



# Abridged Unaudited Interim Financial Statements

for the six months ended  
**31 December 2021**



Le partenaire de votre progrès!

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# Management Discussion & Analysis

MauBank Ltd (“Bank”) is pleased to present the abridged unaudited interim financial statements of the Group and the Bank for the six months ended 31 December 2021.

The abridged unaudited interim financial statements have been prepared using the same accounting policies as those adopted in the audited financial statements for the year ended 30 June 2021, and in accordance with the Bank of Mauritius Guidelines on Public Disclosure of Information and IAS 34.

Below are the highlights of the key financial and operational performance for the period ended 31 December 2021:

- I. The Bank recorded a pre-tax profit of Rs 143.78 Mn for the six months ended 31 December 2021 against a pre-tax profit of Rs 47.55 Mn for the same period last year.
- II. Total Operating Income was higher for the six months ended 31 December 2021 at Rs 650.88 Mn compared to Rs 534.05 Mn for the same period last year. The sustained level of income was mainly attributed to an improvement in interest income, lower funding costs as well as an increase in net fee and commission income.
- III. The Bank’s cost to income ratio improved from 90.22% for the period ended 31 December 2020 to 74.22% for the period ended 31 December 2021, mainly attributable to an improvement in operating income by 21.88% as compared to same period last year.
- IV. The Capital Adequacy Ratio (CAR) of the Bank stood comfortably at 13.81% as at 31 December 2021, well above the regulatory minimum of 11.75%, which includes a capital conservation buffer of 1.875%.
- V. The Bank’s total liquid assets represented 34.62% of the Bank’s assets, or 39.72% of the Bank’s deposit base, as the Bank continues to monitor prudentially a sound approach towards liquidity management.

## Global Economy

In 2021, the global economy was expected to rebound, buoyed by increased corporate confidence and investor risk appetite, as well as generally accommodating monetary and fiscal policies. While vaccination initiatives are being bolstered, the pandemic continues to spread at varied rates around the world. Advanced economies could achieve pre-pandemic output levels by 2022, according to the International Monetary Fund (IMF), while emerging and developing countries would take longer. In October 2021 World Economic Outlook, the IMF predicted global economic growth of 5.9% in 2021, dropping to 4.9% in 2022. The robustness of the economic recovery and the influence on financial markets following the introduction of new COVID-19 versions, which could increase volatility and hazards, remain uncertain.

## Mauritian Economy

The Mauritian economy recovered in the second quarter of 2021, with a real growth rate of 19.3%. In the second half of 2021, the rising trend was predicted to continue. The recovery was aided by continuing monetary and fiscal policy assistance, progress in the immunization program, and the health of numerous important businesses. Furthermore, as visitors arrivals steadily increased, the tourism industry started showing signs of recovery. The influx of tourists in Mauritius was a welcoming boost to an ailing industry which was severely decimated by COVID-19 and needed increased assistance from the Government. The recovery in tourism related economic activity helped to alleviate the financial stability risks as financial conditions in the household and corporate sectors began to improve. The tourism and manufacturing sectors’ strength is projected to bode well for the external sector and contribute foreign exchange to the market. The current account deficit-to-GDP ratio is expected to fall to 10.8% in 2021, down from 12.6% in 2020, as a result of these favorable trends.



# Management Discussion & Analysis

To aid economic recovery, the Central Bank maintained its liberal monetary policy stance. At the Monetary Policy Committee meeting in December, 2021, the repo rate was maintained at 1.85%, as inflationary pressures produced by pandemic-induced transient supply shocks were projected to diminish. As economic activity picked up, the Central Bank increased its monetary operations to reduce the level of excess Rupee liquidity in the banking sector. With the ongoing economic recovery, the danger to financial stability posed by possible liquidity limitations has also decreased.

The Central Bank extended some of the measures under its COVID-19 Support Programme to continue providing support to individuals and businesses during the recovery phase, in order to aid the recovery process and reduce risks to financial stability. These measures mitigated the impact on asset quality of banks, as seen by the drop in the ratio of non-performing loans to total loans to 4.5 percent as of the end of September 2021, down from 5.0 percent as of the end of March 2021.

MauBank Ltd, other than actively monitoring its assets and liabilities maturity mismatch, also ensures that it has a relatively large stable deposit base, in keeping with sufficient liquid assets to meet any unforeseen liquidity requirements. With income and assets in Segment B increasing, the Bank's diversification strategy for new products and markets has started to contribute significantly to our revenue stream. Our diversification in the international front and cross-border lending has seen a major jump as the Bank continues to invest in high quality international products whilst continuing to cooperate with international institutions in order to become a key banking player on the African continent.

As one of the greatest contributors to SME growth, MauBank Ltd remains equally committed to this sector's development as it continues to implement its "MAUCOMBAT" programme, which aims to provide further assistance to various eligible lenders in addition to the Bank of Mauritius' relief programs. Under this program, the Bank provides additional financial assistance to SMEs in need of financing in order to keep their businesses afloat and, if possible, protect jobs.

The Bank's financial ratios and performance throughout demonstrate our unwavering dedication to meeting our clients' expectations in a timely and effective manner. This is still a fundamental strength, and it unquestionably provides a solid foundation for future expansion while maintaining stakeholder trust.

While optimism about economic prospects grew in the second half of 2021, the introduction of the new COVID-19 model could cause interruptions in foreign travel and external demand, perhaps putting the economy at risk. However, these dangers could be mitigated, depending on the vaccines' potency against new variations, among other factors. In light of this, the Bank continues to exercise caution in order to preserve financial stability and improve financial performance.

Management and the Board of Directors remain dedicated to the Bank's long-term stability and growth, particularly in these challenging circumstances, and acknowledges the support of all stakeholders.

**Mr. Gooroodeo Sookun**  
Chairperson – Board of Directors

**Mr. Premchand Mungar**  
Chief Executive

**Mr. Anil Kumar Kokil**  
Chairperson – Audit Committee

Date: 14 FEB 2022

Ebène 72201, Republic of Mauritius

**STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE PERIOD/YEAR ENDED**

|  | Group                         |                               |                                  |                                  |                          | Bank                          |                               |                                  |                                  |                          |
|--|-------------------------------|-------------------------------|----------------------------------|----------------------------------|--------------------------|-------------------------------|-------------------------------|----------------------------------|----------------------------------|--------------------------|
|  | Unaudited<br>Quarter<br>Ended | Unaudited<br>Quarter<br>Ended | Unaudited<br>Six Months<br>Ended | Unaudited<br>Six Months<br>Ended | Audited<br>Year<br>Ended | Unaudited<br>Quarter<br>Ended | Unaudited<br>Quarter<br>Ended | Unaudited<br>Six Months<br>Ended | Unaudited<br>Six Months<br>Ended | Audited<br>Year<br>Ended |
|  | 31-Dec-2021                   | 31-Dec-2020                   | 31-Dec-2021                      | 31-Dec-2020                      | 30-Jun-2021              | 31-Dec-2021                   | 31-Dec-2020                   | 31-Dec-2021                      | 31-Dec-2020                      | 30-Jun-2021              |
|  | Rs                            | Rs                            | Rs                               | Rs                               | Rs                       | Rs                            | Rs                            | Rs                               | Rs                               | Rs                       |
| Interest Income  | 254,657,433                   | 230,553,096                   | 511,226,482                      | 451,024,094                      | 922,278,312              | 256,665,491                   | 232,798,734                   | 515,280,619                      | 455,548,014                      | 931,170,812              |
| Interest Expense   | (42,463,902)                  | (53,843,298)                  | (83,866,871)                     | (116,754,219)                    | (203,718,292)            | (43,023,635)                  | (54,618,342)                  | (85,041,073)                     | (118,357,630)                    | (206,710,419)            |
| <b>Net interest income</b>   | <b>212,193,531</b>            | <b>176,709,798</b>            | <b>427,359,611</b>               | <b>334,269,875</b>               | <b>718,560,020</b>       | <b>213,641,856</b>            | <b>178,180,392</b>            | <b>430,239,546</b>               | <b>337,190,384</b>               | <b>724,460,393</b>       |
| Fees and Commissions income  | 72,555,835                    | 58,322,367                    | 138,308,188                      | 114,135,040                      | 254,172,826              | 72,555,835                    | 58,322,367                    | 138,308,184                      | 114,135,040                      | 254,172,826              |
| Fees and Commissions expense   | (8,100,939)                   | (24,582,719)                  | (18,038,640)                     | (37,186,370)                     | (48,120,471)             | (8,100,939)                   | (24,582,719)                  | (18,038,640)                     | (37,186,370)                     | (48,120,471)             |
| <b>Net fee and commission income</b>   | <b>64,454,896</b>             | <b>33,739,648</b>             | <b>120,269,548</b>               | <b>76,948,670</b>                | <b>206,052,355</b>       | <b>64,454,896</b>             | <b>33,739,648</b>             | <b>120,269,544</b>               | <b>76,948,670</b>                | <b>206,052,355</b>       |
| Net trading income   | 34,857,547                    | 58,581,022                    | 76,230,140                       | 100,004,370                      | 164,439,542              | 34,857,547                    | 58,581,022                    | 76,230,140                       | 100,004,370                      | 164,439,542              |
| Net gain from derecognition of financial assets measured at FVTOCI                                 | -                             | 1,588,083                     | 11,768,972                       | 6,640,049                        | 20,561,607               | -                             | 1,588,083                     | 11,768,976                       | 6,640,049                        | 20,561,607               |
| Other income   | 6,078,428                     | 6,436,774                     | 12,374,334                       | 13,267,344                       | 27,023,378               | 6,078,428                     | 6,436,774                     | 12,374,334                       | 13,267,344                       | 27,023,378               |
|  | <b>40,935,975</b>             | <b>66,605,879</b>             | <b>100,373,446</b>               | <b>119,911,763</b>               | <b>212,024,527</b>       | <b>40,935,975</b>             | <b>66,605,879</b>             | <b>100,373,450</b>               | <b>119,911,763</b>               | <b>212,024,527</b>       |
| <b>Operating Income</b>  | <b>317,584,402</b>            | <b>277,055,325</b>            | <b>648,002,605</b>               | <b>531,130,308</b>               | <b>1,136,636,902</b>     | <b>319,032,727</b>            | <b>278,525,919</b>            | <b>650,882,540</b>               | <b>534,050,817</b>               | <b>1,142,537,275</b>     |
| Non-interest expense   | (241,431,406)                 | (237,678,569)                 | (474,362,304)                    | (473,859,985)                    | (958,427,110)            | (245,822,215)                 | (241,655,958)                 | (483,061,795)                    | (481,838,383)                    | (974,756,500)            |
| <b>Profit before net impairment loss on financial assets and income tax</b>                        | <b>76,152,996</b>             | <b>39,376,756</b>             | <b>173,640,301</b>               | <b>57,270,323</b>                | <b>178,209,792</b>       | <b>73,210,512</b>             | <b>36,869,961</b>             | <b>167,820,745</b>               | <b>52,212,434</b>                | <b>167,780,775</b>       |
| Net impairment loss on financial assets  | (15,297,848)                  | (4,375,712)                   | (24,038,390)                     | (4,663,972)                      | (40,769,430)             | (15,297,848)                  | (4,375,712)                   | (24,038,390)                     | (4,663,972)                      | (40,769,430)             |
| <b>Profit after net impairment loss on financial assets but before income tax</b>                  | <b>60,855,148</b>             | <b>35,001,044</b>             | <b>149,601,911</b>               | <b>52,606,351</b>                | <b>137,440,362</b>       | <b>57,912,664</b>             | <b>32,494,249</b>             | <b>143,782,355</b>               | <b>47,548,462</b>                | <b>127,011,345</b>       |
| Income tax expense   | (10,447,597)                  | -                             | (20,895,195)                     | -                                | (14,873,173)             | (10,447,597)                  | -                             | (20,895,195)                     | -                                | (11,942,373)             |
| <b>Profit for the period/year</b>  | <b>50,407,551</b>             | <b>35,001,044</b>             | <b>128,706,716</b>               | <b>52,606,351</b>                | <b>122,567,189</b>       | <b>47,465,067</b>             | <b>32,494,249</b>             | <b>122,887,160</b>               | <b>47,548,462</b>                | <b>115,068,972</b>       |
| <b>Other comprehensive income</b>  |                               |                               |                                  |                                  |                          |                               |                               |                                  |                                  |                          |
| <i>Items that will not be reclassified subsequently to profit or loss</i>                          |                               |                               |                                  |                                  |                          |                               |                               |                                  |                                  |                          |
| Gain on revaluation of property, plant and equipment   | -                             | -                             | -                                | -                                | -                        | -                             | -                             | -                                | -                                | -                        |
| Deferred tax on revaluation of property, plant and equipment                                       | -                             | -                             | -                                | -                                | -                        | -                             | -                             | -                                | -                                | -                        |
| Gain on revaluation of right-of-use assets   | -                             | -                             | -                                | -                                | -                        | -                             | -                             | -                                | -                                | -                        |
| Actuarial gain   | -                             | -                             | -                                | -                                | 12,678,660               | -                             | -                             | -                                | -                                | 12,678,660               |
| Deferred tax on actuarial gain   | -                             | -                             | -                                | -                                | 633,933                  | -                             | -                             | -                                | -                                | 633,933                  |
| <i>Items that may be classified subsequently to profit or loss</i>                                 |                               |                               |                                  |                                  |                          |                               |                               |                                  |                                  |                          |
| Change in fair value of financial assets at FVTOCI   | (9,501,532)                   | 76,575,150                    | 10,449,057                       | 83,487,108                       | (10,884,899)             | (9,501,532)                   | 76,575,150                    | 10,449,057                       | 83,487,108                       | (10,884,899)             |
| Credit impairment charge on financial assets at FVTOCI   | -                             | -                             | (2,622,834)                      | -                                | 14,490,339               | -                             | -                             | (2,622,834)                      | -                                | 14,490,339               |
| <b>Other comprehensive (loss)/income for the period/year, net of tax</b>                           | <b>(9,501,532)</b>            | <b>76,575,150</b>             | <b>7,826,223</b>                 | <b>83,487,108</b>                | <b>15,650,167</b>        | <b>(9,501,532)</b>            | <b>76,575,150</b>             | <b>7,826,223</b>                 | <b>83,487,108</b>                | <b>15,650,167</b>        |
| <b>Total comprehensive income for the period/year attributable to equity holders of the parent</b> | <b>40,906,019</b>             | <b>111,576,194</b>            | <b>136,532,939</b>               | <b>136,093,459</b>               | <b>138,217,356</b>       | <b>37,963,535</b>             | <b>109,069,399</b>            | <b>130,713,383</b>               | <b>131,035,570</b>               | <b>130,719,139</b>       |
| <b>Transfer to Statutory Reserve</b>   | <b>-</b>                      | <b>-</b>                      | <b>-</b>                         | <b>-</b>                         | <b>17,260,346</b>        | <b>-</b>                      | <b>-</b>                      | <b>-</b>                         | <b>-</b>                         | <b>17,260,346</b>        |

**STATEMENTS OF FINANCIAL POSITION AS AT**

|  | Group                    |                          |                        | Bank                     |                          |                        |
|--|--------------------------|--------------------------|------------------------|--------------------------|--------------------------|------------------------|
|  | Unaudited<br>31-Dec-2021 | Unaudited<br>31-Dec-2020 | Audited<br>30-Jun-2021 | Unaudited<br>31-Dec-2021 | Unaudited<br>31-Dec-2020 | Audited<br>30-Jun-2021 |
|  | Rs                       | Rs                       | Rs                     | Rs                       | Rs                       | Rs                     |
| <b>ASSETS</b>  |                          |                          |                        |                          |                          |                        |
| Cash and cash equivalents  | 5,309,488,763            | 7,727,829,419            | 3,486,404,504          | 5,309,488,763            | 7,727,829,419            | 3,486,404,504          |
| Placements with banks  | -                        | 223,156                  | -                      | -                        | 223,156                  | -                      |
| Derivative assets  | 8,402,713                | 365,262                  | 34,680,427             | 8,402,713                | 365,262                  | 34,680,427             |
| Trading assets   | 219,230,597              | 3,169,210,210            | 1,798,297,228          | 219,230,597              | 3,169,210,210            | 1,798,297,228          |
| Investment securities  | 6,771,940,007            | 4,195,937,038            | 5,383,284,842          | 6,771,940,007            | 4,195,937,038            | 5,383,284,842          |
| Loans and advances to banks and customers  | 18,650,779,325           | 16,203,583,696           | 17,702,373,379         | 18,811,670,128           | 16,384,606,771           | 17,873,488,538         |
| Property, plant and equipment  | 1,249,813,796            | 1,749,818,048            | 1,282,448,583          | 961,219,853              | 1,451,728,685            | 989,296,441            |
| Intangible assets  | 142,915,608              | 178,861,763              | 169,649,217            | 142,915,608              | 178,861,763              | 169,649,217            |
| Right-of-use   | 76,263,655               | 99,019,796               | 91,387,106             | 129,215,999              | 183,889,919              | 160,298,340            |
| Investment properties  | 519,300,000              | 79,300,000               | 519,300,000            | 519,300,000              | 79,300,000               | 519,300,000            |
| Investment in subsidiary   | -                        | -                        | -                      | 100,000                  | 100,000                  | 100,000                |
| Current tax assets   | 6,146,240                | 5,613,241                | 6,146,240              | 5,905,506                | 5,081,483                | 5,905,506              |
| Deferred tax assets  | 10,989,891               | 44,034,415               | 31,885,088             | 20,895,195               | 54,366,696               | 41,790,390             |
| Other assets   | 2,543,931,434            | 2,623,177,360            | 2,408,452,498          | 2,581,008,066            | 2,659,604,355            | 2,446,494,368          |
| <b>Total assets</b>  | <b>35,509,202,029</b>    | <b>36,076,973,404</b>    | <b>32,914,309,112</b>  | <b>35,481,292,435</b>    | <b>36,091,104,757</b>    | <b>32,908,989,801</b>  |
| <b>LIABILITIES</b>   |                          |                          |                        |                          |                          |                        |
| Deposits from customers  | 30,921,387,724           | 30,892,861,245           | 28,378,179,745         | 30,923,991,733           | 30,893,378,289           | 28,378,198,595         |
| Derivative liabilities   | 583,902,286              | 210,418,448              | 541,620,944            | 583,902,286              | 210,418,448              | 541,620,944            |
| Other borrowed funds   | -                        | -                        | -                      | -                        | -                        | -                      |
| Lease liabilities  | 47,724,140               | 64,379,750               | 60,424,535             | 127,485,962              | 177,155,180              | 156,588,681            |
| Payable to fellow subsidiary   | 41,815,671               | 37,156,285               | 40,059,363             | 41,815,671               | 37,156,285               | 40,059,363             |
| Other liabilities  | 527,432,644              | 1,614,145,379            | 643,617,900            | 523,923,554              | 1,613,490,709            | 643,062,372            |
| Retirement benefits obligations  | 117,305,558              | 127,035,127              | 117,305,558            | 117,305,558              | 127,035,127              | 117,305,558            |
| <b>Total liabilities</b>   | <b>32,239,568,023</b>    | <b>32,945,996,234</b>    | <b>29,781,208,045</b>  | <b>32,318,424,764</b>    | <b>33,058,634,038</b>    | <b>29,876,835,513</b>  |
| <b>SHAREHOLDERS' EQUITY</b>  |                          |                          |                        |                          |                          |                        |
| Stated capital   | 2,466,420,956            | 2,466,420,956            | 2,466,420,956          | 2,466,420,956            | 2,466,420,956            | 2,466,420,956          |
| Statutory reserve  | 18,880,341               | 1,619,995                | 18,880,341             | 18,880,341               | 1,619,995                | 18,880,341             |
| Retained earnings/(accumulated losses)   | 178,465,664              | (105,696,111)            | 49,758,948             | 148,177,252              | (127,724,639)            | 25,290,092             |
| Net owned funds  | 2,663,766,961            | 2,362,344,840            | 2,535,060,245          | 2,633,478,549            | 2,340,316,312            | 2,510,591,389          |
| General banking reserve  | -                        | 90,709,840               | -                      | -                        | 90,709,840               | -                      |
| Fair value reserve   | (21,602,933)             | 62,320,017               | (32,051,990)           | (21,602,933)             | 62,320,017               | (32,051,990)           |
| Other reserve  | 24,676,752               | 12,809,247               | 27,299,586             | 24,676,752               | 12,809,247               | 27,299,586             |
| Revaluation Reserve  | 602,793,226              | 602,793,226              | 602,793,226            | 526,315,303              | 526,315,303              | 526,315,303            |
| <b>Total equity attributable to equity holders of the parent</b>                                       | <b>3,269,634,006</b>     | <b>3,130,977,170</b>     | <b>3,133,101,067</b>   | <b>3,162,867,671</b>     | <b>3,032,470,719</b>     | <b>3,032,154,288</b>   |
| <b>Total liabilities and equity</b>  | <b>35,509,202,029</b>    | <b>36,076,973,404</b>    | <b>32,914,309,112</b>  | <b>35,481,292,435</b>    | <b>36,091,104,757</b>    | <b>32,908,989,801</b>  |
| <b>CONTINGENT LIABILITIES AND COMMITMENTS</b>  |                          |                          |                        |                          |                          |                        |
| Letters of credit, guarantees, acceptances, endorsements and other obligations on account of customers | 1,257,793,447            | 1,343,382,996            | 1,268,065,494          | 1,257,793,447            | 1,343,382,996            | 1,268,065,494          |
| Credit commitments   | 1,897,519,164            | 2,250,108,767            | 1,717,380,639          | 1,897,519,164            | 2,250,108,767            | 1,717,380,639          |

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE PERIOD/YEAR ENDED**

**The Group**

|   | Stated capital       | Statutory Reserve | Retained earnings/<br>Accumulated losses | General Banking Reserve | Fair Value Reserve  | Other Reserve     | Revaluation Reserve |                      |
|---|----------------------|-------------------|--|-------------------------|---------------------|-------------------|---------------------|----------------------|
|   | Rs                   | Rs                | Rs                                       | Rs                      | Rs                  | Rs                | Rs                  | Rs                   |
| <b>At 01 July 2021</b>  | <b>2,466,420,956</b> | <b>18,880,341</b> | <b>49,758,948</b>                        | -                       | <b>(32,051,990)</b> | <b>27,299,586</b> | <b>602,793,226</b>  | <b>3,133,101,067</b> |
| Profit for the period   | -                    | -                 | 128,706,716                              | -                       | -                   | -                 | -                   | 128,706,716          |
| Change in fair value of financial assets held at FVTOCI           | -                    | -                 | -  | -                       | 10,449,057          | -                 | -                   | 10,449,057           |
| Credit impairment charge/(reversal) on financial assets at FVTOCI | -                    | -                 | -  | -                       | -                   | (2,622,834)       | -                   | (2,622,834)          |
| <b>At 31 December 2021</b>  | <b>2,466,420,956</b> | <b>18,880,341</b> | <b>178,465,664</b>                       | -                       | <b>(21,602,933)</b> | <b>24,676,752</b> | <b>602,793,226</b>  | <b>3,269,634,006</b> |
| <b>At 01 July 2020</b>  | <b>2,466,420,956</b> | <b>1,619,995</b>  | <b>(158,302,462)</b>                     | <b>90,709,840</b>       | <b>(21,167,091)</b> | <b>12,809,247</b> | <b>602,793,226</b>  | <b>2,994,883,711</b> |
| Profit for the period   | -                    | -                 | 52,606,351                               | -                       | -                   | -                 | -                   | 52,606,351           |
| Change in fair value of financial assets held at FVTOCI           | -                    | -                 | -  | -                       | 83,487,108          | -                 | -                   | 83,487,108           |
| <b>At 31 December 2020</b>  | <b>2,466,420,956</b> | <b>1,619,995</b>  | <b>(105,696,111)</b>                     | <b>90,709,840</b>       | <b>62,320,017</b>   | <b>12,809,247</b> | <b>602,793,226</b>  | <b>3,130,977,170</b> |
| <b>At 01 July 2020</b>  | <b>2,466,420,956</b> | <b>1,619,995</b>  | <b>(158,302,462)</b>                     | <b>90,709,840</b>       | <b>(21,167,091)</b> | <b>12,809,247</b> | <b>602,793,226</b>  | <b>2,994,883,711</b> |
| Profit for the year   | -                    | -                 | 122,567,189                              | -                       | -                   | -                 | -                   | 122,567,189          |
| Transfer of general banking reserve to retained earnings          | -                    | -                 | 90,709,840                               | (90,709,840)            | -                   | -                 | -                   | -                    |
| Transfer to statutory reserve                                     | -                    | 17,260,346        | (17,260,346)                             | -                       | -                   | -                 | -                   | -                    |
| Gain on revaluation of property, plant and equipment              | -                    | -                 | -  | -                       | -                   | -                 | -                   | -                    |
| Deferred tax on revaluation of property, plant and equipment      | -                    | -                 | -  | -                       | -                   | -                 | -                   | -                    |
| Gain on revaluation of right-of-use assets                        | -                    | -                 | -  | -                       | -                   | -                 | -                   | -                    |
| Change in fair value of financial assets held at FVTOCI           | -                    | -                 | -  | -                       | (10,884,899)        | -                 | -                   | (10,884,899)         |
| Credit impairment charge on financial assets at FVTOCI            | -                    | -                 | -  | -                       | -                   | 14,490,339        | -                   | 14,490,339           |
| Actuarial gain for the year                                       | -                    | -                 | 12,678,660                               | -                       | -                   | -                 | -                   | 12,678,660           |
| Deferred tax on actuarial gain                                    | -                    | -                 | (633,933)                                | -                       | -                   | -                 | -                   | (633,933)            |
| <b>At 30 June 2021</b>  | <b>2,466,420,956</b> | <b>18,880,341</b> | <b>49,758,948</b>                        | -                       | <b>(32,051,990)</b> | <b>27,299,586</b> | <b>602,793,226</b>  | <b>3,133,101,067</b> |

**The Bank**

|   | Stated capital       | Statutory Reserve | Retained earnings/<br>Accumulated losses | General Banking Reserve | Fair Value Reserve  | Other Reserve     | Revaluation Reserve |                      |
|---|----------------------|-------------------|--|-------------------------|---------------------|-------------------|---------------------|----------------------|
|   | Rs                   | Rs                | Rs                                       | Rs                      | Rs                  | Rs                | Rs                  | Rs                   |
| <b>At 01 July 2021</b>  | <b>2,466,420,956</b> | <b>18,880,341</b> | <b>25,290,092</b>                        | -                       | <b>(32,051,990)</b> | <b>27,299,586</b> | <b>526,315,303</b>  | <b>3,032,154,288</b> |
| Profit for the period   | -                    | -                 | 122,887,160                              | -                       | -                   | -                 | -                   | 122,887,160          |
| Change in fair value of financial assets held at FVTOCI           | -                    | -                 | -  | -                       | 10,449,057          | -                 | -                   | 10,449,057           |
| Credit impairment charge/(reversal) on financial assets at FVTOCI | -                    | -                 | -  | -                       | -                   | (2,622,834)       | -                   | (2,622,834)          |
| <b>At 31 December 2021</b>  | <b>2,466,420,956</b> | <b>18,880,341</b> | <b>148,177,252</b>                       | -                       | <b>(21,602,933)</b> | <b>24,676,752</b> | <b>526,315,303</b>  | <b>3,162,867,671</b> |
| <b>At 01 July 2020</b>  | <b>2,466,420,956</b> | <b>1,619,995</b>  | <b>(175,273,101)</b>                     | <b>90,709,840</b>       | <b>(21,167,091)</b> | <b>12,809,247</b> | <b>526,315,303</b>  | <b>2,901,435,149</b> |
| Profit for the period   | -                    | -                 | 47,548,462                               | -                       | -                   | -                 | -                   | 47,548,462           |
| Change in fair value of financial assets held at FVTOCI           | -                    | -                 | -  | -                       | 83,487,108          | -                 | -                   | 83,487,108           |
| <b>At 31 December 2020</b>  | <b>2,466,420,956</b> | <b>1,619,995</b>  | <b>(127,724,639)</b>                     | <b>90,709,840</b>       | <b>62,320,017</b>   | <b>12,809,247</b> | <b>526,315,303</b>  | <b>3,032,470,719</b> |
| <b>At 01 July 2020</b>  | <b>2,466,420,956</b> | <b>1,619,995</b>  | <b>(175,273,101)</b>                     | <b>90,709,840</b>       | <b>(21,167,091)</b> | <b>12,809,247</b> | <b>526,315,303</b>  | <b>2,901,435,149</b> |
| Profit for the year   | -                    | -                 | 115,068,972                              | -                       | -                   | -                 | -                   | 115,068,972          |
| Transfer of general banking reserve to retained earnings          | -                    | -                 | 90,709,840                               | (90,709,840)            | -                   | -                 | -                   | -                    |
| Transfer to statutory reserve                                     | -                    | 17,260,346        | (17,260,346)                             | -                       | -                   | -                 | -                   | -                    |
| Gain on revaluation of property, plant and equipment              | -                    | -                 | -  | -                       | -                   | -                 | -                   | -                    |
| Deferred tax on revaluation of property, plant and equipment      | -                    | -                 | -  | -                       | -                   | -                 | -                   | -                    |
| Gain on revaluation of Right-of-use assets                        | -                    | -                 | -  | -                       | -                   | -                 | -                   | -                    |
| Change in fair value of financial assets held at FVTOCI           | -                    | -                 | -  | -                       | (10,884,899)        | -                 | -                   | (10,884,899)         |
| Credit impairment charge on financial assets at FVTOCI            | -                    | -                 | -  | -                       | -                   | 14,490,339        | -                   | 14,490,339           |
| Actuarial gain for the year                                       | -                    | -                 | 12,678,660                               | -                       | -                   | -                 | -                   | 12,678,660           |
| Deferred tax on actuarial gain                                    | -                    | -                 | (633,933)                                | -                       | -                   | -                 | -                   | (633,933)            |
| <b>At 30 June 2020</b>  | <b>2,466,420,956</b> | <b>18,880,341</b> | <b>25,290,092</b>                        | -                       | <b>(32,051,990)</b> | <b>27,299,586</b> | <b>526,315,303</b>  | <b>3,032,154,288</b> |

**STATEMENTS OF CASH FLOWS  
FOR PERIOD/YEAR ENDED**

|  | Group  |  |  | Bank   |  |  |
|--|--|--|--|--|--|--|
|  | Unaudited<br>Six Months<br>Ended<br><u>31-Dec-2021</u> | Unaudited<br>Six Months<br>Ended<br><u>31-Dec-2020</u> | Audited<br>Year<br>Ended<br><u>30-Jun-2021</u> | Unaudited<br>Six Months<br>Ended<br><u>31-Dec-2021</u> | Unaudited<br>Six Months<br>Ended<br><u>31-Dec-2020</u> | Audited<br>Year<br>Ended<br><u>30-Jun-2021</u> |
|  | Rs   | Rs   | Rs   | Rs   | Rs   | Rs   |
| <b>Cash from operating activities</b>                          | <b>149,601,911</b>                                     | 52,606,351   | 137,440,362                                    | <b>143,782,355</b>                                     | 47,548,462   | 127,011,345                                    |
| Profit for the period/year before income tax                   |  |  |  |  |  |  |
| <b>Adjustments for :</b>                                       | <b>712,322</b>   | 931,049  | 1,830,575                                      | <b>1,886,524</b>                                       | 2,534,460  | 4,822,702                                      |
| Finance charge   | <b>25,340,806</b>                                      | 6,402,058  | 43,952,231                                     | <b>25,340,806</b>                                      | 6,402,058  | 43,952,231                                     |
| Impairment losses on loans and advances                        | <b>33,668,117</b>                                      | 44,192,233   | 79,449,672                                     | <b>29,109,920</b>                                      | 38,892,487   | 69,212,703                                     |
| Depreciation of property, plant and equipment                  | <b>23,213,685</b>                                      | 22,879,615   | 46,224,988                                     | <b>23,213,685</b>                                      | 22,879,615   | 46,224,988                                     |
| Amortisation of intangible assets                              | <b>15,123,451</b>                                      | 15,627,215   | 31,524,436                                     | <b>31,082,341</b>                                      | 31,586,105   | 63,442,215                                     |
| Depreciation of right-of-use assets                            | <b>1,958</b>   | 37,823   | (192,340)                                      | <b>1,958</b>   | 37,823   | (192,340)                                      |
| Loss/(profit) on disposal of property, plant and equipment     | <b>(801,630)</b>                                       | (5,708,227)  | 6,893,246                                      | <b>(801,630)</b>                                       | (5,708,227)  | 6,893,246                                      |
| (Profit)/loss on revaluation of trading assets                 | -  | -  | 2,949,091                                      | -  | -  | 2,949,091                                      |
| Retirement benefit obligations                                 |  |  |  |  |  |  |
|  | <b>246,860,620</b>                                     | 136,968,117  | 350,072,261                                    | <b>253,615,959</b>                                     | 144,172,783  | 364,316,181                                    |
| <b>Changes in operating assets and liabilities</b>             | <b>1,579,868,261</b>                                   | 474,473,756  | 1,834,628,400                                  | <b>1,579,868,261</b>                                   | 474,473,756  | 1,834,628,400                                  |
| Decrease in trading assets                                     | <b>68,559,055</b>                                      | (33,726,536)   | 263,160,796                                    | <b>68,559,055</b>                                      | (33,726,536)   | 263,160,796                                    |
| Increase in net derivative liabilities                         | <b>(976,447,049)</b>                                   | (803,378,225)  | (2,325,010,744)                                | <b>(966,222,692)</b>                                   | (793,625,649)  | (2,305,350,252)                                |
| Increase in loans and advances to customers                    | <b>1,756,308</b>                                       | 27,014,919   | 29,917,997                                     | <b>1,756,308</b>                                       | 27,014,919   | 29,917,997                                     |
| Increase in payable to fellow subsidiary                       | <b>2,543,207,979</b>                                   | 4,579,751,842  | 2,065,070,343                                  | <b>2,545,793,138</b>                                   | 4,578,859,416  | 2,063,679,721                                  |
| Increase in deposits from customers                            | <b>(127,247,356)</b>                                   | (328,772,830)  | (122,823,128)                                  | <b>(126,282,118)</b>                                   | 327,176,653)   | (122,841,827)                                  |
| Increase in other assets                                       | <b>(116,107,787)</b>                                   | 1,049,283,776  | 78,527,015                                     | <b>(119,061,356)</b>                                   | 1,049,234,275  | 78,576,661                                     |
| (Decrease)/Increase in other liabilities                       | <b>3,220,450,031</b>                                   | 5,101,614,819  | 2,173,542,940                                  | <b>3,238,026,555</b>                                   | 5,119,226,311  | 2,206,087,677                                  |
| <b>Cash generated from operations</b>                          | -  | -  | (9,544,959)                                    | -  | -  | (5,946,447)                                    |
| Tax paid   | -  | -  | 5,654,182                                      | -  | -  | 5,122,424                                      |
| Tax refund received  | <b>3,220,450,031</b>                                   | 5,101,614,819  | 2,169,652,163                                  | <b>3,238,026,555</b>                                   | 5,119,226,311  | 2,205,263,654                                  |
| <b>Net cash from operating activities</b>                      |  |  |  |  |  |  |
| <b>Cash flow from investing activities</b>                     | <b>(2,234,993,260)</b>                                 | (543,966,052)  | (970,741,847)                                  | <b>(2,234,993,260)</b>                                 | (543,966,052)  | (970,741,847)                                  |
| Increase in securities   | -  | 2,224,716  | 2,448,174                                      | -  | 2,224,716  | 2,448,174                                      |
| Net placements with banks                                      | <b>(2,631,510)</b>                                     | (11,551,098)   | (17,115,723)                                   | <b>(2,631,510)</b>                                     | (11,551,098)   | (17,115,723)                                   |
| Acquisition of property, plant and equipment                   | <b>(3,128,479)</b>                                     | (4,887,135)  | (12,614,768)                                   | <b>(3,128,479)</b>                                     | (4,887,135)  | (12,614,768)                                   |
| Acquisition of intangibles                                     | <b>13,043</b>  | 33,253   | 310,036  | <b>13,043</b>  | 33,253   | 310,036  |
| Proceeds from disposal of property, plant and equipment        | <b>(2,240,740,206)</b>                                 | (558,146,316)  | (997,714,128)                                  | <b>(2,240,740,206)</b>                                 | (558,146,316)  | (997,714,128)                                  |
| <b>Net cash used in investing activities</b>                   |  |  |  |  |  |  |
| <b>Cash flows from financing activities</b>                    | -  | (1,089,390,030)  | (1,089,390,019)                                | -  | (1,089,390,030)  | (1,089,390,019)                                |
| Net decrease in other borrowed funds                           | <b>(13,412,718)</b>                                    | (13,634,094)   | (26,753,367)                                   | <b>(30,989,242)</b>                                    | (31,245,586)   | (62,364,858)                                   |
| Decrease in lease liabilities                                  | <b>(13,412,718)</b>                                    | (1,103,024,124)  | (1,116,143,386)                                | <b>(30,989,242)</b>                                    | (1,120,635,616)  | (1,151,754,877)                                |
| <b>Net cash used in financing activities</b>                   |  |  |  |  |  |  |
|  | <b>966,297,107</b>                                     | 3,440,444,379  | 55,794,649                                     | <b>966,297,107</b>                                     | 3,440,444,379  | 55,794,649                                     |
| <b>Net increase in cash and cash equivalents</b>               | <b>4,343,191,656</b>                                   | 4,287,397,007  | 4,287,397,007                                  | <b>4,343,191,656</b>                                   | 4,287,397,007  | 4,287,397,007                                  |
| Cash and cash equivalents at the beginning of the period/year  | <b>5,309,488,763</b>                                   | 7,727,841,386  | 4,343,191,656                                  | <b>5,309,488,763</b>                                   | 7,727,841,386  | 4,343,191,656                                  |
| <b>Cash and cash equivalents at the end of the period/year</b> |  |  |  |  |  |  |