

ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2021

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	Unaudited Sep 21 MUR	Unaudited Sep 20 MUR	Audited Jun 21 MUR
ASSETS			
Cash and cash equivalents	4,476,663,693	2,108,095,824	4,871,775,378
Due from banks	213,313,776	-	-
Derivative financial assets	3,306,732	7,133,432	10,228,424
Loans and advances to customers	9,492,299,281	9,998,629,852	10,180,812,563
Investment securities	7,050,599,848	6,376,287,355	6,504,248,029
Other assets	970,216,311	918,684,898	952,457,252
Property, equipment and right-of-use assets	581,353,266	605,340,872	586,761,003
Intangible assets	41,565,639	8,385,186	41,793,082
Deferred tax assets	12,302,098	21,722,484	11,598,877
Total assets	22,841,620,644	20,044,279,903	23,159,674,608
LIABILITIES			
Due to banks	200,007,123	-	-
Derivative financial liabilities	271,222	9,165,286	8,936,609
Deposits from customers	19,430,061,910	16,923,152,246	19,846,223,025
Preference shares	-	139,440,016	142,809,030
Subordinated debts	511,205,479	511,205,480	504,762,329
Current tax liabilities	17,749,270	37,849,950	9,220,699
Other liabilities	688,678,646	538,224,666	719,178,864
Total liabilities	20,847,973,650	18,159,037,644	21,231,130,556
Shareholders' Equity			
Issued capital	940,495,472	940,495,472	940,495,472
Retained earnings	829,606,008	742,850,977	791,848,897
Other reserves	223,545,514	201,895,810	196,199,683
Capital and reserves	1,993,646,994	1,885,242,259	1,928,544,052
Total liabilities and equity	22,841,620,644	20,044,279,903	23,159,674,608
Contingent liabilities			
Guarantees on account of customers	39,890,312	217,639,366	52,909,454
Letter of credit and other obligations on account of customers	2,731,605	47,997,827	-
Commitments	1,934,247,615	1,399,661,097	1,638,467,897

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Unaudited Quarter ended Sep 21 MUR	Unaudited Quarter ended Sep 20 MUR	Audited Year ended Jun 21 MUR
Interest income	167,318,830	183,785,573	719,014,532
Interest expense	(59,325,794)	(61,600,693)	(251,090,916)
Net interest income	107,993,036	122,184,880	467,923,616
Fee and commission income	32,477,888	25,390,052	110,250,797
Fee and commission expense	(7,930,454)	(7,321,643)	(29,057,422)
Net fee and commission income	24,547,434	18,068,409	81,193,375
Net trading income	11,788,955	16,025,688	51,678,809
Net (loss)/gain on sale of investment securities	(235,902)	3,692,117	110,125,879
Other operating income	20,025	-	2,393,259
Total other income	11,573,078	19,717,805	164,197,947
Operating income	144,113,548	159,971,094	713,314,938
Non-interest expense	(83,718,196)	(81,894,501)	(329,818,071)
Operating profit before impairment	60,395,352	78,076,593	383,496,867
Allowance for credit impairment	(14,812,891)	(1,674,671)	(232,006,978)
Operating profit before tax	45,582,461	76,401,922	151,489,889
Income tax expense	(7,825,350)	(10,967,445)	(31,386,583)
Profit for the period	37,757,111	65,434,477	120,103,306
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss:			
Net gain/(loss) on investments in equity instruments designated at fair value through other comprehensive income	319,651	(665,503)	14,566,769
Fair value gain on disposal in equity	-	-	2,492,190
Remeasurement of retirement pension net of deferred tax	-	-	9,852,397
	319,651	(665,503)	26,911,356
Items that may be reclassified subsequently to profit or loss:			
Expected credit loss allowance relating to debt instruments designated at fair value through other comprehensive income	11,138,591	(514,123)	(35,025)
Net gain/(loss) on investments in debt instruments designated at fair value through other comprehensive income	15,887,589	(15,769,855)	(55,192,848)
	27,026,180	(16,283,978)	(55,227,873)
Other comprehensive income/(loss) for the period	27,345,831	(16,949,481)	(28,316,517)
Total comprehensive income	65,102,942	48,484,996	91,786,789
Weighted average number of ordinary shares	76,271,872	76,271,872	76,271,872
Basic and diluted - earnings per share	0.50	0.86	1.57

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Issued Capital MUR	Retained Earnings MUR	Statutory Reserve MUR	Other Reserve MUR	Total MUR
At 1 July 2020	940,495,472	677,416,500	164,562,918	54,282,373	1,836,757,263
Profit for the period	-	65,434,477	-	-	65,434,477
Expected credit loss allowance relating to debt instruments designated at fair value through other comprehensive income	-	-	-	(514,123)	(514,123)
Other comprehensive loss for the period	-	-	-	(16,435,358)	(16,435,358)
Total comprehensive income for the period	-	65,434,477	-	(16,949,481)	48,484,996
At 30 September 2020	940,495,472	742,850,977	164,562,918	37,332,892	1,885,242,259
At 1 July 2021	940,495,472	677,416,500	164,562,918	54,282,373	1,836,757,263
Profit for the year	-	120,103,306	-	-	120,103,306
Other comprehensive loss for the year	-	12,344,587	-	(40,661,104)	(28,316,517)
Total comprehensive income for the year	-	132,447,893	-	(40,661,104)	91,786,789
Transfer to statutory reserve	-	(18,015,496)	18,015,496	-	-
At 30 June 2021	940,495,472	791,848,897	182,578,414	13,621,269	1,928,544,052
At 1 July 2021	940,495,472	791,848,897	182,578,414	13,621,269	1,928,544,052
Profit for the period	-	37,757,111	-	-	37,757,111
Other comprehensive income for the period	-	-	-	27,345,831	27,345,831
Total comprehensive income for the period	-	37,757,111	-	27,345,831	65,102,942
At 30 September 2021	940,495,472	829,606,008	182,578,414	40,967,100	1,993,646,994

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2021

	Unaudited Quarter ended Sep 21 MUR	Unaudited Quarter ended Sep 20 MUR	Audited Year ended Jun 21 MUR
Net cash (used in)/generated from operating activities	(10,336,896)	137,022,541	2,630,720,976
Net cash (used in)/generated from investing activities	(546,186,160)	712,466,452	633,807,850
Net cash generated from/(used in) financing activities	199,136,036	581,863	(3,629,470)
Net (decrease)/increase in cash and cash equivalents	(357,387,020)	850,070,856	3,260,899,356
Net foreign exchange difference	(37,724,665)	(22,016,722)	330,834,332
Net cash and cash equivalents at beginning of period / year	4,871,775,378	1,280,041,690	1,280,041,690
Net cash and cash equivalents at end of period / year	4,476,663,693	2,108,095,824	4,871,775,378

LIQUIDITY COVERAGE RATIO FOR THE QUARTER ENDED 30 SEPTEMBER 2021

	TOTAL UNWEIGHTED VALUE (quarterly average of bi-monthly observations) (MUR. M)	TOTAL WEIGHTED VALUE (quarterly average of bi-monthly observations) (MUR. M)
HIGH-QUALITY LIQUID ASSETS		
Total high-quality liquid assets (HQLA)	5,086	5,011
CASH OUTFLOWS		
Retail deposits and deposits from small business customers, of which:		
Stable deposits	-	-
Less stable deposits	5,001	500
Unsecured wholesale funding, of which:	167	17
Operational deposits (all counterparties)	8,515	2,129
Non-operational deposits (all counterparties)	117	48
Unsecured debt	-	-
Secured wholesale funding	-	-
Additional requirements, of which:		
Outflows related to derivative exposures and other collateral requirements	181	181
Outflows related to loss of funding on debt products	-	-
Credit and liquidity facilities	1,695	298
Other contractual funding obligations	87	87
Other contingent funding obligations	132	7
TOTAL CASH OUTFLOWS	15,894	3,266
CASH INFLOWS		
Secured funding (e.g. reverse repos)	-	-
Inflows from fully performing exposures	2,363	2,240
Other cash inflows	182	182
TOTAL CASH INFLOWS	2,545	2,422
TOTAL ADJUSTED VALUE (MUR. M)		
TOTAL HQLA		5,011
TOTAL NET CASH OUTFLOWS		985
LIQUIDITY COVERAGE RATIO (%)		509%
QUARTERLY AVERAGE OF DAILY HQLA		5,044

Notes:

- The reported values for 'quarterly average of bi-monthly observations' are based on the 15 July, 31 July, 15 Aug, 31 Aug, 15 Sept and 30 Sept 2021 figures. The number of data points used for the calculations are 6
- The reported values for 'quarterly average of daily HQLA' are based on end of daily figures over the 1 July 2021 to 30 Sept 2021's period. The number of data points used for the calculations are 92.

As at 30 Sept 2021, the bank's LCR stood at 311% whereas the quarterly average of bi-monthly observations for the Quarter ended 30 Sept 2021 was 509%, mainly due to the significant investment in eligible securities. The bank's high-quality liquid assets (HQLA) is primarily made up of sovereign and central bank securities and the weighted value as at end of September was MUR 4.9 billion and the quarterly average of bi-monthly observations for the Quarter ended 30 Sept 2021 was at MUR 5.0 billion. The bank continues to monitor its liquidity position and will adjust its investment strategy to meet the prescribed requirement.

Comments

The bank registered a profit before impairment of MUR 60.4 million for the quarter ended 30 September 2021, compared to last year's same period of MUR 78.1 million, reflecting the continued difficult economic situation.

The Operating income for the quarter ended 30 September 2021 stood at MUR 144.1 million compared to MUR 160.0 million same period last year. The low interest rate environment and reduced business activity continue to affect the bank's performance.

The bank's total assets as at 30 September 2021 was MUR 22.8 billion compared to MUR 20.0 billion same quarter last year whilst the saving and deposit balance closed at MUR 19.4 billion compared to MUR 16.9 billion compared to same quarter last year. As at 30 September 2021, the Capital Adequacy Ratio stood at 16.2% and Liquidity Coverage Ratio at 311%.

By Order of the Board

The abridged unaudited interim financial statements have been prepared in accordance

with the same accounting policies as those set out in the audited financial statements for the year ended 30 June 2021.

Copies of the interim financial statements and LCR disclosure are available, free of charge, upon request made to the Company Secretary at its registered office, ABC Centre, Military Road, Port Louis and can be viewed on our website www.abcbanking.mu

This notice is issued pursuant to DEM Rule 18 and Rule 5 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007. The Board of

Directors of ABC Banking Corporation Ltd accepts full responsibility for the accuracy of the information contained in this report.

The full disclosure of the bank's Liquidity Coverage Ratio is available on our website www.abcbanking.mu.

By Order of the Board
Per Mahesh Ittoo, ACG, MCSI
Company Secretary

11 November 2021

WEAL HOUSE, Duke of Edinburgh Avenue,
Place d'Armes, 11328, Port Louis, Mauritius
Tel: (230) 206 8000 Fax: (230) 208 0088
Web: www.abcbanking.mu



ABC Banking Corporation is regulated by the Bank of Mauritius.