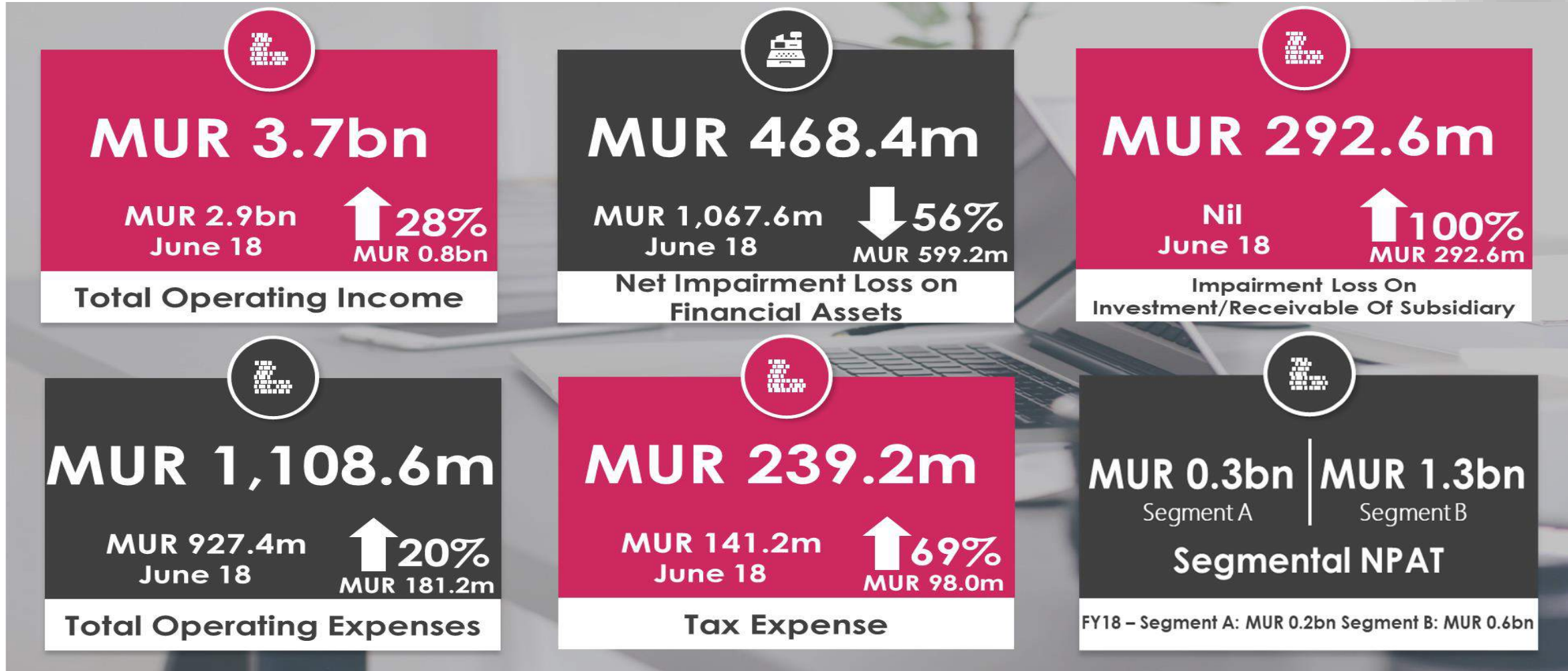
# Customer Deposits





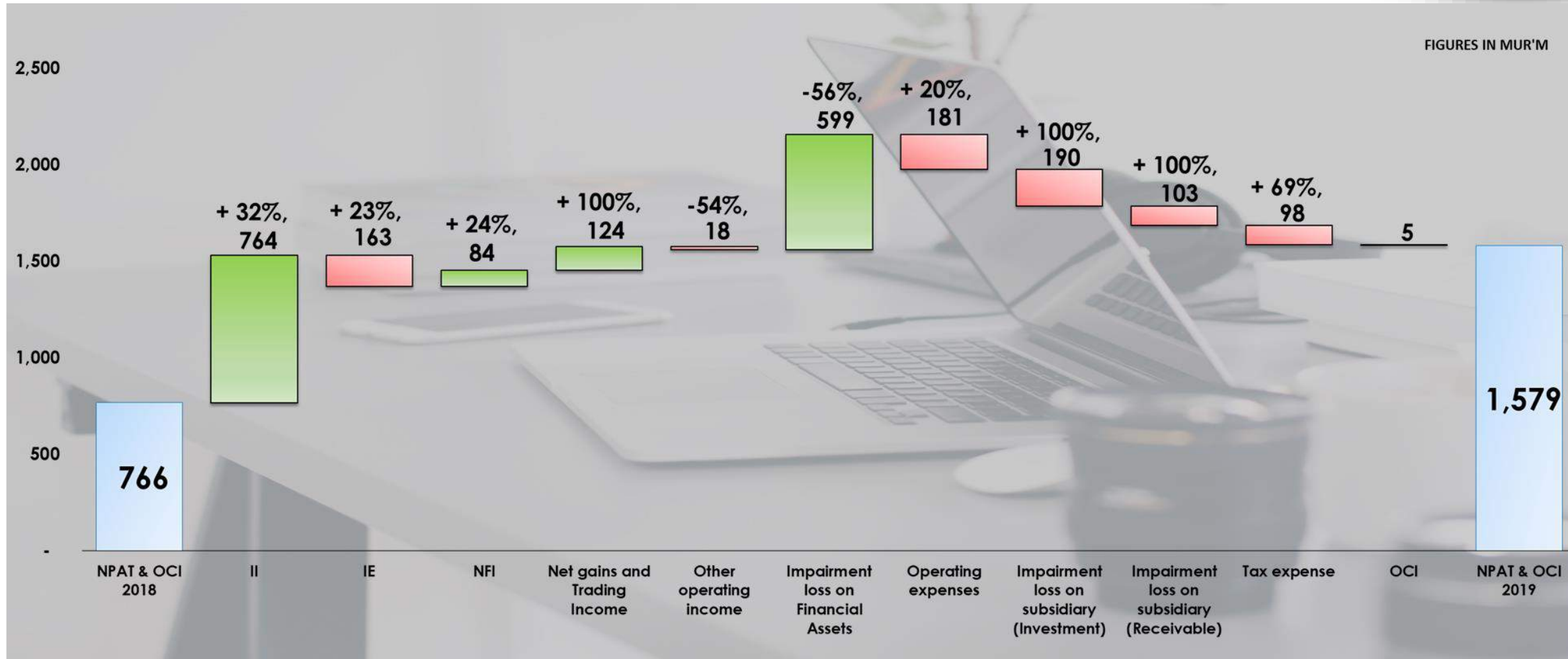
# Income Statement Highlights

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# Income Statement Y-o-Y Movement

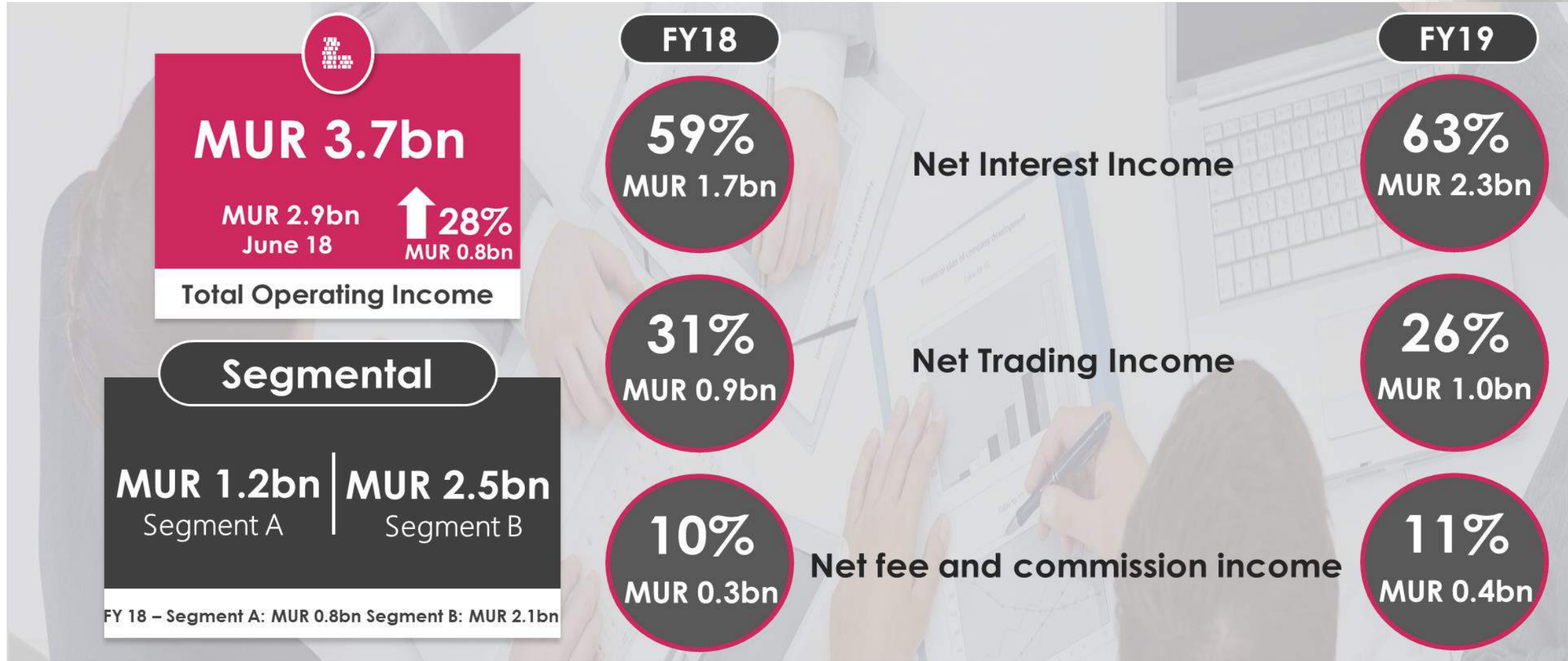
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# Total Operating Income Update

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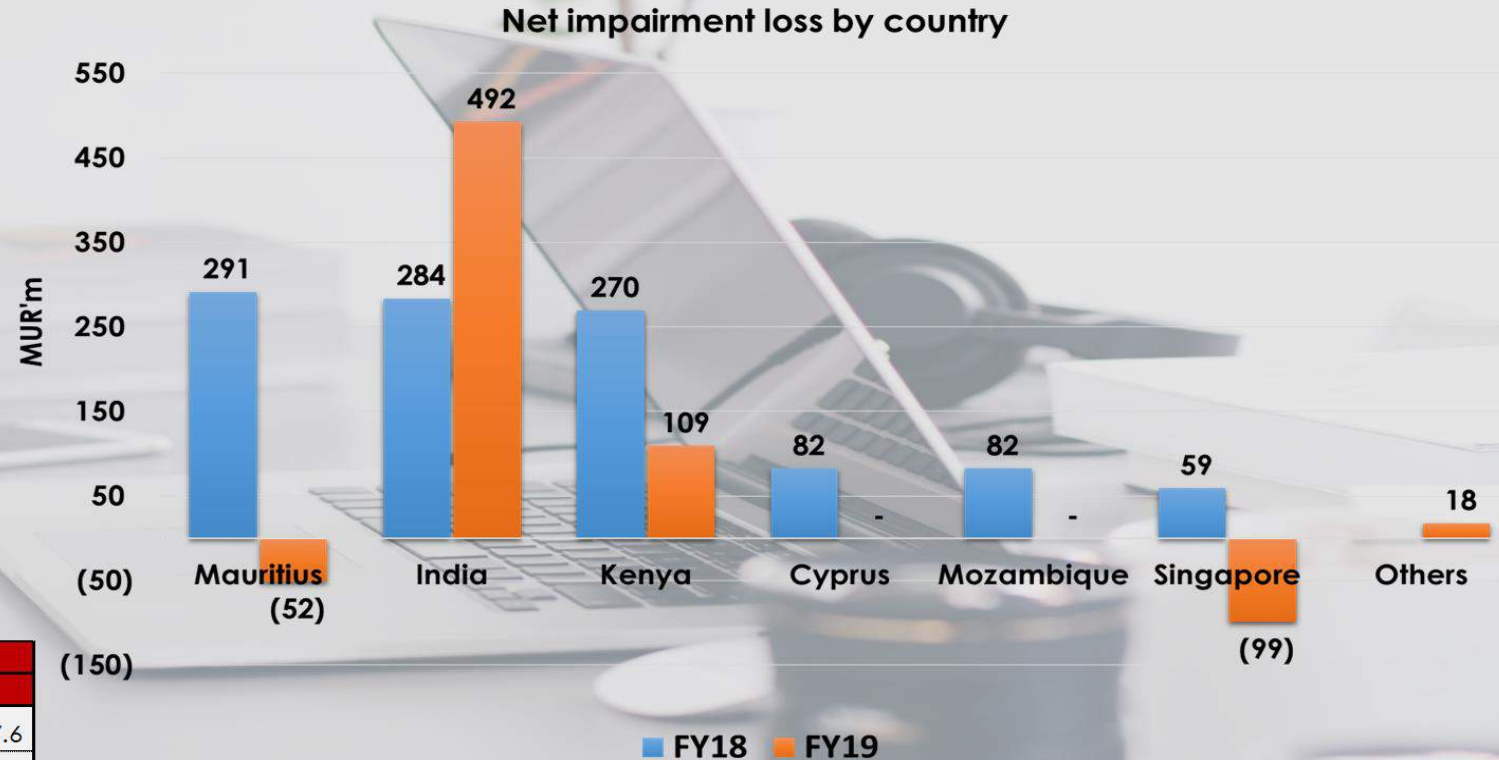


# Impairment Loss Update

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meeting

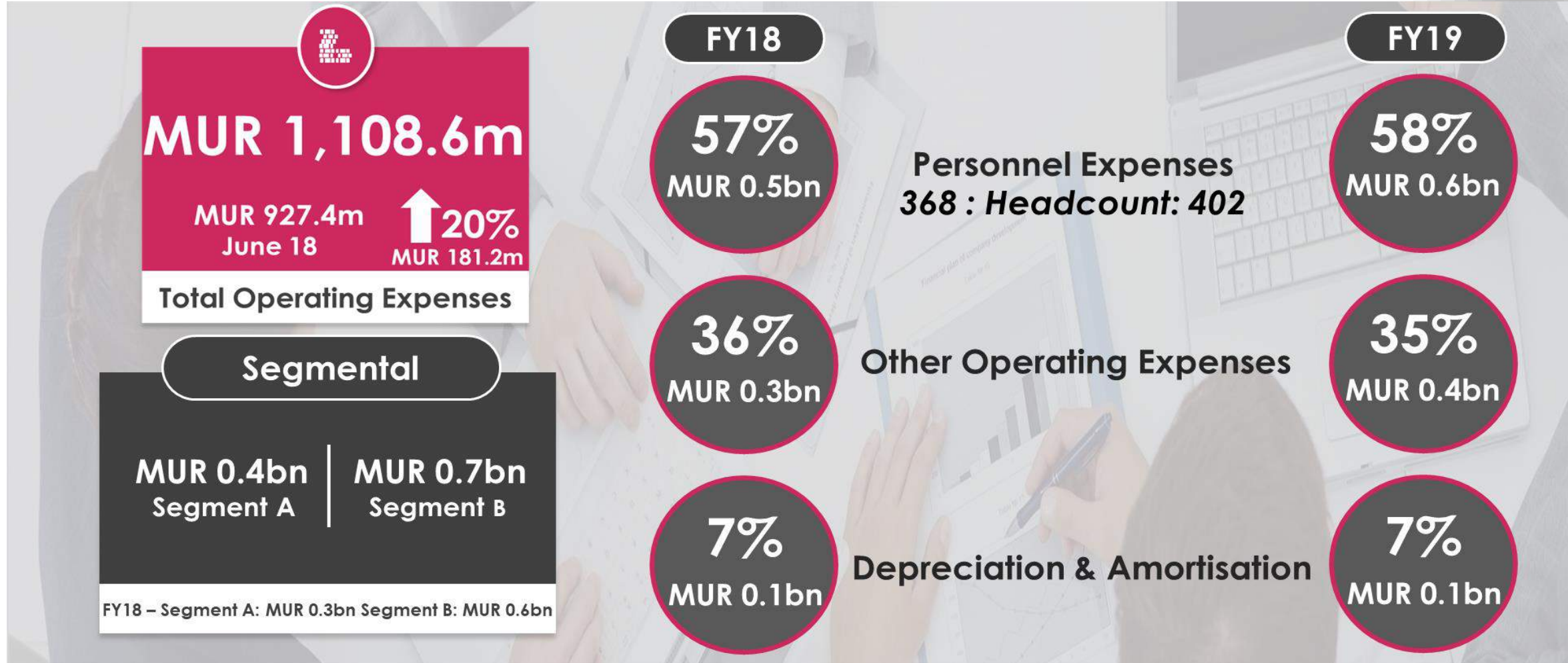


	FY18	FY19
	MUR'm	
Total credit losses under IFRS 9	1,076.2	557.6
Bad debts recovered	(8.6)	(89.2)
<b>Net impairment loss on Financial Assets</b>	<b>1,067.6</b>	<b>468.4</b>



# Total Operating Expenses Update

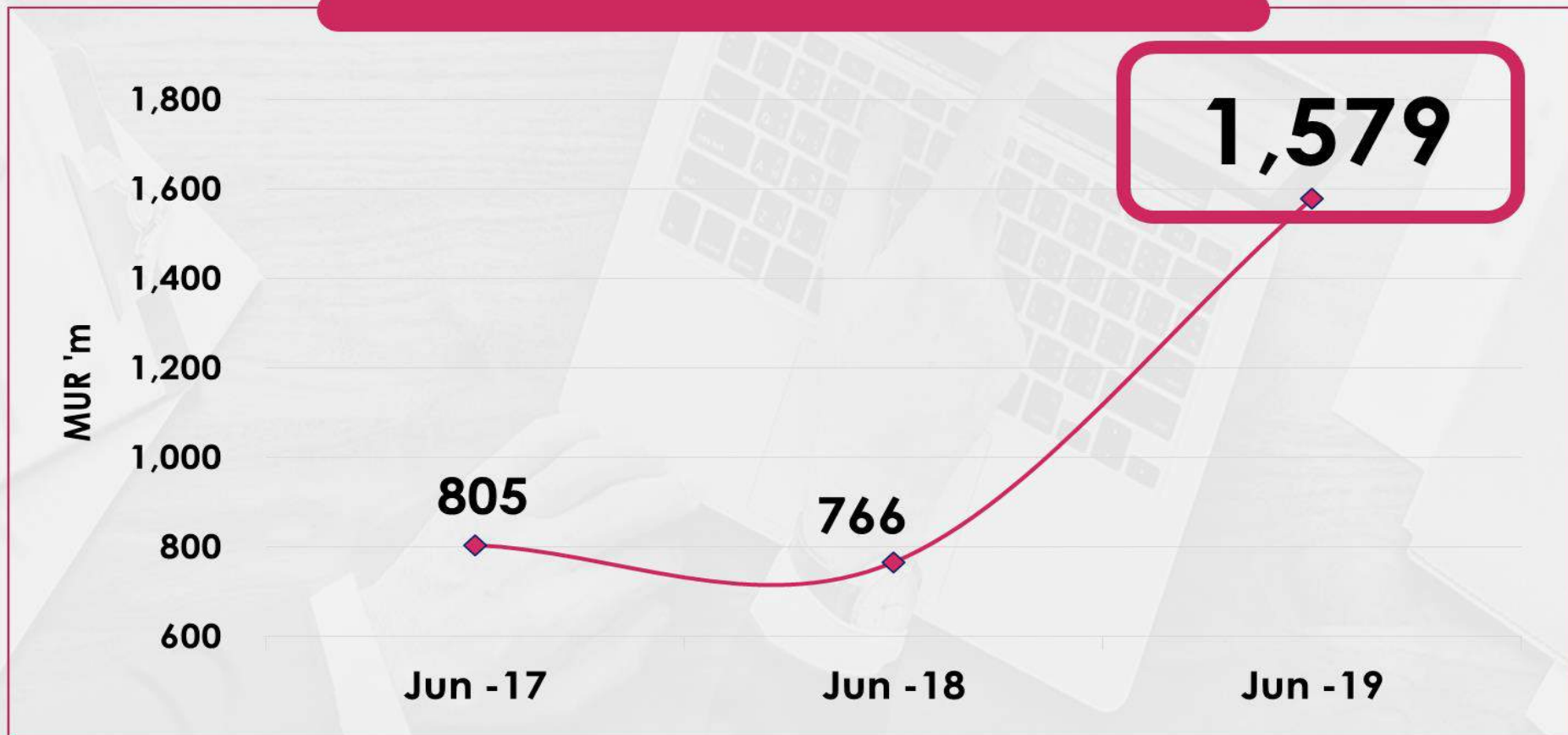
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meeting





# Net Profit After Tax and OCI trend

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**Item 4 – To re-elect as Director of the Company**

***Mr. Sanjiv Bhasin* to hold office until the next  
Annual Meeting**



**Item 5 – To re-elect as Director of the Company**

***Mr. Martin Caron* to hold office until the next**

**Annual Meeting**

**Item 6 – To re-elect as Director of the Company**

***Mr. Dipak Chummun* to hold office until the next  
Annual Meeting**

**Item 7 – To re-elect as Director of the Company**

***Mr. Yves Jacquot*** to hold office until the next  
**Annual Meeting**

**Item 8 – To re-elect as Director of the Company**

***Mr. Philippe Jewtoukoff* to hold office until the  
next Annual Meeting**

**Item 9 – To re-elect as Director of the Company**

***Mr. Arnaud Lagesse*** to hold office until the next  
**Annual Meeting**



**Item 10** – To re-elect as Director of the Company  
***Mr. Arvind Sethi*** to hold office until the next  
**Annual Meeting**

**Item 11 – To re-elect as Director of the Company**

***Mr. François Wertheimer* to hold office until  
the next Annual Meeting**

**Item 12 – To appoint *Mr. Jean J. de Fondaumière*  
as Director to hold office until the next Annual  
Meeting**

— **Item 13** – To appoint *Mr. Mathew Welch* as Director to hold office until the next Annual Meeting

**Item 14** – To fix the remuneration of the  
Directors for the financial year ending **30 June**  
**2020** and to ratify the remuneration paid to the  
Directors for the financial year ended **30 June**  
**2019**



## Proposed Directors' remuneration for the financial year ending 30 June 2020

Category of Member	MUR'000	Fee details
Chairman	550	Monthly
Board Member	440	Fixed fee per annum
Committee Member	45	Per attendance
Additional fee to Credit Committee Member - Independent Only	540	Yearly
Additional fee to Credit Committee Member	15	Per attendance
Additional fee to Chairman of Committee	10	Per attendance
Risk Committee Member being also a Credit Committee Member	25	Per attendance

**Item 15 – To re-appoint the Auditors,  
Deloitte, for the financial year ending 30  
June 2020 and to authorise the Board to fix  
their remuneration**

**Item 16** – To ratify the fees paid to Deloitte for  
the financial year ended **30 June 2019**,  
amounting to **MUR 10.9m**

Audit	Other
MUR'm	
7.2	3.7



**Item 17** – Private placement of up to an aggregate amount of three billion rupees (MUR 3,000,000,000), subject to Bank of Mauritius and Financial Services Commission approvals.

## Purpose of raising funds through a preferential offer

Subject to the approval of the Bank of Mauritius, the net proceeds from the issue of the Class A Shares Series 3 will be applied as Additional Tier 1 (AT1) capital in accordance with the Bank of Mauritius Guideline on Scope of Application of Basel III and Eligible Capital

## Capital Regulations

It is intended that the proceeds from the issue of Class A Shares Series 3 will qualify as Additional Tier 1 Capital (as defined under Section 1 of the Bank of Mauritius Guideline on Scope of Application of Basel III and Eligible Capital). In this connection, the Class A Shares Series 3 must comply with the requirements of any legislation, regulations, guidelines and policies relating to capital adequacy that are applicable to banks registered under the Banking Act 2004 and licensed to conduct the business of a bank in Mauritius or the controlling companies of such banks (collectively, “Regulatory Capital Requirements”).

The approval of the Bank of Mauritius will be sought for the classification of the proceeds from the issue of the Class A Shares Series 3 as Additional Tier 1 Capital. The Information Memorandum and the Preferential Offer Document will contain: (1) a statement that the issue of the Class A Shares Series 3 is an issue of securities the proceeds of which are intended to qualify as Additional Tier 1 Capital; and (2) any condition that must be expressly stated in the Information Memorandum and the Preferential Offer Document for the purposes of satisfying the Regulatory Capital Requirements.

## Classification as Additional Tier 1 Capital

**The criteria for classification as Additional Tier 1 Capital under the “Bank of Mauritius Guideline on Scope of Application of Basel III and Eligible Capital” include but are not limited to the following:**

1. The Class A Shares Series 3 may, at the option of the Bank of Mauritius, either be written off or converted into common equity upon the occurrence of the trigger event. The trigger event is the earlier of: (i) a decision that a write-off, without which the Issuer would become non-viable, is necessary, as determined by the Bank of Mauritius; and (ii) the decision to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by the Bank of Mauritius. The issuance of any new shares as a result of the trigger event must occur prior to any public sector injection of capital so that the capital provided by the public sector is not diluted;
2. Any redemption of the Class A Shares Series 3 can only be made with the prior approval of the Bank of Mauritius;
3. The Class A Shares Series 3 is subordinated to depositors and general creditors of the bank and holders of Tier 2 capital instruments issued by the bank

The Bank of Mauritius may require the Issuer to comply with other conditions.

## Special Resolution

**Item 17.1** – RESOLVED THAT, pursuant to the Preferential Offer, the issue of up to 30,000,000 Class A Shares Series 3 for an aggregate amount of up to three billion rupees (MUR 3,000,000,000), which Class A Shares Series 3 shall have the rights set out in the Information Memorandum, be and is hereby approved, subject to Bank of Mauritius and Financial Services Commission approvals.



## Ordinary Resolution

**Item 17.2** – RESOLVED THAT, subject to the passing of Resolution 17 (1) and pursuant to the Preferential Offer, the Board of Directors of the Company be and is hereby authorised to issue 14,000,000 Class A Shares at an issue price of one hundred rupees (MUR 100) per share (the 'Initial Issue'), representing an aggregate amount of one billion and four hundred million rupees (MUR 1,400,000,000), which Class A Shares Series 3 shall be offered to sophisticated investors (as this term is defined in the Securities Act 2005) by way of private placement.

## Ordinary Resolution

**Item 17.3** – RESOLVED THAT, subject to the passing of Resolution 17 (1) and Resolution 17 (2), in the event of an oversubscription of the Class A Shares Series 3 for the Initial Issue, the Board of Directors of the Company be and is hereby authorised to issue additional Class A Shares Series 3 up to the maximum amount stated in the Information Memorandum.

## Ordinary Resolution

### Item 17.4 – RESOLVED THAT:

- i. the Board of Directors of the Company be and is hereby authorised to take any and all actions as may be required to give effect to the above Resolution 17 (1) Resolution 17 (2) and Resolution 17 (3) and to complete the Preferential Offer;**
- ii. the Company Secretary be and is hereby instructed to do all such things and undertake all such acts as may be required to give effect to the foregoing resolutions; and**
- iii. any and all actions heretofore taken for and on behalf of the Company by any of its Director or Company Secretary in connection with the foregoing resolutions be and are hereby ratified, confirmed and approved.**

**Item 18** – Redemption of Class A Series 1 and Series 2 Shares of an aggregate amount of twenty million dollars and eight hundred million rupees (USD 20m and MUR 800m respectively), subject to Bank of Mauritius approval.

## Special Resolution

**Item 18.1** – RESOLVED THAT, pursuant to the 2014 Programme Memorandum and the 2014 APS, the 2,000,000 Class A Series 1 Shares (USD denomination) for an aggregate amount of twenty million dollars (USD 20,000,000) and 8,000,000 Class A Series 2 Shares (MUR denomination) for an aggregate amount of eight hundred million rupees (MUR 800,000,000), on the terms and subject to the conditions set out in the 2014 Programme Memorandum and the 2014 APS, be and is hereby approved, subject to Bank of Mauritius approval.

## Ordinary Resolution

### Item 18.2 – RESOLVED THAT:

- i. the Board of Directors of the Company be and is hereby authorised to take any and all actions as may be required to give effect to the above Resolution 18 (1) and complete the redemption of Class A Series 1 Shares and Class A Series 2 Shares pursuant to the 2014 Programme Memorandum and the 2014 APS;
- ii. the Company Secretary be and is hereby instructed to do all such things and undertake all such acts as may be required to give effect to the foregoing resolutions; and
- iii. any and all actions heretofore taken for and on behalf of the Company by any of its Director or Company Secretary in connection with the foregoing resolutions be and are hereby ratified, confirmed and approved.

