



**UNAUDITED INTERIM
CONDENSED FINANCIAL
STATEMENTS
FOR THE SIX
MONTHS ENDED
31 DECEMBER 2024**

TABLE OF CONTENTS

| | |
|--|--------------|
| Management's Discussion & Analysis | 2 - 3 |
| Statements of Financial Position | 4 |
| Statements of Profit or Loss and Other Comprehensive Income | 5 |
| Statements of Changes in Equity | 6 - 7 |
| Statements of Cash Flows | 8 |

MANAGEMENT'S DISCUSSION & ANALYSIS

AfrAsia Bank Limited (the "Bank") is pleased to present its unaudited interim condensed financial statements for the six months ended 31 December 2024.

Financial Highlights

As at 31 December 2024

Key figures (compared to same period last year)

| | | |
|--|--|--|
| <p>MUR 22.3bn (Dec 2023 - MUR 16.7bn)</p> <p>34%</p> | <p>MUR 71.3bn (Dec 2023 - MUR 53.3bn)</p> <p>34%</p> | <p>MUR 259.7bn (Dec 2023 - MUR 214.2bn)</p> <p>21%</p> |
| Total equity | Loans and advances | Deposits |

Six months ended 31 December 2024

Key figures (compared to same period last year)

| | | |
|---|--|---|
| <p>MUR 1.1bn (Dec 2023 - MUR 876.4m)</p> <p>25%</p> | <p>MUR 524.4m (Dec 2023 - MUR 472.3m)</p> <p>11%</p> | <p>MUR 3.6bn (Dec 2023 - MUR 3.5bn)</p> <p>5%</p> |
| Net trading income | Net fee and commission income | Net interest income |

Results Overview

For the six months ended 31 December 2024, the Bank reported a net profit after tax ("NPAT") of **MUR 3.2bn**. This represents a decline of **9%** compared to the same period last year (31 December 2023: MUR 3.5bn), resulting mainly from higher impairment losses, an escalation in operating expenses and higher tax expenses due to the introduction of the Corporate Climate Responsibility Levy effective in the current period.

The Bank recorded a steady period-on-period increase of **5%** in net interest income, reaching **MUR 3.6bn** for the six months ended 31 December 2024 (31 December 2023: MUR 3.5bn). The resilience in net interest income performance is principally at the back of strong growth in the Bank's average interest-bearing assets, partially absorbing the general fall in the yield environment following the Central Bank's lowering interest rates.

The net trading income, a key contributor to the Bank's NPAT, rose by **25%**, reaching **MUR 1.1bn** for the current period, compared to MUR 876.4m for the prior period. This was driven by increased foreign currency flows and effective foreign currency exposure management. Additionally, a decline in yields during the current period boosted fixed-income revenue.

Net fee and commission income, another major component of the Bank's NPAT, grew by **11%**, from MUR 472.3m for the period ended 31 December 2023 to **MUR 524.4m** in the six months ended 31 December 2024. This growth was primarily driven by commissions generated from a higher volume of transactions during the current period, along with higher income from the wealth management and card business.

The Bank recorded a net impairment loss on financial assets of **MUR 232.1m** in contrast to an impairment credit of MUR 106.0m for the same period last year due to few exposures showing signs of deterioration in the current period. The Bank continues to closely monitor economic conditions to reassess its impairment provisions accordingly.

Operating income and operating expenses grew by **9%** and **27%** respectively as compared to the prior period. The cost-to-income ratio increased slightly to reach **19%** as at 31 December 2024 compared to 17% for 31 December 2023.

Our balance sheet remains a source of strength, with total assets standing at **MUR 283.8bn** as at 31 December 2024, representing an increase of **22%** compared to MUR 232.6bn as at 31 December 2023. Loans and advances grew considerably by **34%** to reach **MUR 71.3bn** as at 31 December 2024 (31 December 2023: MUR 53.3bn), mainly underscored by multiple new disbursements this semester. This growth relatively resulted in a slight rise in the loan-to-deposit ratio to **27%** from 25% in the previous period.

MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)

On the liability side of the balance sheet, the Bank's deposit base rose from MUR 214.2bn as at 31 December 2023 to reach **MUR 259.7bn** as at 31 December 2024, representing a growth of **21%**, which demonstrates our customers' continued loyalty towards the Bank and positive retranslation effects in our foreign currency denominated deposits.

The Bank's total capital adequacy ratio stood at **21.29%** as at 31 December 2024, up from 21.27% as at 31 December 2023.

The Bank's shareholders' equity increased significantly by **34%** period-on-period, reaching **MUR 22.3bn** as at 31 December 2024 (December 2023: MUR 16.7bn).

Global Economy

According to the World Economic Outlook Update of the IMF, global GDP growth is forecasted to remain relatively stable from 2024 figures of 3.2%, with projected figures of 3.3% for 2025, while global headline inflation is set to continue its declining trend in 2025. Recent political changes and ongoing economic challenges in the United States have contributed to market volatility and uncertainty for businesses and consumers alike, with the impact of these shifting policies and leadership transitions yet to be determined.

In the Eurozone, the European Central Bank is being increasingly confronted with stagnating economic progress, rising foreign competition, tight fiscal policies, and increased political uncertainty. These will make a restrictive monetary stance unsuitable and cause a potential divergence in the tempo of rates cut from the Federal Reserve. In contrast, emerging economies are expected to sustain robust growth in 2025.

Source: Euromonitor, IMF & Reuters.

Domestic Economy

The local economy sustained its growth during the last 6 months of 2024, driven by major infrastructure projects, the tourism sector, and the financial and insurance activities. Despite being a challenging year, released economic indicators continued to show improvements with both the headline inflation and unemployment rate dropping in December 2024.

This positive momentum coupled with companies releasing positive financial results and trading at attractive valuations were translated into the local market with the SEMDEX climbing during the last six months of 2024. On the other side, the MUR yield curve ended 31 December 2024 more or less at the same level as in June 2024. On 04 February 2025, the Bank of Mauritius increased the Key Rate by 50 basis points, up from 4% since 20 September 2024 to 4.5%.

Source: Statistics Mauritius, Stock Exchange of Mauritius & Bloomberg.



Olivier Emmanuel Jauffret
Chairperson



Thierry Vallet
Chief Executive Officer



Joan Jill Wan Bok Nale
Audit Committee Chairperson

Date: 13 February 2025

7 STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

| | THE GROUP | | | THE BANK | | |
|--|---|---|---|---|---|---|
| | As at 31 December 2024 Unaudited MUR'000 | As at 31 December 2023 Unaudited MUR'000 | As at 30 June 2024 Audited MUR'000 | As at 31 December 2024 Unaudited MUR'000 | As at 31 December 2023 Unaudited MUR'000 | As at 30 June 2024 Audited MUR'000 |
| ASSETS | | | | | | |
| Cash and balances with banks | 17,900,369 | 20,619,196 | 18,847,227 | 17,900,369 | 20,619,189 | 18,847,227 |
| Due from banks | 54,724,527 | 21,038,286 | 38,511,567 | 54,724,527 | 21,038,286 | 38,511,567 |
| Derivative financial instruments | 222,867 | 302,051 | 366,664 | 222,867 | 302,051 | 366,664 |
| Loans and advances to banks | 17,229,926 | 12,547,723 | 14,647,416 | 17,229,926 | 12,547,723 | 14,647,416 |
| Loans and advances to customers | 54,070,724 | 40,780,415 | 47,857,486 | 54,070,724 | 40,780,415 | 47,857,486 |
| Investment securities | 131,948,409 | 131,016,038 | 134,697,387 | 131,948,409 | 131,016,038 | 134,697,387 |
| Other assets | 6,383,023 | 5,170,511 | 5,608,828 | 6,383,023 | 5,170,511 | 5,608,822 |
| Property and equipment | 656,156 | 449,654 | 604,442 | 656,156 | 449,654 | 604,442 |
| Right of use assets | 38,550 | 51,214 | 45,421 | 38,550 | 51,214 | 45,421 |
| Intangible assets | 263,979 | 369,507 | 265,545 | 263,979 | 369,507 | 265,545 |
| Deferred tax assets | 407,717 | 295,045 | 294,219 | 407,717 | 295,045 | 294,219 |
| TOTAL ASSETS | 283,846,247 | 232,639,640 | 261,746,202 | 283,846,247 | 232,639,633 | 261,746,196 |
| EQUITY AND LIABILITIES | | | | | | |
| LIABILITIES | | | | | | |
| Due to banks | 70 | 10 | 868 | 70 | 10 | 868 |
| Deposits from banks | 274,650 | 279,978 | 335,051 | 274,650 | 279,978 | 335,051 |
| Deposits from customers | 259,450,020 | 213,941,422 | 239,910,949 | 259,452,483 | 213,943,915 | 239,913,413 |
| Borrowings from financial institution | 154,102 | 169,322 | 167,183 | 154,102 | 169,322 | 167,183 |
| Derivative financial instruments | 116,141 | 175,686 | 224,771 | 116,141 | 175,686 | 224,771 |
| Current tax liabilities | 435,798 | 392,327 | 522,721 | 435,798 | 392,327 | 522,721 |
| Lease liabilities | 39,340 | 51,263 | 44,582 | 39,340 | 51,263 | 44,582 |
| Other liabilities | 798,793 | 789,389 | 1,082,422 | 797,495 | 788,502 | 1,081,555 |
| Employee benefits | 230,983 | 173,876 | 186,599 | 230,983 | 173,876 | 186,599 |
| TOTAL LIABILITIES | 261,499,897 | 215,973,273 | 242,475,146 | 261,501,062 | 215,974,879 | 242,476,743 |
| 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 | 12,349,187 | 8,438,342 | 10,379,176 | 12,329,511 | 8,418,218 | 10,359,062 |
| Other reserves | 4,970,346 | 3,201,208 | 3,865,063 | 4,988,857 | 3,219,719 | 3,883,574 |
| TOTAL EQUITY | 22,346,350 | 16,666,367 | 19,271,056 | 22,345,185 | 16,664,754 | 19,269,453 |
| TOTAL EQUITY AND LIABILITIES | 283,846,247 | 232,639,640 | 261,746,202 | 283,846,247 | 232,639,633 | 261,746,196 |

7 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

| | THE GROUP | | | | | THE BANK | | | | |
|--|--|--|--|--|--|--|--|--|--|--|
| | Three months ended 31 December 2024 Unaudited MUR'000 | Three months ended 31 December 2023 Unaudited MUR'000 | Six months ended 31 December 2024 Unaudited MUR'000 | Six months ended 31 December 2023 Unaudited MUR'000 | Year ended 30 June 2024 Audited MUR'000 | Three months ended 31 December 2024 Unaudited MUR'000 | Three months ended 31 December 2023 Unaudited MUR'000 | Six months ended 31 December 2024 Unaudited MUR'000 | Six months ended 31 December 2023 Unaudited MUR'000 | Year ended 30 June 2024 Audited MUR'000 |
| Interest income | 3,080,917 | 2,721,179 | 6,253,444 | 5,344,293 | 11,402,418 | 3,080,917 | 2,721,179 | 6,253,444 | 5,344,293 | 11,402,418 |
| Interest expense | (1,290,060) | (1,012,240) | (2,625,426) | (1,875,716) | (4,258,025) | (1,290,060) | (1,012,240) | (2,625,426) | (1,875,716) | (4,258,025) |
| Net interest income, calculated using EIR method | 1,790,857 | 1,708,939 | 3,628,018 | 3,468,577 | 7,144,393 | 1,790,857 | 1,708,939 | 3,628,018 | 3,468,577 | 7,144,393 |
| Fee and commission income | 405,329 | 365,039 | 778,136 | 700,206 | 1,412,811 | 405,329 | 365,039 | 778,136 | 700,206 | 1,412,811 |
| Fee and commission expense | (133,399) | (121,463) | (253,780) | (227,909) | (476,540) | (133,399) | (121,463) | (253,780) | (227,909) | (476,539) |
| Net fee and commission income | 271,930 | 243,576 | 524,356 | 472,297 | 936,271 | 271,930 | 243,576 | 524,356 | 472,297 | 936,272 |
| Net trading income | 511,909 | 418,953 | 1,098,945 | 876,430 | 1,829,991 | 511,905 | 418,957 | 1,098,946 | 876,435 | 1,829,986 |
| Other gains | 793 | 302 | 1,126 | 321 | 1,187 | 793 | 302 | 1,126 | 321 | 1,187 |
| Other operating income | 1,031 | - | 1,031 | - | 4,069 | 1,031 | - | 1,031 | - | 4,069 |
| Total operating income | 2,576,520 | 2,371,770 | 5,253,476 | 4,817,625 | 9,915,911 | 2,576,516 | 2,371,774 | 5,253,477 | 4,817,630 | 9,915,907 |
| Net impairment credit/(loss) on financial assets | 27,866 | 115,360 | (232,055) | 105,967 | 49,315 | 27,866 | 115,360 | (232,055) | 105,967 | 49,315 |
| Net operating income | 2,604,386 | 2,487,130 | 5,021,421 | 4,923,592 | 9,965,226 | 2,604,382 | 2,487,134 | 5,021,422 | 4,923,597 | 9,965,222 |
| Personnel expenses | (297,955) | (207,602) | (542,925) | (439,147) | (968,260) | (297,955) | (207,602) | (542,925) | (439,147) | (968,260) |
| Depreciation of property and equipment | (4,304) | (7,592) | (8,518) | (14,810) | (30,419) | (4,304) | (7,592) | (8,518) | (14,810) | (30,419) |
| Depreciation of right of use assets | (4,625) | (5,724) | (9,232) | (14,710) | (23,586) | (4,625) | (5,724) | (9,232) | (14,710) | (23,586) |
| Amortisation of intangible assets | (10,066) | (13,510) | (20,421) | (27,424) | (92,981) | (10,066) | (13,510) | (20,421) | (27,424) | (92,981) |
| Other operating expenses | (281,634) | (141,570) | (440,268) | (309,998) | (624,036) | (281,631) | (141,570) | (439,831) | (309,597) | (623,616) |
| Total operating expenses | (598,584) | (375,998) | (1,021,364) | (806,089) | (1,739,282) | (598,581) | (375,998) | (1,020,927) | (805,688) | (1,738,862) |
| Profit before tax | 2,005,802 | 2,111,132 | 4,000,057 | 4,117,503 | 8,225,944 | 2,005,801 | 2,111,136 | 4,000,495 | 4,117,909 | 8,226,360 |
| Tax expense | (372,209) | (322,869) | (796,341) | (612,544) | (1,201,419) | (372,209) | (322,869) | (796,341) | (612,544) | (1,201,419) |
| Profit for the period/year | 1,633,593 | 1,788,263 | 3,203,716 | 3,504,959 | 7,024,525 | 1,633,592 | 1,788,267 | 3,204,154 | 3,505,365 | 7,024,941 |
| Other comprehensive loss that will not be reclassified to profit or loss: | | | | | | | | | | |
| Remeasurement of employee benefits | (29,045) | (93,476) | (29,045) | (93,476) | (97,115) | (29,045) | (93,476) | (29,045) | (93,476) | (97,115) |
| Deferred tax on remeasurement of employee benefits | 7,456 | 12,456 | 7,456 | 12,456 | 13,151 | 7,456 | 12,456 | 7,456 | 12,456 | 13,151 |
| Fair value gain on equity investments designated at fair value through other comprehensive income | 10 | 8 | 10 | 8 | 631 | 10 | 8 | 10 | 8 | 631 |
| Revaluation gain on equity investments designated at fair value through other comprehensive income | - | - | - | - | 330 | - | - | - | - | 330 |
| Other comprehensive loss for the period/year | (21,579) | (81,012) | (21,579) | (81,012) | (83,003) | (21,579) | (81,012) | (21,579) | (81,012) | (83,003) |
| Total comprehensive income for the period/year attributable to equity holders of the parent | 1,612,014 | 1,707,251 | 3,182,137 | 3,423,947 | 6,941,522 | 1,612,013 | 1,707,255 | 3,182,575 | 3,424,353 | 6,941,938 |

7 STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 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 2023 (audited) | 3,641,049 | 1,385,768 | 7,724,718 | 2,697,223 | 15,448,758 |
| Profit for the period | - | - | 3,504,959 | - | 3,504,959 |
| Other comprehensive (loss)/income | - | - | (81,020) | 8 | (81,012) |
| Total comprehensive income for the period | - | - | 3,423,939 | 8 | 3,423,947 |
| Appropriation of reserves | - | - | (496,864) | 496,864 | - |
| Additional provision in relation to Bank of Mauritius Guideline | - | - | (7,113) | 7,113 | - |
| Dividends | - | - | (2,206,338) | - | (2,206,338) |
| At 31 December 2023 (unaudited) | 3,641,049 | 1,385,768 | 8,438,342 | 3,201,208 | 16,666,367 |
| At 1 July 2023 (audited) | 3,641,049 | 1,385,768 | 7,724,718 | 2,697,223 | 15,448,758 |
| Profit for the year | - | - | 7,024,525 | - | 7,024,525 |
| Other comprehensive (loss)/income | - | - | (83,964) | 961 | (83,003) |
| Total comprehensive income for the year | - | - | 6,940,561 | 961 | 6,941,522 |
| Appropriation of reserves | - | - | (1,087,670) | 1,087,670 | - |
| Additional provision in relation to Bank of Mauritius Guideline | - | - | (79,209) | 79,209 | - |
| Dividends | - | - | (3,119,224) | - | (3,119,224) |
| At 30 June 2024 (audited) | 3,641,049 | 1,385,768 | 10,379,176 | 3,865,063 | 19,271,056 |
| At 1 July 2024 (audited) | 3,641,049 | 1,385,768 | 10,379,176 | 3,865,063 | 19,271,056 |
| Profit for the period | - | - | 3,203,716 | - | 3,203,716 |
| Other comprehensive (loss)/income | - | - | (21,589) | 10 | (21,579) |
| Total comprehensive income for the period | - | - | 3,182,127 | 10 | 3,182,137 |
| Appropriation of reserves | - | - | (475,834) | 475,834 | - |
| Additional provision in relation to Bank of Mauritius Guideline | - | - | (629,439) | 629,439 | - |
| Dividends | - | - | (106,843) | - | (106,843) |
| At 31 December 2024 (unaudited) | 3,641,049 | 1,385,768 | 12,349,187 | 4,970,346 | 22,346,350 |

7 STATEMENTS OF CHANGES IN EQUITY (CONTINUED)
FOR THE SIX MONTHS ENDED 31 DECEMBER 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 2023 (audited) | 3,641,049 | 1,385,768 | 7,704,188 | 2,715,734 | 15,446,739 |
| Profit for the period | - | - | 3,505,365 | - | 3,505,365 |
| Other comprehensive (loss)/income | - | - | (81,020) | 8 | (81,012) |
| Total comprehensive income for the period | - | - | 3,424,345 | 8 | 3,424,353 |
| Appropriation of reserves | - | - | (496,864) | 496,864 | - |
| Additional provision in relation to Bank of Mauritius Guideline | - | - | (7,113) | 7,113 | - |
| Dividends | - | - | (2,206,338) | - | (2,206,338) |
| At 31 December 2023 (unaudited) | 3,641,049 | 1,385,768 | 8,418,218 | 3,219,719 | 16,664,754 |
| At 1 July 2023 (audited) | 3,641,049 | 1,385,768 | 7,704,188 | 2,715,734 | 15,446,739 |
| Profit for the year | - | - | 7,024,941 | - | 7,024,941 |
| Other comprehensive (loss)/income | - | - | (83,964) | 961 | (83,003) |
| Total comprehensive income for the year | - | - | 6,940,977 | 961 | 6,941,938 |
| Appropriation of reserves | - | - | (1,087,670) | 1,087,670 | - |
| Additional provision in relation to Bank of Mauritius Guideline | - | - | (79,209) | 79,209 | - |
| Dividends | - | - | (3,119,224) | - | (3,119,224) |
| At 30 June 2024 (audited) | 3,641,049 | 1,385,768 | 10,359,062 | 3,883,574 | 19,269,453 |
| At 1 July 2024 (audited) | 3,641,049 | 1,385,768 | 10,359,062 | 3,883,574 | 19,269,453 |
| Profit for the period | - | - | 3,204,154 | - | 3,204,154 |
| Other comprehensive (loss)/income | - | - | (21,589) | 10 | (21,579) |
| Total comprehensive income for the period | - | - | 3,182,565 | 10 | 3,182,575 |
| Appropriation of reserves | - | - | (475,834) | 475,834 | - |
| Additional provision in relation to Bank of Mauritius Guideline | - | - | (629,439) | 629,439 | - |
| Dividends | - | - | (106,843) | - | (106,843) |
| At 31 December 2024 (unaudited) | 3,641,049 | 1,385,768 | 12,329,511 | 4,988,857 | 22,345,185 |

7 STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

| | THE GROUP | | | THE BANK | | |
|--|--|--|--|--|--|--|
| | Six months ended 31 December 2024 Unaudited MUR'000 | Six months ended 31 December 2023 Unaudited MUR'000 | Year ended 30 June 2024 Audited MUR'000 | Six months ended 31 December 2024 Unaudited MUR'000 | Six months ended 31 December 2023 Unaudited MUR'000 | Year ended 30 June 2024 Audited MUR'000 |
| Net cash flows generated from/(used in) operating activities | 18,152,444 | (16,222,667) | (4,269,943) | 18,152,444 | (16,222,667) | (4,269,936) |
| Net cash flows used in investing activities | (73,633) | (336,229) | (553,087) | (73,633) | (336,229) | (553,087) |
| Net cash flows used in financing activities | (7,569) | (2,219,669) | (3,142,813) | (7,569) | (2,219,669) | (3,142,813) |
| Net cash flows for the period/year | 18,071,242 | (18,778,565) | (7,965,843) | 18,071,242 | (18,778,565) | (7,965,836) |
| Movement in cash and cash equivalents | | | | | | |
| Cash and cash equivalents at start of period/year | 44,194,541 | 50,552,201 | 50,552,201 | 44,194,541 | 50,552,194 | 50,552,194 |
| Net increase/(decrease) in cash and cash equivalents | 18,071,242 | (18,778,565) | (7,965,843) | 18,071,242 | (18,778,565) | (7,965,836) |
| Net foreign exchange difference | (473,837) | (46,705) | 1,608,183 | (473,837) | (46,705) | 1,608,183 |
| Cash and cash equivalents at end of period/year | 61,791,946 | 31,726,931 | 44,194,541 | 61,791,946 | 31,726,924 | 44,194,541 |

By Order of the Board
Company Secretary
13 February 2025

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