

ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2022

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Unaudited Mar 22 MUR	Unaudited Mar 21 MUR	Audited Jun 21 MUR
ASSETS			
Cash and cash equivalents	3,891,941,093	4,083,492,906	4,871,775,378
Due from banks	664,440,125	-	-
Derivative financial assets	19,103,077	5,541,467	10,228,424
Loans and advances to customers	9,632,941,925	10,125,841,735	10,180,812,563
Investment securities	6,467,983,200	6,065,177,903	6,504,248,029
Other assets	984,593,302	928,149,592	952,457,252
Property, equipment and right-of-use assets	566,244,167	593,521,943	586,761,003
Intangible assets	45,244,773	7,550,161	41,793,082
Deferred tax assets	10,724,671	32,264,530	11,598,877
Total assets	22,283,216,333	21,841,540,237	23,159,674,608
LIABILITIES			
Derivative financial liabilities	11,047,609	1,322,778	8,936,609
Deposits from customers	18,908,721,985	18,600,403,975	19,846,223,025
Preference shares	-	141,748,190	142,809,030
Subordinated debts	511,176,027	511,164,212	504,762,329
Current tax liabilities	12,561,975	31,839,751	9,220,699
Other liabilities	784,598,550	655,974,362	719,178,864
Total liabilities	20,228,106,146	19,942,453,268	21,231,130,556
Shareholders' Equity			
Issued capital	940,495,472	940,495,472	940,495,472
Retained earnings	901,163,105	757,645,480	791,848,897
Other reserves	213,451,610	200,946,017	196,199,683
Capital and reserves	2,055,110,187	1,899,086,969	1,928,544,052
Total liabilities and equity	22,283,216,333	21,841,540,237	23,159,674,608
Contingent liabilities			
Guarantees on account of customers	28,719,901	132,998,329	52,909,454
Commitments	1,960,569,504	1,199,509,119	1,638,467,897

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2022

	Issued Capital MUR	Retained Earnings MUR	Statutory Reserve MUR	Other Reserves MUR	Total MUR
At 01 July 2020	940,495,472	677,416,500	164,562,918	54,282,373	1,836,757,263
Profit for the period	-	80,228,980	-	-	80,228,980
Expected credit loss allowance relating to debt instruments designated at fair value through other comprehensive income	-	-	-	(1,018,321)	(1,018,321)
Other comprehensive loss for the period	-	-	-	(16,880,953)	(16,880,953)
Total comprehensive income for the period	-	80,228,980	-	(17,899,274)	62,329,706
At 31 March 2021	940,495,472	757,645,480	164,562,918	36,383,099	1,899,086,969
At 01 July 2020	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 01 July 2021	940,495,472	791,848,897	182,578,414	13,621,269	1,928,544,052
Profit for the period	-	149,568,611	-	-	149,568,611
Expected credit loss allowance relating to debt instruments designated at fair value through other comprehensive income	-	-	-	(905,572)	(905,572)
Other comprehensive income for the period	-	932,408	-	18,157,499	19,089,907
Total comprehensive income for the period	-	150,501,019	-	17,251,927	167,752,946
Equity dividends	-	(41,186,811)	-	-	(41,186,811)
At 31 March 2022	940,495,472	901,163,105	182,578,414	30,873,196	2,055,110,187

Comments

The bank registered a profit before impairment of MUR 67.3 million for the quarter ended 31 March 2022, compared to last year's same period of MUR 93.7 million, reflecting the continued difficult economic situation.

The Operating income for the quarter ended 31 March 2022 stood at MUR 165.3 million compared to MUR 173.7 million same period last year, being a result of the limited business activity seen in the market. The Operating income for the 9 months ended 31 March 2022 stood at MUR 455.5 million compared to same period last year of MUR 491.0 million.

The bank's total assets as at 31 March 2022 was MUR 22.3 billion compared to MUR 21.8 billion same quarter last year whilst the saving and deposit balance closed at MUR 18.9 billion compared to MUR 18.6 billion compared to same

quarter last year.

As at 31 March 2022, the Capital Adequacy Ratio stood at 15.1% and Liquidity Coverage Ratio at 548.1%.

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, WEAL HOUSE, Duke of Edinburgh Avenue, Place d'Armes, 11328, Port Louis and can be viewed on our website www.abcbanking.mu.

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2022

	Unaudited Quarter ended Mar 22 MUR	Unaudited Quarter ended Mar 21 MUR	Unaudited Nine Months ended Mar 22 MUR	Unaudited Nine Months ended Mar 21 MUR	Audited Year ended June 21 MUR
Interest income	162,669,994	176,737,799	498,817,156	545,024,790	719,014,532
Interest expense	(52,424,431)	(64,000,384)	(170,488,004)	(188,925,100)	(251,090,916)
Net interest income	110,245,563	112,737,415	328,329,152	356,099,690	467,923,616
Fee and commission income	27,165,524	23,928,036	89,897,892	77,357,411	110,250,797
Fee and commission expense	(10,016,109)	(6,785,767)	(27,414,616)	(22,135,758)	(29,057,422)
Net fee and commission income	17,149,415	17,142,269	62,483,276	55,221,653	81,193,375
Total other income	37,915,927	43,861,861	64,661,745	79,681,308	164,197,947
Operating income	165,310,905	173,741,545	455,474,173	491,002,651	713,314,938
Non interest expenses	(97,987,561)	(80,003,057)	(270,614,671)	(242,742,574)	(329,818,071)
Operating profit before impairment	67,323,344	93,738,488	184,859,502	248,260,077	383,496,867
Allowance for credit impairment	(9,410,209)	(123,397,984)	(10,996,577)	(149,423,298)	(232,006,978)
Operating profit/(loss) before tax	57,913,135	(29,659,496)	173,862,925	98,836,779	151,489,889
Income tax expense	(7,215,268)	(1,050,998)	(24,294,314)	(18,607,799)	(31,386,583)
Profit/(loss) for the period	50,697,867	(30,710,494)	149,568,611	80,228,980	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	2,622,519	(4,174,740)	11,066,650	4,684,686	14,566,769
Fair value gain on disposal in equity	932,408	-	932,408	-	2,492,190
Remeasurement of retirement pension net of deferred tax	-	-	-	-	9,852,397
	3,554,927	(4,174,740)	11,999,058	4,684,686	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	(713,540)	302,289	(905,572)	(1,018,321)	(35,025)
Net (loss)/gain on investments in debt instruments designated at fair value through other comprehensive income	(146,056)	(4,559,597)	7,090,849	(21,565,639)	(55,192,848)
	(859,596)	(4,257,308)	6,185,277	(22,583,960)	(55,227,873)
Other comprehensive income/ (loss) for the period	2,695,331	(82,568)	18,184,335	(17,899,274)	(28,316,517)
Total comprehensive income/ (loss)	53,393,198	(30,793,062)	167,752,946	62,329,706	91,786,789
Weighted average number of ordinary shares	76,271,872	76,271,872	76,271,872	76,271,872	76,271,872
Basic and diluted - earnings per share	0.66	(0.40)	1.96	1.05	1.57

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2022

	Unaudited Nine months ended Mar 22 MUR	Unaudited Nine months ended Mar 21 MUR	Audited Year ended Jun 21 MUR
Net cash (used in)/generated from operating activities	(1,081,312,622)	1,849,881,712	2,630,720,976
Net cash generated from investing activities	64,321,509	1,054,471,431	633,807,850
Net cash (used in)/ generated from financing activities	(41,186,811)	3,615,875	(3,629,470)
Net (decrease)/increase in cash and cash equivalents	(1,058,177,924)	2,907,969,018	3,260,899,356
Net foreign exchange difference	78,343,639	(104,517,802)	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	3,891,941,093	4,083,492,906	4,871,775,378

LCR COMMON DISCLOSURE TEMPLATE

	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)	4,390	4,349
CASH OUTFLOWS		
Retail deposits and deposits from small business customers, of which:		
Stable deposits	-	-
Less stable deposits	5,766	577
Unsecured wholesale funding, of which:	7	1
Operational deposits (all counterparties)	7,251	1,813
Non-operational deposits (all counterparties)	173	71
Unsecured debt	-	-
Secured wholesale funding	-	-
Additional requirements, of which:		
Outflows related to derivative exposures and other collateral requirements	36	36
Outflows related to loss of funding on debt products	-	-
Credit and liquidity facilities	1,864	303
Other contractual funding obligations	-	-
Other contingent funding obligations	-	-
TOTAL CASH OUTFLOWS	15,096	2,801
CASH INFLOWS		
Secured funding (e.g. reverse repos)	-	-
Inflows from fully performing exposures	2,524	2,362
Other cash inflows	36	36
TOTAL CASH INFLOWS	2,560	2,398
		TOTAL ADJUSTED VALUE (MUR. M)
TOTAL HQLA		4,349
TOTAL NET CASH OUTFLOWS		700
LIQUIDITY COVERAGE RATIO (%)		621%
QUARTERLY AVERAGE OF DAILY HQLA		4,435

Notes:

- The reported values for 'quarterly average of bi-monthly observations' are based on the 15 Jan, 31 Jan, 15 Feb, 28 Feb, 15 Mar and 31 Mar 2022 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 Jan 2022 to 31 March 2022's period. The number of data points used for the calculations are 90.

As at 31 March 2022, the bank's LCR stood at 548% whereas the quarterly average of bi-monthly observations for the Quarter ended 31 March 2022 was 621%, 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 March was MUR 3.9 billion and the quarterly average of bi-monthly observations for the Quarter ended 31 March 2022 was at MUR 4.4 billion. The bank continues to monitor its liquidity position and will adjust its investment strategy to meet the prescribed requirement.

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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

12 May 2022