

Unaudited Interim Condensed Financial Statements for the three months ended 30 September 2021

AFRASIA BANK LIMITED



Statements of Financial Position as at 30 September 2021

	THE GROUP			THE BANK		
	As at 30 September 2021 Unaudited	As at 30 September 2020 Unaudited	As at 30 June 2021 Audited	As at 30 September 2021 Unaudited	As at 30 September 2020 Unaudited	As at 30 June 2021 Audited
ASSETS	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
Cash and cash equivalents	88,115,360	65,402,584	97,810,111	88,115,350	65,399,920	97,810,099
Due from banks	18,830,873	17,162,662	17,974,090	18,830,873	17,162,662	17,974,090
Derivative financial instruments	472,881	262,909	407,880	472,881	262,909	407,880
Loans and advances to banks	8,879,244	4,100,622	6,638,835	8,879,244	4,100,622	6,638,835
Loans and advances to customers	19,147,095	21,344,240	18,749,929	19,147,095	21,344,240	18,749,929
Investment securities	56,209,911	56,094,611	45,410,195	56,209,911	56,066,550	45,410,195
Asset held for distribution	-	-	-	-	38,277	-
Property and equipment	133,789	165,173	137,437	133,789	164,943	137,437
Right of use assets	36,888	71,384	44,518	36,888	71,384	44,518
Intangible assets	308,950	263,559	288,679	308,950	263,294	288,679
Deferred tax assets	122,521	127,977	149,593	122,521	127,862	149,593
Other assets	2,559,064	2,455,019	2,471,954	2,559,064	2,451,119	2,471,954
TOTAL ASSETS	194,816,576	167,450,740	190,083,221	194,816,566	167,453,782	190,083,209
EQUITY AND LIABILITIES						
LIABILITIES						
Due to banks	319	8,365	1,000,122	319	8,365	1,000,122
Deposits from banks	406,401	163,458	364,726	406,401	163,458	364,726
Deposits from customers	184,056,900	157,485,943	178,832,286	184,070,765	157,508,456	178,846,558
Derivative financial instruments	287,614	127,875	210,392	287,614	127,875	210,392
Debts issued	-	10	-	-	-	-
Retirement benefit obligations	73,189	102,031	73,189	73,189	99,851	73,189
Current tax liabilities	139,154	139,353	85,647	139,154	139,353	85,647
Lease liabilities	40,004	74,335	47,658	40,004	74,335	47,658
Other liabilities	414,540	400,779	412,507	409,377	390,176	407,993
TOTAL LIABILITIES	185,418,121	158,502,149	181,026,527	185,426,823	158,511,869	181,036,285
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	1,399,768	1,385,768	1,385,768	1,385,768	1,385,768
Retained earnings	3,037,827	2,584,549	2,693,075	3,010,604	2,601,372	2,664,794
Other reserves	1,333,811	1,323,225	1,336,802	1,352,322	1,313,724	1,355,313
TOTAL EQUITY	9,398,455	8,948,591	9,056,694	9,399,743	8,941,913	9,046,924
TOTAL EQUITY AND LIABILITIES	194,816,576	167,450,740	190,083,221	194,816,566	167,453,782	190,083,209

Statements of Profit or Loss and Other Comprehensive Income for the three months ended 30 September 2021

	THE GROUP			THE BANK		
	Three months ended 30 September 2021 Unaudited	Three months ended 30 September 2020 Unaudited	Year ended 30 June 2021 Audited	Three months ended 30 September 2021 Unaudited	Three months ended 30 September 2020 Unaudited	Year ended 30 June 2021 Audited
Interest income	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
Interest income	406,849	476,508	1,684,412	406,849	476,508	1,684,412
Interest expense	(125,457)	(167,388)	(613,283)	(125,112)	(167,388)	(611,994)
Net interest income, calculated using EIR method	281,392	309,120	1,071,129	281,737	309,120	1,072,418
Fee and commission income	235,150	219,142	877,757	235,150	211,153	877,870
Fee and commission expense	(85,192)	(90,094)	(313,605)	(85,191)	(89,724)	(315,370)
Net fee and commission income	149,958	129,048	564,152	149,959	121,429	562,500
Net trading income	333,378	222,871	948,341	333,378	222,472	945,243
Other (losses)/gains	(1,320)	-	1,696	(927)	-	1,696
Other operating income	-	53	(1,843)	-	-	(106)
Total operating income	763,408	661,092	2,583,475	764,147	653,021	2,581,751
Net impairment loss on financial assets	(8,587)	(24,904)	(470,747)	(8,587)	(24,904)	(465,131)
Net operating income	754,821	636,188	2,112,728	755,560	628,117	2,116,620
Personnel expenses	(182,532)	(166,053)	(662,934)	(182,532)	(158,213)	(662,934)
Depreciation of property and equipment	(6,931)	(9,663)	(35,633)	(6,931)	(9,595)	(35,633)
Depreciation of right of use assets	(7,630)	(8,168)	(32,912)	(7,630)	(8,168)	(32,912)
Amortisation of intangible assets	(9,508)	(13,143)	(41,966)	(9,508)	(13,136)	(41,966)
Other operating expenses	(125,880)	(102,250)	(313,733)	(125,561)	(97,820)	(319,544)
Total operating expenses	(332,481)	(299,277)	(1,087,178)	(332,162)	(286,932)	(1,092,989)
Operating profit	422,340	336,911	1,025,550	423,398	341,185	1,023,631
Gain on disposal of subsidiary	-	-	52,451	-	-	-
Profit before tax	422,340	336,911	1,078,001	423,398	341,185	1,023,631
Tax expense	(80,579)	(40,596)	(148,405)	(80,579)	(40,596)	(148,405)
Profit for the period/year from continuing operations	341,761	296,315	929,596	342,819	300,589	875,226
Discontinued operations						
Loss for the period/year from discontinued operations	-	-	(13,540)	-	-	-
Profit for the period/year	341,761	296,315	916,056	342,819	300,589	875,226
Other comprehensive income/(loss) that will not be reclassified to profit or loss:						
Remeasurement of retirement benefit obligations	-	-	41,444	-	-	41,444
Deferred tax on remeasurement of retirement benefit obligations	-	-	(2,446)	-	-	(2,446)
Fair value gain/(loss) on equity instruments designated at fair value through other comprehensive income	-	794	(25,736)	-	-	1,482
	-	794	13,262	-	-	40,480
Other comprehensive income for the period/year	-	794	13,262	-	-	40,480
Total comprehensive income for the period/year attributable to equity holders of the parent	341,761	297,109	929,318	342,819	300,589	915,706

* The restated figures are on account of special levy re-classification to tax expense instead of being previously classified as other operating expenses. This reclassification does not have any impact on the Total Comprehensive Income of the Group and the Bank.

Statements of Changes in Equity for the three months ended 30 September 2021

	THE GROUP					THE BANK				
	Ordinary shares	Class A shares	Retained earnings	Other reserves	Total	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 2020 (audited)	3,641,049	1,399,768	2,285,239	1,325,426	8,651,482	3,641,049	1,385,768	2,297,788	1,316,719	8,641,324
Profit for the period	-	-	296,315	-	296,315	-	-	300,589	-	300,589
Other comprehensive income	-	-	-	794	794	-	-	300,589	-	300,589
Total comprehensive income for the period	-	-	296,315	794	297,109	-	-	2,995	(2,995)	-
Appropriation of reserves	-	-	2,995	(2,995)	-	-	-	-	-	-
At 30 September 2020 (unaudited)	3,641,049	1,399,768	2,584,549	1,323,225	8,948,591	3,641,049	1,385,768	2,601,372	1,313,724	8,941,913
At 1 July 2021 (audited)	3,641,049	1,399,768	2,285,239	1,325,426	8,651,482	3,641,049	1,385,768	2,297,788	1,316,719	8,641,324
Profit for the year	-	-	916,056	-	916,056	-	-	875,226	-	875,226
Other comprehensive income/(loss)	-	-	38,998	(25,736)	13,262	-	-	38,998	1,482	40,480
Total comprehensive income/(loss) for the year	-	-	955,054	(25,736)	929,318	-	-	914,224	1,482	915,706
Reversal of provision in relation to Bank of Mauritius Guideline	-	-	146,054	(146,054)	-	-	-	146,054	(146,054)	-
Appropriation of reserves	-	-	(183,166)	183,166	-	-	-	(183,166)	183,166	-
Deconsolidation adjustment	-	(14,000)	-	-	(14,000)	-	-	(510,106)	-	(510,106)
Dividends	-	-	(510,106)	-	(510,106)	-	-	(510,106)	-	(510,106)
At 30 June 2021 (audited)	3,641,049	1,385,768	2,693,075	1,336,802	9,056,694	3,641,049	1,385,768	2,664,794	1,355,313	9,046,924
At 1 July 2021 (audited)	3,641,049	1,385,768	2,693,075	1,336,802	9,056,694	3,641,049	1,385,768	2,664,794	1,355,313	9,046,924
Profit for the period	-	-	341,761	-	341,761	-	-	342,819	-	342,819
Total comprehensive income for the period	-	-	341,761	-	341,761	-	-	342,819	-	342,819
Appropriation of reserves	-	-	2,991	(2,991)	-	-	-	2,991	(2,991)	-
At 30 September 2021 (unaudited)	3,641,049	1,385,768	3,037,827	1,333,811	9,398,455	3,641,049	1,385,768	3,010,604	1,352,322	9,389,743

Statements of Cash Flows for the three months ended 30 September 2021

	THE GROUP			THE BANK		
	Three months ended 30 September 2021 Unaudited	Three months ended 30 September 2020 Unaudited	Year ended 30 June 2021 Audited	Three months ended 30 September 2021 Unaudited	Three months ended 30 September 2020 Unaudited	Year ended 30 June 2021 Audited
Net cash flows (used in)/generated from operating activities	(9,571,596)	(3,605,249)	29,285,044	(9,571,594)	(3,603,461)	29,288,763
Net cash flows used in investing activities	(33,775)	(17,024)	(79,698)	(33,775)	(16,750)	(78,706)
Net cash flows used in financing activities	(93,057)	(8,237)	(424,475)	(93,057)	(8,237)	(424,475)
Net cash flows for the period/year	(9,698,428)	(3,630,510)	28,780,871	(9,698,426)	(3,628,448)	28,785,582
Movement in cash and cash equivalents						
Cash and cash equivalents at 1 July	97,810,014	69,030,100	69,030,099	97,810,002	69,025,374	69,025,376
Net (decrease)/increase in cash and cash equivalents	(9,698,428)	(3,630,510)	28,780,871	(9,698,426)	(3,628,448)	28,785,582
Effect of IFRS 9 impairment credit/(charge)	3,455	1,273	(956)	3,455	1,273	(956)
Cash and cash equivalents at end of period/year	88,115,041	65,400,863	97,810,014	88,115,031	65,398,199	97,810,002
Operational cash flows from interest						
Interest paid	(140,513)	(196,736)	(672,285)	(140,167)	(196,736)	(672,285)
Interest received	349,931	694,940	1,996,165	349,931	694,940	1,996,165

Management's Comments

Financial Highlights

AfrAsia Bank Limited (the "Bank") has continued to deliver a steady financial result despite the difficult economic and market conditions. For the quarter ended 30 September 2021, the Bank reported a net profit after tax ("NPAT") of **MUR 342.8m** (September 2020: MUR 300.6m) resulting in an increase of **14%** as compared to the quarter ended 30 September 2020.

In comparison to same quarter last year, the Bank's net interest income decreased by **MUR 27.4m, being 9%**, primarily due to lower interest rate prevailing on the market to stand at **MUR 281.7m** (September 2020: MUR 309.1m).

Net fee and commission income were **23%** higher than in September 2020 to reach **MUR 150.0m** (September 2020: MUR 121.4m) at end of