



**UNAUDITED INTERIM
CONDENSED FINANCIAL
STATEMENTS
FOR THE NINE MONTHS
ENDED 31 MARCH 2024**

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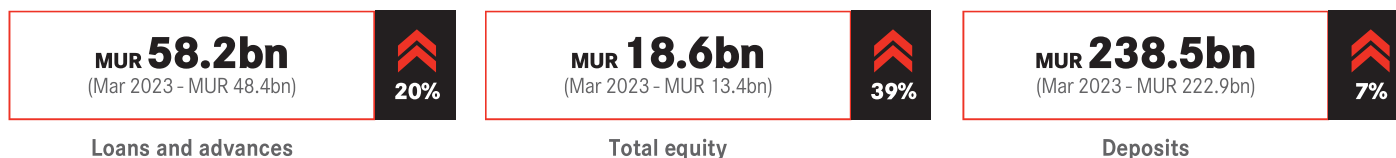
MANAGEMENT DISCUSSION & ANALYSIS

AfrAsia Bank Limited (the “Bank”) is pleased to present its unaudited interim condensed financial statements for the nine months ended 31 March 2024.

Financial Highlights

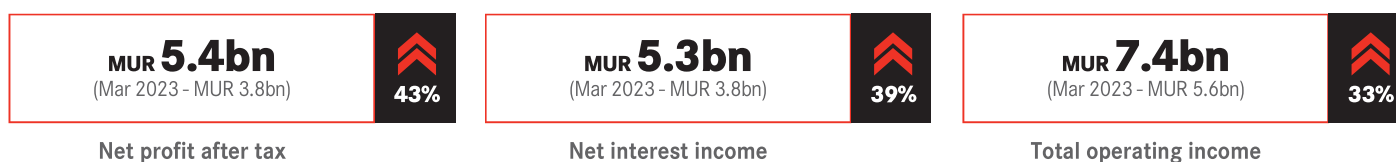
As at 31 March 2024

Key figures (compared to same period last year)



Nine months ended 31 March 2024

Key figures (compared to same period last year)



Results Overview

The Bank reported strong results for the nine months ended 31 March 2024 with a net profit after tax (“NPAT”) of **MUR 5.4bn**. This represents an increase of **43%** compared to the same period last year (March 2023: MUR 3.8bn). The Bank has continued on a strong growth trajectory marked by sustained core earnings and a high yield market.

Net interest income, the major driver behind the rise in NPAT, increased by **39%** to reach **MUR 5.3bn** for the current period compared to MUR 3.8bn for the same period last year. These performances have been driven by the expansion of our interest-bearing assets, coupled with the sustained high interest rate environment.

Net trading income, another important contributor to the NPAT, grew by **22%**, reaching **MUR 1.4bn** for the nine months ended 31 March 2024 compared to MUR 1.1bn for the same period last year. This increase was mainly on account of rising yields for our trading portfolio and fair value gains on debt instruments.

Net fee and commission income rose by **13%**, rising from MUR 603.4m for the period ended 31 March 2023 to **MUR 682.8m** for the period ended 31 March 2024. This growth was mainly attributed to increased income from card business and commissions received from higher volume of transactions during the current period.

The Bank recorded a net impairment credit on financial assets of **MUR 165.6m**, compared to a charge of MUR 16.0m for the same period last year. The release in impairment for the current period resulted from recovered bad debts, payment of impaired facility, decreased exposures in stage 2 and adjustments to the probability of default term structure and forward-looking information scalars. The Bank continuously monitors prevailing economic conditions and adjusts its impairment assessment accordingly.

Operating income increased by **33%**, while operating expenses declined by **16%** compared to the same period last year. The cost-to-income ratio decreased to **16%** as of 31 March 2024 as compared to 26% for the same period last year.

The Bank’s balance sheet is robust, with total assets attaining **MUR 259.2bn** as at 31 March 2024, reflecting a **9%** rise compared to MUR 238.1bn as at 31 March 2023. Loans and advances grew actively by **20%** to reach **MUR 58.2bn** as at 31 March 2024 (March 2023: MUR 48.4bn), leading to a slight increase in the loan-to-deposit ratio to **24%** from 22% for the same period last year. On the liability side of the balance sheet, the Bank’s deposit base rose from MUR 222.9bn as at 31 March 2023 to **MUR 238.5bn** as at 31 March 2024, representing a growth of **7%**. This reflects the continuous trust and confidence of our customers in the AfrAsia brand.

MANAGEMENT DISCUSSION & ANALYSIS (CONTINUED)

Results Overview (Continued)

The total capital adequacy ratio of the Bank stood at **18.96%** as at 31 March 2024 compared to 19.01% as at 31 March 2023.

The Bank's shareholders' equity witnessed a significant rise of **39%** period-on-period, reaching **MUR 18.6bn** as at 31 March 2024 (March 2023: MUR 13.4bn). This notable expansion is attributed to the consistent rise in the Bank's profitability.

Global Economy

The first quarter of 2024 started strongly with a resilience noted across major economies on the back of strong consumption in the services sector while global inflation continued its deceleration. However, reaching the targeted inflation rate of 2%, has proven challenging due to new price pressures emanating from geopolitical tensions in Ukraine and escalating conflicts in the Middle East.

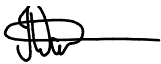
The Swiss National Bank has already startled markets by cutting interest rates first. Against this backdrop, the latest International Monetary Fund report forecasts global growth at 3.2% for both 2024 and 2025. Global headline inflation is expected to fall from 6.8% in 2023 to 5.9% in 2024 and further to 4.5% in 2025.

Source: International Monetary Fund

Domestic Economy

The domestic economy maintained robust growth in the first quarter of 2024, driven by the continued expansion in tourism, large-scale infrastructural projects and improved consumption, as evidenced by a 4% increase in the consumer price index. Headline inflation declined from 11.1% in March 2023 down to 5.8% in March 2024, bringing inflation closer to the Bank of Mauritius' target range of 2% - 5%. The Bank of Mauritius also indicated that the impacts of the policy rate hikes in 2022, combined with ongoing money market operations to absorb excess rupee liquidity, are expected to continue benefiting the Mauritian economy. Real GDP growth is projected at 6.5% for 2024 and the unemployment rate reached its lowest in 25 years at 6.1%.

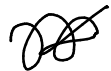
Source: Bank of Mauritius & Statistics Mauritius



Joan Jill Wan Bok Nale
Audit Committee Chairperson



Thierry Vallet
Executive Director &
Chief Executive Officer



Jennifer Jean-Louis
Executive Director &
Chief Financial Officer

Date: 14 May 2024

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	THE GROUP			THE BANK		
	As at 31 March 2024 Unaudited MUR'000	As at 31 March 2023 Unaudited MUR'000	As at 30 June 2023 Audited MUR'000	As at 31 March 2024 Unaudited MUR'000	As at 31 March 2023 Unaudited MUR'000	As at 30 June 2023 Audited MUR'000
ASSETS						
Cash and balances with banks	23,571,020	25,683,419	16,757,284	23,571,020	25,683,412	16,757,277
Due from banks	37,668,245	30,470,847	47,682,116	37,668,245	30,470,847	47,682,116
Derivative financial instruments	396,201	382,428	385,550	396,201	382,428	385,550
Loans and advances to banks	13,839,679	13,118,663	13,189,589	13,839,679	13,118,663	13,189,589
Loans and advances to customers	44,375,915	35,330,482	39,266,981	44,375,915	35,330,482	39,266,981
Investment securities	132,675,473	127,362,322	108,685,735	132,675,473	127,362,322	108,685,735
Other assets	5,459,592	5,038,649	4,751,969	5,459,592	5,038,649	4,751,962
Property and equipment	514,055	149,225	159,161	514,055	149,225	159,161
Right of use assets	49,859	74,582	65,779	49,859	74,582	65,779
Intangible assets	379,084	359,129	362,778	379,084	359,129	362,778
Deferred tax assets	298,654	139,398	280,787	298,654	139,398	280,787
TOTAL ASSETS	259,227,777	238,109,144	231,587,729	259,227,777	238,109,137	231,587,715
EQUITY AND LIABILITIES						
LIABILITIES						
Due to banks	-	3,884	-	-	3,884	-
Deposits from banks	363,024	748,306	358,723	363,024	748,306	358,723
Deposits from customers	238,127,953	222,122,265	213,229,467	238,130,420	222,125,272	213,232,468
Borrowings from financial institution	163,894	149,683	150,918	163,894	149,683	150,918
Derivative financial instruments	239,312	202,458	204,959	239,312	202,458	204,959
Current tax liabilities	472,496	282,542	821,973	472,496	282,542	821,973
Lease liabilities	51,176	76,222	64,663	51,176	76,222	64,663
Other liabilities	1,075,992	1,072,067	1,197,332	1,075,121	1,071,072	1,196,336
Retirement benefit obligations	173,876	97,648	110,936	173,876	97,648	110,936
TOTAL LIABILITIES	240,667,723	224,755,075	216,138,971	240,669,319	224,757,087	216,140,976
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	1,385,768	1,385,768	1,385,768	1,385,768	1,385,768
Retained earnings	10,191,510	6,150,240	7,724,718	10,171,403	6,129,710	7,704,188
Other reserves	3,341,727	2,177,012	2,697,223	3,360,238	2,195,523	2,715,734
TOTAL EQUITY	18,560,054	13,354,069	15,448,758	18,558,458	13,352,050	15,446,739
TOTAL EQUITY AND LIABILITIES	259,227,777	238,109,144	231,587,729	259,227,777	238,109,137	231,587,715

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 31 MARCH 2024

	THE GROUP					THE BANK				
	Three months ended 31 March 2024 Unaudited MUR'000	Three months ended 31 March 2023 Unaudited MUR'000	Nine months ended 31 March 2024 Unaudited MUR'000	Nine months ended 31 March 2023 Unaudited MUR'000	Year ended 30 June 2023 Audited MUR'000	Three months ended 31 March 2024 Unaudited MUR'000	Three months ended 31 March 2023 Unaudited MUR'000	Nine months ended 31 March 2024 Unaudited MUR'000	Nine months ended 31 March 2023 Unaudited MUR'000	Year ended 30 June 2023 Audited MUR'000
Interest income	2,986,932	2,105,571	8,331,225	4,765,018	7,292,926	2,986,932	2,105,571	8,331,225	4,765,018	7,292,926
Interest expense	(1,119,033)	(456,589)	(2,994,749)	(920,058)	(1,580,744)	(1,119,033)	(456,589)	(2,994,749)	(920,058)	(1,580,744)
Net interest income, calculated using EIR method	1,867,899	1,648,982	5,336,476	3,844,960	5,712,182	1,867,899	1,648,982	5,336,476	3,844,960	5,712,182
Fee and commission income	328,879	322,748	1,029,085	910,954	1,241,015	328,879	322,748	1,029,085	910,954	1,241,015
Fee and commission expense	(118,343)	(124,831)	(346,252)	(307,550)	(398,389)	(118,342)	(124,831)	(346,251)	(307,549)	(398,388)
Net fee and commission income	210,536	197,917	682,833	603,404	842,626	210,537	197,917	682,834	603,405	842,627
Net trading income	475,470	448,224	1,351,900	1,103,827	1,489,505	475,463	448,217	1,351,898	1,103,824	1,489,502
Other gains	662	65	983	174	391	662	65	983	174	391
Other operating income	1,010	-	1,010	629	629	1,010	-	1,010	629	629
Total operating income	2,555,577	2,295,188	7,373,202	5,552,994	8,045,333	2,555,571	2,295,181	7,373,201	5,552,992	8,045,331
Net impairment credit/(loss) on financial assets	59,588	170,167	165,555	(16,000)	243,645	59,588	170,167	165,555	(16,000)	243,645
Net operating income	2,615,165	2,465,355	7,538,757	5,536,994	8,288,978	2,615,159	2,465,348	7,538,756	5,536,992	8,288,976
Personnel expenses	(245,260)	(371,660)	(684,407)	(948,594)	(959,075)	(245,260)	(371,660)	(684,407)	(948,594)	(959,075)
Depreciation of property and equipment	(7,234)	(6,695)	(22,044)	(21,367)	(28,599)	(7,234)	(6,695)	(22,044)	(21,367)	(28,599)
Depreciation of right of use assets	(4,438)	(8,706)	(19,148)	(26,506)	(35,309)	(4,438)	(8,706)	(19,148)	(26,506)	(35,309)
Amortisation of intangible assets	(13,726)	(14,966)	(41,150)	(44,033)	(60,495)	(13,726)	(14,966)	(41,150)	(44,033)	(60,495)
Other operating expenses	(131,732)	(104,307)	(441,730)	(398,436)	(555,514)	(131,709)	(104,305)	(441,306)	(398,034)	(555,112)
Total operating expenses	(402,390)	(506,334)	(1,208,479)	(1,438,936)	(1,638,992)	(402,367)	(506,332)	(1,208,055)	(1,438,534)	(1,638,590)
Profit before tax	2,212,775	1,959,021	6,330,278	4,098,058	6,649,986	2,212,792	1,959,016	6,330,701	4,098,458	6,650,386
Tax expense	(319,088)	(160,058)	(931,632)	(322,849)	(771,416)	(319,088)	(160,058)	(931,632)	(322,849)	(771,416)
Profit for the period/year	1,893,687	1,798,963	5,398,646	3,775,209	5,878,570	1,893,704	1,798,958	5,399,069	3,775,609	5,878,970
Other comprehensive income/(loss) that will not be reclassified to profit or loss:										
Remeasurement of retirement benefit obligations	-	3,024	(93,476)	13,784	3,371	-	3,024	(93,476)	13,784	3,371
Deferred tax on remeasurement of retirement benefit obligations	-	(173)	12,456	(764)	(693)	-	(173)	12,456	(764)	(693)
Fair value gain on equity investments designated at fair value through other comprehensive income	-	-	8	3	917	-	-	8	3	917
Revaluation gain on equity investments designated at fair value through other comprehensive income	-	-	-	-	756	-	-	-	-	756
Other comprehensive income/(loss) for the period/year	-	2,851	(81,012)	13,023	4,351	-	2,851	(81,012)	13,023	4,351
Total comprehensive income for the period/year attributable to equity holders of the parent	1,893,687	1,801,814	5,317,634	3,788,232	5,882,921	1,893,704	1,801,809	5,318,057	3,788,632	5,883,321

STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 31 MARCH 2024

	THE GROUP				
	Ordinary shares	Class A shares	Retained earnings	Other reserves	Total
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
Attributable to equity holders of the parent					
At 1 July 2022 (audited)	3,641,049	1,385,768	3,568,710	1,596,691	10,192,218
Profit for the period	-	-	3,775,209	-	3,775,209
Other comprehensive income	-	-	13,020	3	13,023
Total comprehensive income for the period	-	-	3,788,229	3	3,788,232
Appropriation of reserves	-	-	(580,318)	580,318	-
Dividends	-	-	(626,381)	-	(626,381)
At 31 March 2023 (unaudited)	3,641,049	1,385,768	6,150,240	2,177,012	13,354,069
At 1 July 2022 (audited)	3,641,049	1,385,768	3,568,710	1,596,691	10,192,218
Profit for the year	-	-	5,878,570	-	5,878,570
Other comprehensive income	-	-	2,678	1,673	4,351
Total comprehensive income for the year	-	-	5,881,248	1,673	5,882,921
Appropriation of reserves	-	-	(897,820)	897,820	-
Additional provision in relation to Bank of Mauritius Guideline	-	-	(201,039)	201,039	-
Dividends	-	-	(626,381)	-	(626,381)
At 30 June 2023 (audited)	3,641,049	1,385,768	7,724,718	2,697,223	15,448,758
At 1 July 2023 (audited)	3,641,049	1,385,768	7,724,718	2,697,223	15,448,758
Profit for the period	-	-	5,398,646	-	5,398,646
Other comprehensive (loss)/income	-	-	(81,020)	8	(81,012)
Total comprehensive income for the period	-	-	5,317,626	8	5,317,634
Appropriation of reserves	-	-	(543,967)	543,967	-
Additional provision in relation to Bank of Mauritius Guideline	-	-	(100,529)	100,529	-
Dividends	-	-	(2,206,338)	-	(2,206,338)
At 31 March 2024 (unaudited)	3,641,049	1,385,768	10,191,510	3,341,727	18,560,054

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)
FOR THE NINE MONTHS ENDED 31 MARCH 2024

	THE BANK				
	Ordinary shares	Class A shares	Retained earnings	Other reserves	Total
	MUR'000	MUR'000	MUR'000	MUR'000	MUR'000
At 1 July 2022 (audited)	3,641,049	1,385,768	3,547,780	1,615,202	10,189,799
Profit for the period	-	-	3,775,609	-	3,775,609
Other comprehensive income	-	-	13,020	3	13,023
Total comprehensive income for the period	-	-	3,788,629	3	3,788,632
Appropriation of reserves	-	-	(580,318)	580,318	-
Dividends	-	-	(626,381)	-	(626,381)
At 31 March 2023 (unaudited)	3,641,049	1,385,768	6,129,710	2,195,523	13,352,050
At 1 July 2022 (audited)	3,641,049	1,385,768	3,547,780	1,615,202	10,189,799
Profit for the year	-	-	5,878,970	-	5,878,970
Other comprehensive income	-	-	2,678	1,673	4,351
Total comprehensive income for the year	-	-	5,881,648	1,673	5,883,321
Appropriation of reserves	-	-	(897,820)	897,820	-
Additional provision in relation to Bank of Mauritius Guideline	-	-	(201,039)	201,039	-
Dividends	-	-	(626,381)	-	(626,381)
At 30 June 2023 (audited)	3,641,049	1,385,768	7,704,188	2,715,734	15,446,739
At 1 July 2023 (audited)	3,641,049	1,385,768	7,704,188	2,715,734	15,446,739
Profit for the period	-	-	5,399,069	-	5,399,069
Other comprehensive (loss)/income	-	-	(81,020)	8	(81,012)
Total comprehensive income for the period	-	-	5,318,049	8	5,318,057
Appropriation of reserves	-	-	(543,967)	543,967	-
Additional provision in relation to Bank of Mauritius Guideline	-	-	(100,529)	100,529	-
Dividends	-	-	(2,206,338)	-	(2,206,338)
At 31 March 2024 (unaudited)	3,641,049	1,385,768	10,171,403	3,360,238	18,558,458

STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 31 MARCH 2024

	THE GROUP			THE BANK		
	Nine months ended 31 March 2024 Unaudited MUR'000	Nine months ended 31 March 2023 Unaudited MUR'000	Year ended 30 June 2023 Audited MUR'000	Nine months ended 31 March 2024 Unaudited MUR'000	Nine months ended 31 March 2023 Unaudited MUR'000	Year ended 30 June 2023 Audited MUR'000
Net cash flows generated from/(used in) operating activities	1,453,738	(39,300,910)	(25,523,664)	1,453,744	(39,300,908)	(25,523,662)
Net cash flows used in investing activities	(431,956)	(84,291)	(126,664)	(431,956)	(84,291)	(126,664)
Net cash flows used in financing activities	(2,223,136)	(650,090)	(661,379)	(2,223,136)	(650,090)	(661,379)
Net cash flows for the period/year	1,201,354	(40,035,291)	(26,311,707)	(1,201,348)	(40,035,289)	(26,311,705)
Movement in cash and cash equivalents						
Cash and cash equivalents at start of period/year	50,552,201	75,114,651	75,114,651	50,552,194	75,114,642	75,114,642
Net decrease in cash and cash equivalents	(1,201,354)	(40,035,291)	(26,311,707)	(1,201,348)	(40,035,289)	(26,311,705)
Net foreign exchange difference	1,532,285	1,556,701	1,749,257	1,532,285	1,556,701	1,749,257
Cash and cash equivalents at end of period/year	50,883,132	36,636,061	50,552,201	50,883,131	36,636,054	50,552,194

By Order of the Board
Company Secretary
14 May 2024

AfrAsia Bank Limited is pleased to present its unaudited interim condensed financial statements for the nine months ended 31 March 2024. A copy of the said unaudited interim condensed financial statements has been published on the Bank's website www.afrasiabank.com.