



BANK OF MALDIVES



Bank of Maldives (BML) is the leading financial institution in Maldives. We are a full-service bank offering the complete spectrum of personal, business and corporate financial services.

We are privileged to touch the lives of almost every citizen and business in Maldives through our extensive network of branches, agents, relationship managers and online banking facilities. This privilege brings with it great responsibility which we take extremely seriously.

We understand that we play a pivotal role as an engine of growth and a partner for success for thousands of individuals, families and businesses. Our aim is to actively participate in community development and to create long-term value for our shareholders.

We are firmly focused on being a professionally managed, customer-oriented organization which follows international best practices.

OVER 300,000 CUSTOMERS

35 BRANCHES IN ALL 20 ATOLLS

138 ATMs IN ALL 20 ATOLLS

200+ CASH AGENTS ON 165 ISLANDS

7,900 POS MERCHANTS

80 SELF SERVICE BANKING CENTRES

MVR 16.1 BILLION LOANS TO INDIVIDUALS & BUSINESSES

MVR 29 BILLION CUSTOMER DEPOSITS

MVR 2 BILLION GOVERNMENT LOAN SCHEMES

950 JOBS WITH 1/3 IN ATOLLS

99% OF STAFF ARE MALDIVIANS



Our Business Strengths

Solid Financial Platform

- Deposit base MVR 29 billion
- Assets MVR 41 billion
- Strong capital position well above regulatory requirement

Strong Customer Base

- Over 300,000 customers
- Leading market share in Retail, Corporate and SME segments
- Market leader in Self Service Banking with largest number of online and ATM users

Leadership in Innovation

- First to launch POS services in Maldives
- First to launch Internet and Mobile Banking
- First to launch cash and cheque deposit machines

Leadership in Service Delivery

- Largest network of Branches, Agents, ATMs and POS terminals in Maldives
- Exclusive acquirer and issuer of American Express cards in Maldives
- Principal member in the Maldives for Visa and MasterCard

Experienced and Dedicated Team

- Largest employer in the banking sector
- 99% of our employees are locals with almost one third employed in the atolls
- Strong executive leadership team with experience across many countries and banking markets

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1. SUMMARY

The financial results for the first half of the year is encouraging with all core business lines performing well compared to the same period of last year. Operating Profit for the quarter amounted to MVR 592 million, an increase of 19% over the same period last year. The operating cost is also consistent with the corresponding quarter of 2021 and the previous quarter, representing cost discipline despite the recent inflationary pressure. The net profit for the quarter is lower than first quarter, mainly due to a one-off recovery which resulted in a higher than average profits in the first quarter.

The Bank remains optimistic about overall performance, driven by solid business volumes in key business segments and is able to maintain the quality of assets. The stability indicators of the Bank remain strong, with higher capital adequacy, and strong liquidity maintained well above regulatory requirements.

2. BUSINESS DEVELOPMENTS

- In April, we launched an all-new payment solution for BML Islamic business customers with the Mastercard Business Debit card. The card provides easy access to business accounts, and enables customers to manage business expenses and gain control over cash-based transactions. Online applications for BML Islamic Personal Financing, including cash financing, was also introduced during the month.
- Also in April, as part of our strategy to expand banking services to support local communities, we opened a new self-service banking ATM centre in G.Dh. Vaadhoo. The centre will provide cash withdrawal, deposit and transfer services to individuals and businesses on a 24-hour basis.
- Our new Chief Internal Auditor, Mr. Bishwajit Mazumder, joined the Bank in April. Bishwajit brings over 35 years of experience in Internal Auditing, Business Operations and Strategic Planning. During his career, Bishwajit has held chief audit positions in several banks and was most recently the Chief Internal Auditor of Ghazanfar Bank, Kabul.
- In May, as part of our digitalization roadmap, we launched BML Pay wallet on our Mobile Banking app. With the upgrade, contactless payment services and wallet-to-wallet transfer services were made available through the banking app.
- During the quarter, we continued our 12 high impact monthly community initiatives to celebrate the Bank's 40th anniversary. In April, we announced the refurbishment and upgrading of Home for People with Special Needs (HPSN) in K. Guraidhoo. The following month, Kindly by BML, an online fundraising platform for NGOs was launched. In June, we introduced the 'BML Fehi Project' to plant 50,000 trees annually across the country which will run for 5 years. The recipients of the BML Scholarship Fund 2022 as well as the winners of the BML Startup Grant were also announced in June.
- We held our Annual General Meeting (AGM) in May in which shareholders approved a record dividend payout totalling MVR 258 million. Mr. Yooshau Saeed was reappointed as the Chairperson of the Board at the first meeting of the Board of Directors held after the AGM, following his re-election to the Board.

3. KEY FINANCIAL INFORMATION

Income Statement (Unaudited) - Quarter ended 30 June 2022

(All amounts in MVR'000 unless otherwise stated)

	Q2 2022	Q1 2022	Q4 2021	Q2 2021
Gross Income	915,263	983,137	1,008,215	785,051
Interest Income and Similar Income	556,500	530,943	620,234	506,032
Interest Expense and Similar Charges	(43,860)	(45,286)	(56,318)	(46,429)
Net Interest Income	512,640	485,657	563,916	459,603
Fee and Commission Income	310,533	381,879	365,082	244,207
Fee and Commission Expense	(142,646)	(180,588)	(169,495)	(100,924)
Net Fee and Commission Income	167,887	201,291	195,587	143,283
Other Operating Income	48,230	70,315	22,899	34,812
Total Operating Income	728,757	757,263	782,401	637,698
Operating Expenses	(136,597)	(144,939)	(224,335)	(141,206)
Personnel Expenses	(74,126)	(84,288)	(128,889)	(78,742)
Marketing and CSR Expenses	(3,868)	(2,460)	(18,835)	(2,353)
Other Operational and Administration Expenses	(58,604)	(58,191)	(76,611)	(60,111)
Operating Profit (Profit before Provisions)	592,159	612,324	558,067	496,492
Provision for Bad and Doubtful Debts	(106,329)	146,428	69,207	(86,974)
Profit Before Tax	485,830	758,752	627,273	409,517
Income Tax Expense	(131,174)	(204,863)	(159,130)	(110,570)
Net Profit for Quarter	354,656	553,889	468,143	298,948
Basic Earnings Per Share (annualised)	264	412	348	222
Net Assets Per Share	1,756	1,738	1,635	1,426
Cash Flow Per Share	3	98	532	(172)

Statement of Financial Position (Unaudited) - As at 30 June 2022

(All amounts in MVR'000 unless otherwise stated)

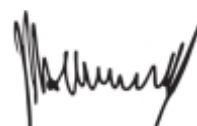
	30 Jun 2022	31 Mar 2022	31 Dec 2021 Audited
Cash, Short Term Funds & Balances with MMA	15,910,053	15,690,357	14,134,292
Loans and Advances	16,116,528	15,767,455	15,556,667
Financial Investments - FVOCI	243,616	245,166	243,616
Financial Investments - Amortized Cost	7,701,998	7,662,385	7,279,367
Property, Plant and Equipment	658,013	643,118	618,241
Right-of-use Assets	158,412	158,412	158,412
Other Assets	821,945	783,242	960,391
Total Assets	41,610,565	40,950,136	38,950,986
Deposits	29,022,941	28,756,371	27,331,592
Borrowings	826,071	877,333	1,139,233
Lease Liabilities	151,725	151,726	151,726
Other Liabilities	2,159,091	1,810,292	1,527,911
Total Liabilities	32,159,828	31,595,722	30,150,462
Share Capital	269,096	269,096	269,096
Share Premium	93,000	93,000	93,000
Retained Earnings	2,774,084	1,865,539	1,865,539
Other Reserves	6,314,557	7,126,778	6,572,889
Total Shareholders' Equity	9,450,737	9,354,413	8,800,524
Total Equity and Liabilities	41,610,565	40,950,136	38,950,986



Nandana Senevirathne
Chief Financial Officer



Aishath Noordeen
Acting MD & In-Charge
of the Bank



Ahmed Mohamed
Chairperson, Audit Committee

Statement of Changes in Equity (Unaudited) - Quarter ended 30 June 2022

(All amounts in MVR'000 unless otherwise stated)

	Share Capital	Retained Earnings	Other Reserves	Total
Balances as at 1 October 2021	362,096	1,722,463	6,328,832	8,413,391
(+) Net profit for the quarter	-	468,143	-	468,143
(-) Dividends to equity holders	-	(80,729)	-	(80,729)
(+/-) Transfer to general reserve	-	(247,858)	247,858	-
(+/-) Movements in other reserves	-	3,520	(3,801)	(281)
Balances as at 31 December 2021	362,096	1,865,539	6,572,889	8,800,524
(+) Net profit for the quarter	-	553,889	-	553,889
Balances as at 31 March 2022	362,096	2,419,428	6,572,889	9,354,413
(-) Dividend to equity holders	-	-	(258,332)	(258,332)
(+) Net profit for the quarter	-	354,656	-	354,656
Balances as at 30 June 2022	362,096	2,774,084	6,314,557	9,450,737

Statement of Cash Flows (Unaudited) - Quarter ended 30 June 2022

(All amounts in MVR'000 unless otherwise stated)

	Q2 2022	Q1 2022	Q4 2021 Audited	Q2 2021
Cash Flows from Operating Activities	457,432	639,643	220,337	521,345
Changes in Operating Assets and Liabilities	(60,488)	524,444	1,972,315	(1,088,087)
Cash Flows from Investing Activities	(71,382)	(375,219)	323,575	(402,943)
Cash Flows from Financing Activities	(309,594)	(261,900)	349,154	45,754
Net inc / (dec) in Cash and Cash Equivalents	15,968	526,968	2,865,382	(923,931)
Cash and Cash Equivalents at beginning of Quarter	6,073,888	5,546,920	2,681,538	2,988,187
Cash and Cash Equivalents at end of Quarter	6,089,856	6,073,888	5,546,920	2,064,255

4. INVESTOR INFORMATION

Highest Traded Price	MVR 510
Lowest Traded Price	MVR 321
Last Traded Price	MVR 500
Last Traded Date	22 June 2022
Number of Trades	13
Number of Shares Traded	1,218
Value of Shares Traded	MVR 490,260
Weighted Average Traded Price	MVR 402.51
Market Capitalization	MVR 2,166,276,619.20
Price Earnings Ratio	1.53
Dividend Yield	11.9%

5. GOVERNANCE

5.1 Frequency of Board Meetings

The number of meetings held by the Board of Directors and its sub-committees during the second quarter of 2022 were as follows:

	No. of Meetings
Board of Directors	06 (Six)
Board Credit Committee	03 (Three)
Audit Committee	05 (Five)
Risk Committee	04 (Four)
Appointment, Nomination & Remuneration Committee	03 (Three)
Corporate Governance Committee	04 (Four)

5.2 Key Activities carried out by the Board & Board Committees

- Reviewed and approved the Bank's financial statements for Quarter 1 2022.
- Reviewed the Risk Management Report for Quarter 1 2022.
- Reviewed the Non-Performing Assets and Loan Portfolio Report for Quarter 1 2022.
- Reviewed Monthly ANR, Audit, CG, BCC and Risk Committee Reports.
- Reviewed the report on the activities of the Internal Audit function for Quarter 1 2022.

- Reviewed and recommended to appoint Ernst and Young (EY) as the External Auditors for Shareholders' approval.
- Reviewed and approved Management Letter 2021 and External Auditors Report on Reliability of Controls.
- Reviewed Compliance Report for Quarter 1 2022.
- Reviewed Custodian Compliance Report 2021.
- Reviewed correspondences with regulatory agencies for Q1 2022.
- Reviewed and recommended changes to Remuneration of Chairperson of the Board for Shareholders' approval.
- Appointed Mr. Bishwajit Mazumder as the Chief Internal Auditor.
- Reviewed and approved Bankers' Blanket Bond Insurance Policy.
- Reviewed and approved amendments to credit card eligibility criteria, Retail Products and BMLI Personal Financing.
- Discussed the results of Board Evaluation for the year 2021.
- Reviewed Corporate Social Responsibility Report for the second half of 2021.
- Reviewed the Report of MMA Onsite Examination.
- Reviewed and approved changes to Anti- Money Laundering & Countering Financing of Terrorism Policy, Politically Exposed Persons (PEPs) Policy, Compliance Policy, Whistleblower Policy, and Fraud Risk Management Policy.
- Formed a Special Sub- Committee of the Board for the purpose of recruitment of the CEO under the provisions of Bank's Articles of Associations (AOA).
- Held the Bank's 39th Annual General Meeting.
- Reappointed Mr. Yooshau Saeed as Chairperson of the Bank.
- Reappointed CEO Mr. Timothy Sawyer as Managing Director.
- Reconstituted Board Sub Committees and reappointed Mr. Ahmed Mohamed as the Chairperson of Audit Committee, Mr. Mohamed Sharah as Chairperson of Risk Committee, Mr. Abdulla Hassan as Chairperson of Appointment, Nomination & Remuneration Committee, and Mr. Abdulla Naseem as Chairperson of Corporate Governance Committee.
- Reviewed Employee Withholding Tax Audit Report.
- Reviewed and proposed changes to Bank's Articles of Association.

5.3 Changes in the Board of Directors

As per the Articles of Association of the Bank, the Board shall consist of 11 members, which includes 08 Nominee Directors and 03 Public Elected Directors. The quarter began with a total of 11 Directors in the Board composition and following the 39th Annual General Meeting held on 29th May 2022 there were no changes to the Board composition during the quarter. However, the employment contract with Mr. Timothy Sawyer came to an end on 13th July 2022 and as such the Board had appointed Ms. Aishath Noordeen as Acting MD and In-charge of the Bank effective 14th July 2022. As such, currently Board composition consist of a total of 10 Directors which includes 7 Nominee Directors and 3 Public Elected Directors.

	Name of Director	Category	Designation	Date of Appointment	Respective Committee
01	Mr. Yooshau Saeed Nominee Director	Non-Executive & Independent	Chairperson	15th July 2021	BCC

02	Mr. Timothy Sawyer Nominee Director	Executive	CEO & MD ¹	30th July 2019	BCC
03	Ms. Aishath Noordeen Nominee Director	Executive	In-Charge & Acting MD ²	31st August 2020	BCC
04	Ms. Juwairiya Saeed Nominee Director	Non-Executive & Non-Independent	Director	30th July 2019	AC, RC & CG
05	Mr. Abdulla Hassan Nominee Director	Non-Executive & Independent	Director Chairperson of ANR Committee	31st August 2020	ANR & AC
06	Mr. Mohamed Sharah Nominee Director	Non-Executive & Independent	Director Chairperson of Risk Committee	15th July 2021	AC, RC, & CG
07	Mr. Abdulla Husam Shareef Nominee Director	Non-Executive & Non-Independent	Director	15th July 2021	ANR, BCC
08	Ms. Aishath Sajny Nominee Director	Non-Executive & Independent	Director	24th October 2021	ANR & BCC
09	Mr. Ibrahim Mohamed Elected Director	Non-Executive & Non - Independent ³	Director	7th August 2009	AC, RC, CG, ANR & BCC
10	Mr. Ahmed Mohamed Elected Director	Non-Executive & Independent	Director Chairperson of Audit Committee	30th July 2019	ANR, AC, RC & CG
11	Mr. Abdulla Naseem Elected Director	Non-Executive & Independent	Director Chairperson of CG Committee	24th October 2021	CG, RC & BCC

BCC = Board Credit Committee; ANR = Appointment, Nomination & Remuneration Committee; AC = Audit Committee; RC = Risk Committee
CG = Corporate Governance Committee

¹ Ceased to be a member of the Board of Directors upon completion of the employment contract with the Bank on 13th July 2022.

² Appointed as the In-Charge and Acting Managing Director of the Bank effective 14th July 2022.

³ As per directive issued by CMDA on 26th May 2021 regarding Term Limit of Independent Directors and Board Continuity, Directors serving for consecutive period of more than six (06) years are to be considered as "Non-Independent". Also considered Non-Independent as per International Best Corporate Governance Requirements.

All Nominee Directors are considered as "Non-Independent" as per section 5 (c) of Regulation on Corporate Governance for Banks, Insurance Companies and Finance Companies (Reg No. 2020/R-59).

6. SHAREHOLDING STRUCTURE

During the reporting period, no major changes were noted in the shareholding of the Bank.

7. MATERIAL TRANSACTIONS

During the reporting period, no material transactions were conducted with a Director or Associate, or a Substantial Shareholder or Associate other than those conducted under ordinary course of business.

8. CORPORATE SOCIAL RESPONSIBILITY

We are committed to running Bank of Maldives as a sustainable and responsible business, working to make a difference for our customers, communities and colleagues, whilst achieving sustainability through our operations and maintaining robust risk management and governance.

We continued to invest in community initiatives supporting the areas of education, sports, environment and community development. We aim to create opportunities for people and empower communities.

On World Blood Donor Day, we continued our quarterly blood donation camp for our staff contributing to the Blood Bank at Indhira Gandhi Memorial Hospital.

To mark World Oceans Day, we teamed up with local dive schools to hold introductory scuba diving sessions for children and persons with disabilities. The initiative provided children with disabilities an opportunity to experience the ocean through scuba diving which is proven to be both therapeutic and rehabilitative.

On World Environment Day, we celebrated our progress in adopting renewable energy. The BML branch in Eydhafushi is now fully solar-powered and solar panels are now used widely across the branch network.

During the quarter we announced a project to upgrade the Home for People with Special Needs, launched online fundraising platform Kindly by BML at a cost of MVR 336,000 and opened applications for tree planting through the BML Fehi Project. Every month, a high impact community initiative will be introduced leading up to the 40th anniversary in November 2022.

Winners of selected 40th anniversary initiatives were announced during the quarter. Following an extensive selection process, three winners of the BML Scholarship Fund were announced. The winners of the BML Start-up Grant were also announced where four emerging entrepreneurs were awarded MVR 500,000 to start and grow their businesses.

9. CORPORATE GOVERNANCE COMPLIANCE

The Bank is committed to achieving high standards of corporate conduct and in this regard, recognizes the importance of having in place a set of well-defined corporate governance practices and processes to enhance corporate performance and accountability. During the quarter, the Bank worked as always to achieve compliance with the provisions of its Corporate Governance Code which articulates best corporate governance practices. The Bank has also complied with the provisions of its internal policies and procedures which govern its day to day operations.

10. REPORTING COMPLIANCE

This report has been prepared taking into account the Capital Market Development Authority's Minimum Criteria for Periodic Reporting for Listed Companies.

